
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**USE OF THE E-VERIFY
PROGRAM BY THE SOCIAL SECURITY
ADMINISTRATION'S CONTRACTORS**

March 2012

A-03-11-1111

AUDIT REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

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

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

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

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- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: March 8, 2012

Refer To:

To: The Commissioner

From: Inspector General

Subject: Use of the E-Verify Program by the Social Security Administration's Contractors (A-03-11-11111)

OBJECTIVE

The objective of our review was to determine whether the Social Security Administration's (SSA) contractors were complying with the requirement to verify employment eligibility of their employees through the E-Verify program.

BACKGROUND

E-Verify, formerly known as the Basic Pilot/Employment Eligibility Verification, is an Internet-based system operated by the Department of Homeland Security (DHS) with SSA support that allows participating employers to verify their employees' employment authorization.¹ E-Verify checks the information provided by the employee on his or her *Employment Eligibility Verification* (Form I-9) against records in the DHS and SSA databases.²

When the employer submits the employee information via E-Verify, the program will provide one of the following responses stating that employment eligibility is authorized or employment eligibility is given a Tentative Nonconfirmation (TNC).

- Employment Authorized—The data input by the employer matched the information in SSA's and DHS' databases, and the new hire is authorized to work in the United States.

¹ Authority for the E-Verify program is found in Title IV, Subtitle A, of the *Illegal Immigration Reform and Immigrant Responsibility Act of 1996*, Pub. L. No. 104-208, as amended (8 U.S.C. § 1324a note).

² See Appendix C for more details about the E-Verify program.

- SSA TNC—The data input by the employer did not match information in SSA's Numident.³ Employees who choose to contest the E-Verify response have 8 Federal workdays to visit a local SSA field office and present documentation required to update or correct the Numident.
- DHS TNC—The data input by the employer for a noncitizen did not match the information in DHS' immigration records, and/or the DHS record shows the new hire is not authorized to work. Employees who choose to contest the response have 8 Federal workdays to contact DHS.

E-Verify Federal Contractor Rule

According to the Federal Acquisition Regulation (FAR), when applicable, all Federal departments and agencies are to include in contracts the Employment Eligibility Verification clause.⁴ This clause requires that Federal contractors register to use E-Verify and then verify that new hires and all new or existing employees directly performing work under a qualifying Federal contract are authorized to work in the United States.⁵ Exempted from this requirement are contractor employees who are issued a Homeland Security Presidential Directive-12 (HSPD-12) credential or hold an active security clearance of confidential or higher. Further, contractors may elect to verify the employment eligibility of all existing employees who were hired after November 6, 1986.⁶

The E-Verify clause applies to those Federal solicitations or contracts awarded on or after September 8, 2009 and are valued at more than the simplified acquisition threshold (\$100,000 in 2009), the work is performed in the United States, and the period of performance is 120 days or longer.⁷ In addition, the E-Verify clause applied to existing indefinite-delivery/indefinite-quantity (IDIQ) contracts⁸ when the remaining period of performance extended 6 months after the effective date of the final rule (March 2010), and the amount of work or number of orders expected under the remaining period of performance was substantial. SSA defines "substantial" work in

³ The Numident is a record of identifying information (such as name, date of birth, mother's maiden name, etc.) provided by the applicant on his or her *Application for a Social Security Number* (Form SS-5) for an original Social Security number (SSN) and subsequent applications for replacement SSN cards. Each record is housed in the Numident Master File in SSN order.

⁴ FAR 22.1802 (b) and 52.222-54.

⁵ Pursuant to Executive Order 13465—Amending Executive Order 12989, as amended, 73 Fed. Reg. 3285 (June 11, 2008) and 74 Fed. Reg. 26981 (June 5, 2009), as of September 8, 2009.

⁶ FAR 22.1802(c).

⁷ FAR 22.1803 and 52.222-54.

