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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**SINGLE AUDIT OF THE  
COMMONWEALTH OF PUERTO RICO  
DEPARTMENT OF THE FAMILY  
FOR THE FISCAL YEAR  
ENDED JUNE 30, 2009**

**JULY 2011**

**A-77-11-00013**

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**MANAGEMENT  
ADVISORY REPORT**

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## Mission

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

## Authority

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

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

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

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

## Vision

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



## SOCIAL SECURITY

### MEMORANDUM

Date: July 6, 2011

Refer To:

To: Frances Cord  
Director  
Audit Management and Liaison Staff

From: Inspector General

Subject: Management Advisory Report: Single Audit of the Commonwealth of Puerto Rico  
Department of the Family for the Fiscal Year Ended June 30, 2009 (A-77-11-00013)

This report presents the Social Security Administration's (SSA) portion of the single audit of the Commonwealth of Puerto Rico Department of the Family for the Fiscal Year (FY) ended June 30, 2009. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

Aquino, DeCordova, Alfaro & Co., LLP performed the audit. The results of the desk review conducted by the United States Department of Agriculture (USDA) concluded that the audit generally met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by Aquino, DeCordova, Alfaro & Co., LLP and the reviews performed by USDA. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

For single audit purposes, the Office of Management and Budget (OMB) assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Puerto Rico Disability Determination Services (DDS) performs disability determinations under SSA's DI program in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Puerto Rico Department of the Family (PRDF) is the DDS' parent agency.

The single audit reported PRDF did not have adequate documentation to support payroll costs claimed for Federal reimbursement as required by OMB Circular A-87 (Attachment A, Pages 1 and 2). The corrective action plan indicated a strategy for

compliance with OMB Circular A-87 is in process.<sup>1</sup> We recommend SSA ensure the Puerto Rico DDS maintains documentation to support payroll costs charged to SSA.

In addition, the single audit reported PRDF submitted expenditures and obligations to SSA on the *State Agency Report of Obligations for Social Security Administration Disability Programs* (Form SSA-4513) that did not agree with the amounts recorded in PRDF's accounting records for FYs 2007, 2008, and 2009 (Attachment A, Pages 3 and 4). The corrective action plan indicated current procedures result in differences between the amounts reported on the Form SSA-4513 and the accounting records. We recommended corrective action to SSA on this finding in a recent report.<sup>2</sup> Therefore, we will not repeat the recommendation in this report.

Further, the single audit reported PRDF:

- Had deficient accounting policies, procedures, and financial reporting practices including a lack of a self-balancing set of accounts, inappropriate and/or incomplete monthly and year-end closing procedures, and inappropriate and/or incomplete budgeting control between award distributions and Federal program activities (Attachment A, Pages 5 through 7).
- Did not have adequate procedures and controls over the timing of cash draws for SSA's disability program and therefore, did not comply with OMB Circular A-102 (Attachment A, Pages 8 through 13).

We made recommendations to SSA in prior reports for corrective action on these two findings.<sup>3</sup> We confirmed that SSA took appropriate corrective actions to address these findings. Therefore, we will not repeat the recommendations in this report.

Please send copies of the final Audit Clearance Document to Shannon Agee. If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802.



Patrick P. O'Carroll, Jr.

## Attachments

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<sup>1</sup> The corrective action plans contained in the Single Audit of the Commonwealth of Puerto Rico, Department of the Family, for the Fiscal Year Ended June 30, 2009, were of very low print quality. Therefore, the corrective action plans are not included in this report. By request, the Office of the Inspector General will provide a copy of the single audit report to SSA.

<sup>2</sup> Management Advisory Report: *Single Audit of the Commonwealth of Puerto Rico, Department of the Family, for the Fiscal Year Ended June 30, 2008* (A-77-11-00012), May 2011.