⁸ FAR 16.504(a). An indefinite-delivery contract that provides for an indefinite quantity, within stated limits (minimum and maximum), of supplies or services to be furnished during a fixed period, with deliveries or performance to be scheduled by placing orders with the contractor.

terms of any of various parameters (number of hours to be ordered, number of orders to be issued, etc.) and the work amounts to at least 75 percent of the estimated total dollar value of the contract maximum.⁹

METHODOLOGY

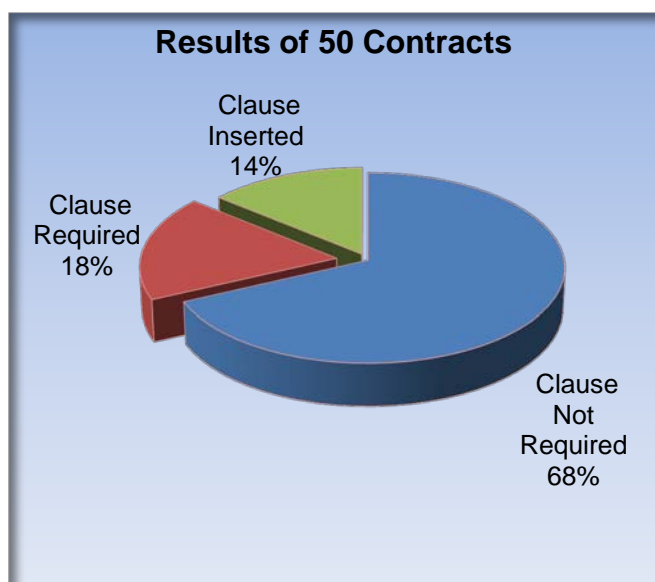
From September 8, 2009 through September 7, 2010, SSA awarded or modified 286 contracts totaling about \$540 million for various goods and services. We randomly selected 50 contracts¹⁰ totaling about \$235 million to determine whether SSA inserted the E-Verify clause when required.¹¹

RESULTS OF REVIEW

While the FAR requires that Federal contractors use E-Verify to confirm their employees' employment eligibility to help ensure a legal workforce, we found SSA did not insert the E-Verify clause into 18 percent of the contracts reviewed.

Specifically, of the 50 sample contracts reviewed,

- 7 (14 percent) included the clause, but 6 of the contractors had not registered for E-Verify, as required;
- 9 (18 percent) did not include the clause; and
- 34 (68 percent) did not require the clause because either the contracts were awarded before the effective date of the final rule, and the remaining period of performance was not substantial, or the contract was determined to be a commercially available off-the-shelf purchase.



⁹ SSA Office of Acquisition and Grants (OAG) Flash Notice 22:09-01.01, dated July 8, 2009.

¹⁰ See Appendix B for more details about our scope and methodology.

¹¹ As of January 26, 2012, we found that of the 236 remaining contracts, 164 contracts had expired and 72 were active contracts.

Of the 16 contracts that should, or did, have the E-Verify clause, 6 contractors did not use E-Verify to confirm the employment eligibility of 107 employees who worked on the contracts and 1,047 new employees hired in 2010. Thirteen of the new hires would have received an SSA TNC response or been referred to DHS had the contractors used E-Verify.

CONTRACTS WITH E-VERIFY CLAUSE

SSA inserted the E-Verify clause in seven contracts, totaling \$5.1 million, requiring that the contractors verify the employment eligibility of new hires and existing employees who worked on the contracts, see Table 1. These contracts ranged in value from about \$207,000 to \$1.6 million. For these seven contracts, four provided medical consultations, two managed health data exchanges, and one conducted independent studies of the quality of consultative examinations for disability determinations.