<sup>3</sup> Management Advisory Report: *Single Audit of the Commonwealth of Puerto Rico, Department of the Family, for the Fiscal Year Ended June 30, 2006* (A-77-09-00011), issued August 5, 2009 and Management Advisory Report: *Single Audit of the Commonwealth of Puerto Rico, Department of the Family, for the Fiscal Year Ended June 30, 2007* (A-77-09-00012), issued August 20, 2009.

<b>Finding Number:</b>	2009-02
<b>Federal Program:</b>	All programs
<b>Category:</b>	Compliance/Internal Control
<b>Compliance Requirements:</b>	Allowable Cost/Cost Principle
<b>Administrations:</b>	The Secretarial, Administration for the Socioeconomic Development, Administration for Families and Children, Administration for the Integral Care and Development of Children, Administration for the Child Support Enforcement

### Criteria

OMB Circular A-87 "Attachment 13 (8)(h) (3 and 4) " establishes that employees certificates must be obtained for employees who's salaries or wages have been charged to a federal program. If employees worked solely on one federal program and 100% of their salary or wages are charged to the program, PRDF must obtain a certification. These certifications shall be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. This certification must be kept in the employee's file.

In addition, if employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- a) More than one federal award,
- b) a federal award and a non-federal award,
- c) an indirect cost activity and a direct cost activity,
- d) two or more indirect activities which are allocated using different allocation bases, or
- e) an unallowable activity and a direct or indirect cost activity.

Personnel activity reports or equivalent documentation must meet the following standards:

- a) They must reflect an after-the-fact distribution of the actual activity of each employee,
- b) they must account for the total activity for which each employee is compensated,
- c) they must be prepared at least monthly and must coincide with one or more pay periods,  
and
- d) they must be signed by the employee.

**Condition**

We noted that the Department of the Family does not have adequate supporting documentation to substantiate payroll costs claimed for federal reimbursement. They have not established a process to obtain certifications from employees who work solely on a single federal program in order to verify that they spent 100% of their time on this federal program. No certifications were made for any employee throughout the fiscal year.

**Effect**

The Department of the Family is not in compliance with federal allowability guidelines to allocate time to grants based on actual time spent working on each program. In addition, inadequate documentation and lack of required certifications may result in the federal funds being expended for unallowable purpose.

**Questioned costs**

Could not be determined

**Recommendation**

We recommended that the Department of the Family implement procedures and controls to ensure that time and effort certifications are obligated from the employees on at least a semi-annual basis, stating the percentage of time worked in a specific program during the program covered by the certification.



**Finding Number:** 2009-12  
**Federal Catalog Number:** 96.001  
**Federal Program Title:** Social Security- Disability Insurance  
**Category:** Compliance/Internal Control  
**Compliance Requirement:** Reporting  
**Administration:** The Secretariat

### Criteria

20 CFR 437.20 (b) (1) establishes that accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.

### Condition

Our audit procedures on financial reporting requirements showed that the expenditures reported in the State Agency Report of Obligations on the SSA Disability Program (OMB No. 0960-0421) for Social Security Disability Insurance Program did not agree with the accounting records and no reconciliation was submitted for our evaluation. The difference noted was as follows:

Grant No.	Expenditures			Unliquidated obligations		
	Reports	Accounting records	Difference	Reports	Accounting records	Difference
0704RQD100	\$ 13,581,430	\$ 13,573,623	\$ 7,807	\$ 360,656	\$ 301,097	\$ 59,559
0804RQD100	\$ 13,235,379	\$ 13,327,640	\$ (92,261)	\$ 1,718,499	\$ 565,558	\$ 1,152,941
0904RQD100	\$ 5,563,019	\$ 5,679,308	\$ (116,289)	\$ 5,200,513	\$ 6,615,076	\$ (1,414,563)

### Effect

Failure to report accurate information on a timely basis prevents the federal agencies from monitoring the performance of the program's financial activities, assessing the achievements of the program and evaluating the expected grant award for the following years.

Noncompliance with the reporting requirements could lead to significant administrative sanctions by the grantor, including reduction in amounts to be awarded. It could also be interpreted as a failure to achieve program objectives.

### **Questioned costs**

Could not be determined

### **Recommendation**

We recommend the PRDF to develop and implement a formal policies and procedures manual to prescribe uniform procedures on the frequency and format of reporting grant expenditures so that the record keeping system provides the information necessary to:

- Prepare the financial reports accurately; and
- ensure the maintenance of accounting records which adequately identify the source and application of funds provided for financially-assisted activities.

Also, we recommend the monthly reconciliation of the internal accounting records used to prepare the Federal financial reports with those of the Puerto Rico Treasury Department (PRIFAS) to ensure the correct accounting of transactions and report accurate information on a timely manner.



<b>Finding Number:</b>	2009-01
<b>Federal Program:</b>	All programs
<b>Category:</b>	Compliance/Internal Control
<b>Compliance Requirements:</b>	Special Test and Provision
<b>Administrations:</b>	The Secretarial, Administration for the Socioeconomic Development, Administration for Families and Children, Administration for the Integral Care and Development of the Children, Administration for the Child Support Enforcement

### Criteria

45 CFR 92.20 (a) and (b) (3) establishes that a State must expand and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to: (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

Sections (b) (2), (3) and (6) of 7 CFR 3016.20 and 45 CFR 92.20 establish that grantees and subgrantees must maintain records that adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or sub grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Effective control and accountability must be maintained for all grant and sub grant cash, real and personal property, and other assets. Accounting records must be supported by source documentation such as cancelled checks, paid bills, payroll time and attendance records, contract and sub grant award documents, etc.

20 CFR 437.2 – (b) (2) Accounting records. Grantees and subgrantees and must maintain records that adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

### **Condition**

The PRDF maintain their accounting records in PRIFAS which is the official accounting system of the Commonwealth of Puerto Rico.

During our audit procedures for the year ended June 30, 2009, we noted the following related to the accounting policies, procedures, and financial reporting practices of the PRDF:

- There is a lack of a self-balancing set of accounts for each fund to record cash and other financial resources, related liabilities, residual equities or balances, and any related changes therein. The accounts are not segregated sufficiently to cover a specific activity or objective in accordance with special regulations, restrictions, or limitations.
- The PRDF has inappropriate and/or incomplete cut-off procedures, as well as incomplete month-end and year-end closing procedures. Many transactions are posted months after the applicable closing, with a retroactive effect. In this regard, a significant amount of journal vouchers is processed.
- The PRDF has inappropriate and/or incomplete budgeting control between grants award distribution and programmatic activities allocations. In various federal programs we were unable to verify its compliance with certain percentages limitations as required by applicable regulations.

### **Effect**

The lack of adequate accounting and financial reporting practices and policies causes the PRDF to be unable to prepare accurate and complete financial reports.

### **Questioned costs**

Could not be determined.

### **Recommendation**

The PRDF shall enhance its accounting and financial reporting practices and policies to provide for accurate and complete financial information. In coordination with the Puerto Rico Department of Treasury (PRDF) should implement an accounting and financial reporting system that permits the preparation of financial reports required by the different oversight entities including the need to supply information to the Commonwealth of Puerto Rico for its government wide reporting.

**Recommendation- continued**

The PRDF should perform monthly reconciliations of transactions recorded in the general ledger (PRIFAS) with the transactions recorded in the subsidiary ledger. Any reconciling item should be investigated and disposed of as deemed necessary, on a timely basis.

The PRDF should evaluate and expand the chart of accounts to provide for identification of the amount expended for each program separately. The expansion of the chart of accounts should permit the tracing of funds to a level of expenditures adequate to establish that such funds have been not used in violation of the restrictions and prohibitions of each program.

The PRDF should contact the Clearinghouse and the Federal agencies to ensure that the presentation of the financial statements in cash basis is acceptable.