Table 1: Contracts with the E-Verify Clause

Purpose	Number of Contracts	Registered for E-Verify	Contract Cost
Medical Consultant	4	0	\$835,000
Health Data Exchange	2	1	\$2,708,000
Study of Consultative Examinations	1	0	\$1,601,000
Total	7	1	\$5,144,000

Although the seven contracts included the E-Verify clause, we found that six of the contractors were not complying with the clause as of September 2011 because they had not registered to use E-Verify. According to the FAR, these companies should have registered for E-Verify within 30 calendar days of the award or when the contract was modified to insert the E-Verify clause. According to Agency staff, they were not required to obtain proof that the contractors had enrolled in E-Verify. Although there is no specific requirement in the FAR, it is incumbent upon the Agency to ensure contractors adhere to the terms and conditions set forth in contracts.

SSA has the ability to confirm whether contractors have registered by reviewing the *E-Verify Federal Contractors List*, which is maintained on DHS' Website.¹² We believe Agency staff should review the list to confirm whether contractors have in fact registered to use E-Verify.

¹² See link to DHS' website for the E-Verify Federal Contractors List <http://www.uscis.gov/portal/site/uscis/menuitem.5af9bb95919f35e66f614176543f6d1a/?vgnextoid=46e8d207dd128210VgnVCM100000082ca60aRCRD&vgnnextchannel=534bbd181e09d110VgnVCM1000004718190aRCRD> last visited on December 14, 2011. DHS indicated that it intended to update the listing quarterly.

CONTRACTS WITHOUT E-VERIFY CLAUSE

SSA did not insert the clause in nine contracts totaling \$123 million requiring the contractors to verify the employment eligibility of new hires and existing employees who worked on the contracts, see Table 2.¹³ These contracts ranged in value from about \$886,000 to \$96 million. The nine contracts involved medical consultations, telephone maintenance, investigative services, and janitorial services.

Table 2: Contracts Without the E-Verify Clause

Purpose	Number of Contracts	Registered for E-Verify	Contract Cost
Medical Consultant	5	0	\$5,124,000
Telephone Maintenance Services	2	2	\$97,022,000
Investigative Services	1	0	\$1,263,000
Janitorial Services	1	0	\$20,045,000
Total	9	2	\$123,454,000

SSA staff agreed that eight of the nine contracts should have included the clause and stated this omission was an oversight. Agency personnel modified six of the eight contracts and inserted the clause but did not modify two contracts because they were close to their expiration dates.¹⁴ However, Agency staff members informed us they did not believe the clause was required for the janitorial service contract because it was awarded in July 2008—before the effective date of the E-Verify clause.

Based on our review of the contract data along with the criteria set forth in the FAR, we determined that SSA should have inserted the clause in the contract. The contract was awarded in July 2008 for \$20 million and when the E-Verify clause took effect in September 2009, the contract had over 8 years and approximately \$17 million (84 percent) remaining on the contract. Therefore, this contract should have been modified to include the E-Verify clause because the remaining period of performance extended beyond March 8, 2010 and the amount of work expected under the remaining performance period was more than 75 percent, as required by the FAR and SSA's regulation.

¹³ In addition, we reviewed contracts awarded from January 1 through June 30, 2011 and identified 10 contracts totaling approximately \$44 million that required the E-Verify clause. Of these 10 contracts, we found that SSA did not insert the clause into 2 (20 percent) of the contracts totaling about \$5 million.

¹⁴ For the six modified contracts, four were medical consultant contracts that SSA awarded as Blanket Purchase Agreements, which is a simplified method of filling anticipated repetitive needs for supplies or services. SSA inserted the E-Verify clause in each of these agreements.

EMPLOYMENT ELIGIBILITY OF CONTRACTOR EMPLOYEES

Of the 16 contracts that should, or did, have the E-Verify clause, 6 contractors did not use E-Verify to confirm the employment eligibility of 107 employees who worked on the contracts and 1,047 employees hired in 2010. The remaining 10 contractors did not hire new employees in Calendar Year (CY) 2010, and/or their employees were exempt from E-Verify because they held HSPD-12 credentials.

Table 3: Contractor Employees Not Verified

Contracts	E-Verify Clause Inserted	Registered for E-Verify	Employees Not Verified	New Hires Not Verified	Total Employees Not Verified	Potential TNC Response
1	Yes	Yes	0	1	1	0
2	Yes	No	1	0	1	0
3	No	No	0	1	1	0
4	No	No	6	70	105	1
5	No	Yes	10	553	563	7
6	No	Yes	90	422	512	5
Totals			107	1,047	1,154	13

Employees Not Verified

We found that 4 contractors had 107 employees who performed work directly under the contracts but were not verified through E-Verify. The employees should have been verified because they were not issued an HSPD-12 credential. We reviewed the Numident for the 107 employees to confirm their eligibility to work in the United States and found that their names and SSNs matched SSA records, and their citizenship status indicated they were eligible to work in the United States.

New Hires Not Verified

We found that 5 contractors hired 1,047 new employees in CY 2010 who were not verified through E-Verify.¹⁵ While two of the contractors were not registered to use E-Verify, three had registered to use E-Verify but had not verified all their new hires. For example, one contractor who did not have the clause inserted in its contract but was registered to use E-Verify did not verify 553 employees hired in CY 2010.

We reviewed the Numident for the 1,047 new hires to confirm their eligibility to work in the United States. Our review of the new hires showed the following.

¹⁵ We reviewed the Forms W-2 information submitted to SSA for Tax Years 2009 and 2010 for each contractor to identify their new hires in CY 2010.

- For 1,034 new hires, the names and SSNs matched the Numident, and the new hires' citizenship status indicated they were eligible to work in the United States. These new hires would have received an employment-authorized response had the contractor used E-Verify to confirm their employment eligibility.
- For eight new hires, the names and SSNs matched the Numident, but their citizenship status indicated they might not have been eligible to work in the United States. The individuals were enumerated between 1978 and 1993.¹⁶ Therefore, it is possible these individuals were eligible to work but had failed to report changes to their work authorization status to SSA after being issued their SSNs. Had the contractors used E-Verify, they would have received an SSA TNC response or the case would have been referred to DHS to determine their eligibility to work.
- For five new hires, the name and SSN combination did not match the Numident. While the names were correct for five new hires, the contractors included invalid or unassigned SSNs on the wage reports submitted to SSA. SSA's records showed that two new hires who had unassigned SSNs visited SSA's field offices and obtained valid SSNs in 2010 and 2011. For the other three new hires, it appears the contractors may have inadvertently transposed digits in their SSNs. For two of these new hires, SSA was able to match the names to the correct SSN during the annual wage reporting process, but the contractors were unaware of the error.¹⁷ These errors would have been discovered had the contractors used E-Verify. For the remaining new hire, the Agency sent a Decentralized Correspondence¹⁸ (DECOR) notice to the employee informing them that SSA could not match the reported name and SSN with information in its records. SSA's records showed that the employer subsequently corrected the SSN.

¹⁶ We did not contact DHS to confirm their employment eligibility. We relied on the information included in SSA's Numident file. Thus, their citizenship status may have changed since SSA assigned their SSNs.

¹⁷ As part of the Annual Wage Reporting process, SSA uses the Single Select Edit routine to resolve unmatched name and SSN data submitted to SSA in employers' wage reports. The Single Select Edit assumes the individual's reported last name is correct, but some mistake has been made with the SSN. Single Select creates up to 89 possible variations of the SSN and matches them against the Numident.

¹⁸ SSA sends DECOR notices to employees whose earnings cannot be credited to its records because the reported name/SSN cannot be matched. The letters request that the reported information be reviewed and corrected, when possible, and returned to SSA.

CONCLUSION AND RECOMMENDATIONS

Overall, we found that SSA was inconsistent in inserting the E-Verify clause into qualified contracts requiring that contractors register to use E-Verify to confirm whether new hires and all employees directly performing work under a qualifying Federal contract are authorized to work in the United States. In addition, we found that even when the E-Verify clause was inserted in some qualified contracts, SSA did not take any steps to ensure the contractors had in fact registered to use E-Verify. Furthermore, we found that because the Agency either did not include the clause or verify that contractors were registered, the employment eligibility for 1,154 contract employees was not confirmed through E-Verify. As such, we believe SSA needs to take steps to strengthen its controls to ensure its contractors are using E-Verify to confirm whether their employees are eligible to work in the United States.