**Finding Number:** 2009-04

**Federal Catalog Numbers:** 10.558, 10.568, 10.569, 10.569 ARRA, 93.556, 93.568, 96.001

**Federal Program Titles:** Child and Adult Care Food Program, Emergency Food Assistance Program Cluster, Promoting Safe and Stable Families, Low Income Home Energy Assistance, Social Security- Disability Insurance

**Category:** Compliance/Internal Control

**Compliance Requirement:** Cash management

**Administrations:** The Secretariat, Administration for the Integral Care and Development of the Children, Administration for Families and Children, Administration for the Socioeconomic Development

#### Criteria

45 CFR Section 205.12 (b) (4) establishes that under the cash advance (pre-issuance or post-issuance) funding the Federal Program Agency transfers the actual amount of Federal funds to a State that will be paid out by the State, in a lump sum, not more than three business days prior to the day the State issues checks or initiates EFT payments.

Title 31—Money and Finance: Treasury—Chapter II—Fiscal Service, Department of The Treasury, Part 205—Rules and Procedures for Efficient Federal-State Funds Transfers, Subpart B—Rules Applicable to Federal Assistance Programs not included in a Treasury -State Agreement, Section 205.33.

- (a) A state must minimize the time between the drawdown of federal funds from the federal government and their disbursement for federal program purposes. A Federal Program Agency must limit a funds transfer to a state to the minimum amounts needed by the state and must time the disbursement to be in accord with the actual, immediate cash requirements of the state in carrying out a federal assistance program or project. The timing and amount of funds transfers must be as close as is administratively feasible to a state's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. States should exercise sound cash management in funds transfers to subgrantees in accordance with OMB Circular A-102.

### **Criteria - continued**

Title 45—Public Welfare, Part 92—Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local and Tribal Governments, Subpart C—Post-Award Requirements, Section 92.20—Standards for Financial Management Systems.

- (a) (7) Cash Management. Procedures for minimizing the time elapsed between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to ensure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

Title 45—Public Welfare, Part 92—Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Tribal Governments, Subpart C—Post-Award Requirements, Section 92.21—Payment

- (b) Basic standard. Method and procedures for payment shall minimize the time elapsing between transfer of funds and disbursement by the grantee, in accordance with treasury regulations at 31 CFR Part 205.

### **Condition**

We reviewed the documentation supporting the clearance pattern to determine whether the PRDF followed the procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and their disbursement noting that the PRDF did not have effective cash management procedures to reduce the amount of time between the drawdown/request for federal funds and the disbursement of those funds. The following exceptions were noted:



**Condition – continued**

**Child and Adult Care Food Program**

In ten (10) out of twenty-one (21) reimbursement request transactions tested, we noted the PRDF did not reduce the time between the drawdown of Federal funds and its disbursement. The detail of transactions is as follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount	Credit Notice Number	Credit Notice or Check Date	Days Elapsed
9009661	9/16/2009	2197020	10/1/2008	\$ 7,038	154204979	9/12/2008	19
9009717	9/22/2008	2199320	10/7/2008	2,337.0	154204979	9/12/2008	25
9010807	6/8/2009	2307901	6/29/2009	1,265.0	154203117	4/24/2009	66
9010860	6/8/2009	2307893	6/29/2009	1,395.0	154203117	4/24/2009	66
9012019	6/8/2009	2308603	6/30/2009	1,645.0	154203117	4/24/2009	67
9012053	6/23/2009	2308210	6/29/2009	144,941.0	154203176	6/23/2009	6
9011135	3/20/2009	2268176	3/27/2009	134,961.0	154203081	3/9/2009	18
9012055	6/23/2009	2308214	6/29/2009	129,096.0	154203176	6/23/2009	6
9011140	3/20/2009	2271053	4/3/2009	33,626.0	154203079	3/9/2009	25
9011141	3/20/2009	2271252	4/3/2009	33,259.0	154203080	3/9/2009	25