Accordingly, we recommend SSA:

1. Modify the janitorial service contract to include the E-Verify clause and determine whether the remaining 72 contracts require the E-Verify clause.
2. Issue reminders to contracting officers about the requirements for inserting the E-Verify clause into qualifying contracts.
3. As part of contract administration, review DHS' Federal contractors list to confirm whether contractors are registered for the E-Verify Program.

AGENCY COMMENTS

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



Patrick P. O'Carroll, Jr.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Description of the E-Verify Program

APPENDIX D – Summary of Sampled Contracts

APPENDIX E – Agency Comments

APPENDIX F - OIG Contacts and Staff Acknowledgments

Acronyms

CY	Calendar Year
DECOR	Decentralized Correspondence
DHS	Department of Homeland Security
DOB	Date of Birth
FAR	Federal Acquisition Regulation
FPDS-NG	Federal Procurement Data System – Next Generation
FY	Fiscal Year
HSPD-12	Homeland Security Presidential Directive-12
IDIQ	Indefinite-Delivery/Indefinite-Quantity
OAG	Office of Acquisition and Grants
OIG	Office of the Inspector General
SSA	Social Security Administration
SSASy	Social Security Administration Streamlined Acquisition System
SSN	Social Security Number
TNC	Tentative Nonconfirmation
U.S.C.	United States Code

FORMS

I-9	<i>Employment Eligibility Verification</i>
SF 1449	<i>Solicitation/Contract/Order for Commercial Item</i>
SF 30	<i>Amendment of Solicitation/Modification of Contract</i>
SS-5	<i>Application for a Social Security Number</i>

Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable Federal laws and sections of the Social Security Administration's (SSA) regulations, policies, and procedures.
- Reviewed applicable Federal Acquisition Regulations.
- Reviewed Office of the Inspector General reports and other relevant documents.
- Reviewed SSA's Administrative Instructions Manual System.
- Reviewed applicable sections of SSA's Office of Acquisition and Grants (OAG) Contractor Handbook,¹ and SSA OAG Flash Notice 22:09-01.01, *Extension of Employment Eligibility Verification Applicability Date*.
- Gained an understanding of the E-Verify Federal Contractor Rule.
- Reviewed the Department of Homeland Security (DHS) E-Verify User Manual for Federal Contractors and Supplemental Guide for Federal Contractors.
- Obtained the DHS E-Verify Federal Contractors List, as of December 2011, to determine whether sample contractors were registered, as required.
- Reviewed and discussed SSA's contractor process with SSA personnel.

Obtained a data extract from the Streamlined Acquisition System (SSASy)² and the Federal Procurement Data System - Next Generation (FPDS-NG)³ of all SSA contracts awarded or modified from September 8, 2009 through September 7, 2010

¹ SSA's OAG Contractor Handbook Part H2322, Application of Labor Laws to Government Acquisitions.

² SSASy is a paperless, electronic tool that SSA's Contracting Officials use to create, route, and process purchase requests.

³ FPDS-NG is the current central repository of information on Federal contracting. The system contains detailed information on contract actions over \$3,000 for Fiscal Year (FY) 2004 and later.

- Selected a random sample of 50 SSA contracts from a population of 286 contracts awarded and modified between September 2009 and September 2010, valued at more than \$100,000,⁴ and with a period of performance of 120 days or more.
- Obtained from SSASy, the electronic contract files for the 50 sample contracts.⁵
- Obtained a list of contractor employees designated to work on the 50 contracts in our sample from the Contracting Officer's Technical Representatives assigned to the contracts.
- Obtained 1,387 suitability and credential records from the Badge Enrollment Database, Card Management System, and Contractor Suitability System for the 50 sample contracts.
- Obtained SSA's E-Verify data dated September 2008 through June 30, 2011.
- Reviewed and compared the annual wage reports for Tax Years (TY) 2009 and 2010 for the 16 qualified contracts to identify new employees hired in TY 2010.
- Obtained and analyzed SSA's Numident⁶ for the 1,154 employees working on the contract and hired in Calendar Year 2010.

We determined that the contractor data used for this audit were sufficiently reliable to meet our objective. The entity audited was the OAG, under the Office of the Deputy Commissioner for Budget, Finance and Management. Our work was conducted at the Philadelphia Audit Division, Philadelphia, Pennsylvania, and SSA Headquarters in Baltimore, Maryland, from March through December 2011. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

⁴ For the period of our review, the simplified acquisition threshold was \$100,000.

⁵ We obtained, where applicable, the Standard Form 1449 *Solicitation/Contract/Order for Commercial Items*, SF 30 *Amendment of Solicitation/Modification of Contract*.

⁶ The Numident is a record of identifying information (such as name, date of birth, mother's maiden name, etc.) provided by the applicant on his or her *Application for a Social Security Number* (Form SS-5) for an original Social Security number (SSN) and subsequent applications for replacement SSN cards. Each record is housed in SSA's Numident Master File in SSN order.

Description of the E-Verify Program

The E-Verify program, formerly known as the Basic Pilot/Employment Eligibility Verification, is a Department of Homeland Security (DHS) program whereby participating employers verify whether newly hired employees are authorized to work in the United States under immigration law. The Social Security Administration (SSA) supports DHS in operating this program. Employers must register with DHS to access E-Verify. Participating employers input information about the individual, including the individual's name, date of birth (DOB), and Social Security number (SSN) as well as whether the individual claims to be a U.S. citizen or work-authorized noncitizen (for noncitizens, the DHS-issued alien or admission number is also entered), into E-Verify.

The information the employer submits via E-Verify is sent to SSA to verify the name, SSN, and DOB against SSA's Numident¹ records. SSA also provides DHS an indication of U.S. citizenship, as recorded in SSA's records. DHS confirms the current employment authorization for noncitizens. E-Verify will provide one of the following responses: employment eligibility is authorized or employment eligibility is tentatively not confirmed.

- **Employment Authorized**—The data input by the employer matched the information in SSA's and DHS' databases, and the individual is authorized to work in the United States.
- **SSA Tentative Nonconfirmation (SSA TNC)**—The data input by the employer did not match information in SSA's Numident. The individual has 8 Federal workdays from the date the employer refers the employee to SSA through E-Verify and provides them with the SSA Referral Notice.²
- **DHS Tentative Nonconfirmation (DHS TNC)**—The data input by the employer for a noncitizen did not match the information in DHS' immigration records and/or the DHS record shows the individual is not authorized to work. Again, the individual has 8 Federal workdays to contest the DHS TNC response.

¹ The Numident is a record of identifying information (such as name, DOB, mother's maiden name, etc.) provided by the applicant on his or her *Application for a Social Security Number* (Form SS-5) for an original Social Security number (SSN) and subsequent applications for replacement SSN cards. Each record is housed in SSA's Numident Master File in SSN order.

² The SSA Referral Notice provides the reason for the SSA TNC response, instructs the individual to visit an SSA field office within 8 Federal workdays to resolve the case, and instructs the individual to bring documentary evidence to the field office to resolve the TNC response. This notice also includes the information the employer entered into E-Verify.

Summary of Sampled Contracts

From our review of the 50 sample contracts, we determined that 16 contracts with a total contract value of approximately \$129 million required the E-Verify clause. As shown in the following table, of the 16 contracts, 9 related to medical consultants, 2 were for health data exchanges, 2 were for telephone maintenance services, 1 was for investigative services, 1 was for janitorial services, and 1 related to studies of consultative examinations for disability determinations. The contract periods ranged from 1 to 11 years.

SSA had inserted the clause in seven of the contracts, but nine did not include the clause at the time of our review. As shown in Table D-1, of these 16 contracts, we found 6 contractors did not use E-Verify to confirm the employment eligibility of 107 employees who worked on the contracts and 1,047 employees who were hired in Calendar Year 2010. Based on our review of the SSA's records, we determined that 13 new hires would have received a SSA TNC response or been referred to DHS had the contractors used E-Verify.

Table D-1: Summary of the 16 Qualified Contracts

	Contract Purpose	E-Verify Clause	Registered For E-Verify	Contract Award Date	Contract Period	Contract Value	Contract Employees Not Verified	New Hires Not Verified	Potential TNC
1	Medical Consultant	Yes	No	11/19/2009	1 year	\$209,200	0	0	0
2	Health Data Exchange	Yes	No	02/01/2010	1 year	\$1,625,000	0	0	0
3	Study of Consultative Examinations	Yes	No	09/29/2009	1.5 years	\$1,601,022	1	0	0
4	Health Data Exchange	Yes	Yes	02/01/2010	1 year	\$1,082,726	0	1	0
5	Medical Consultant	Yes	No	11/19/2009	1 year	\$209,200	0	0	0
6	Medical Consultant	Yes	No	11/23/2009	1 year	\$ 207,200	0	0	0
7	Medical Consultant	Yes	No	11/19/2009	1 year	\$209,200	0	0	0
8	Medical Consultant	No	No	05/25/2010	5 years	\$887,382	0	0	0
9	Janitorial Services	No	No	07/25/2008	10 years	\$20,044,525	6	70	1
10	Medical Consultant	No	No	06/01/2010	5 years	\$885,582	0	0	0
11	Telephone Maintenance	No	Yes	09/30/2008	5 years	\$956,186	10	553	7
12	Investigative Services	No	No	08/16/2010	5 years	\$1,263,150	0	0	0
13	Medical Consultant	No	No	05/25/2010	5 years	\$887,382	0	1	0
14	Medical Consultant	No	No	12/19/2008	5 years	\$1,576,125	0	0	0
15	Telephone Maintenance	No	Yes	08/23/2000	11 years	\$96,065,837	90	422	5
16	Medical Consultant	No	No	05/25/2010	5 years	\$887,382	0	0	0
	Total					\$128,597,099	107	1,047	13

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: March 1, 2012

Refer To: S1J-3

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

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

Subject: Office of the Inspector General Draft Report, "Use of the Employment Verification Program by the Social Security Administration's Contractors" (A-03-11-11111)—INFORMATION

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

Please let me know if we can be of further assistance. You may direct staff inquiries to Teresa Rojas at (410) 966-7284.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT,
“USE OF THE EMPLOYMENT VERIFICATION PROGRAM BY THE SOCIAL
SECURITY ADMINISTRATION’S CONTRACTORS” (A-03-11-1111)**

Recommendation 1

Modify the janitorial service contract to include the E-Verify clause and determine whether the remaining 72 contracts require the E-Verify clause.

Response

We agree. On February 23, 2012, we took the appropriate action to modify the janitorial service contract to include the E-Verify clause.

Recommendation 2

Issue reminders to contracting officers about the requirements for inserting the E-Verify clause into qualifying contracts.

Response

We agree.

Recommendation 3

As part of contract administration, review the Department of Homeland Security’s Federal contractors list to confirm whether contractors are registered for the E-Verify Program.

Response

We agree.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Cylinda McCloud-Keal, Director, Philadelphia Audit Division

Carol Madonna, Audit Manager

Acknowledgments

In addition to those named above:

Mary Dougherty, Auditor-in-Charge

Michael J. Brooks, Auditor

Patrick Kennedy, Lead IT Specialist

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Social Security Advisory Board

Overview of the Office of the Inspector General

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

Office of Audit

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

Office of Investigations

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

Office of the Counsel to the Inspector General

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

Office of External Relations

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

Office of Technology and Resource Management

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