**Emergency Food Assistance Program**

In seven (7) out of ten (10) reimbursement request transactions tested, we noted the PRDF did not reduce the time between the drawdown of Federal funds and its disbursement. The detail of transactions is as follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount	Credit Notice Number	Credit Notice or Check Date	Days Elapsed
9001676	12/10/2008	2244121	2/2/2009	\$ 153.3	000040	1/26/2009	7
9001809	4/21/2009	2292099	5/27/2009	18,576	000024	5/13/2009	14
09AP5164	7/23/2008	2184695	9/4/2008	35,700	000043	8/21/2008	14
9675883	1/13/2009	2251222	2/17/2009	84,490	000086	1/28/2009	20
9675908	1/21/2009	2253133	2/20/2009	5,634	000068	2/3/2009	17
9676093	2/19/2009	2269518	4/1/2009	27,158	000087	3/11/2009	21
9676227	3/13/2009	2281471	5/5/2009	87,850	000093	4/3/2009	32

**Condition – continued**

**Promoting Safe and Stable Families**

In three (3) out of twenty (20) reimbursement request transactions tested, we noted the Federal funds were received by the PRDF prior to the day the PRDF paid out the funds for Federal assistance program purposes. The detail of transactions is as follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount	Credit Notice Number	Credit Notice or Check Date	Days Elapsed
9009472	7/29/2008	2300217	6/12/2009	\$ 83,750	000063	8/6/2008	310
9009594	8/4/2008	2175747	8/14/2008	48,165	000072	8/8/2008	6
9011426	2/18/2009	2267015	3/25/2009	28,618	000242	3/2/2009	23

In addition, there were eight (8) transactions for which the check was cleared in the CMIA account held at the Governmental Development Bank; however, no request of funds was issued to the Federal Government. The detail of transactions follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount
09011441	2/19/2009	02174228	10/20/08	\$ 83,750
09012144	6/15/2009	02304519	06/22/09	58,446
09012288	6/15/2009	02303115	06/18/09	69,524
09012324	6/15/2009	02309159	07/01/09	70,288
09011976	5/21/2009	02262872	03/17/09	83,750
09012230	6/24/2009	02311302	07/03/09	73,000
09012225	6/12/2009	02309534	07/01/09	53,200
09009740	8/15/2008	02180716	08/26/08	25,000

**Low Income Home Energy Assistance**

In order to determine compliance with the cash management requirement we selected eleven (11) Federal drawn-down transactions for examination.

We noted that the accounting records did not provided information necessary to determine compliance with the federal cash management act.

**Condition – continued**

**Social Security- Disability Insurance**

In sixteen (16) out of twenty (20) reimbursement request transactions tested, we noted the Federal funds were received by the PRDF prior to the day the PRDF paid out the funds for Federal assistance program purposes. The detail of transactions is as follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount	Credit Notice Number	Credit Notice or Check Date	Days Elapsed
2527	9/2/2008	02191223	9/19/2008	\$ 7,110	000565	9/2/2008	17
2523	8/22/2008	02196907	10/1/2008	6,750.0	000444	8/27/2008	35
2514	8/5/2008	02177473	8/19/2008	5,640.0	000492	8/5/2008	14
2498	6/18/2008	02163514	7/14/2008	4,503.0	000397	6/18/2008	26
2503	6/30/2008	02168006	7/29/2008	4,320.0	000656	6/30/2008	29
2541	10/8/2008	02204470	10/17/2008	3,450.0	000450	10/8/2008	9
2532	10/1/2008	02196931	10/1/2008	1,335.0	000422	9/17/2008	14
2534	9/19/2008	02206294	10/23/2008	1,260.0	000507	9/19/2008	34
2538	9/30/2008	02208431	10/28/2008	1,170.0	000682	9/30/2008	28
2540	10/7/2008	02236865	1/14/2009	950.0	000412	10/8/2008	98
2570	12/18/2008	02236869	1/14/2009	939.0	000519	12/18/2008	27
2549	10/28/2008	02222586	12/1/2008	912.0	000467	10/28/2008	34
2563	12/4/2008	02231763	12/22/2008	900.0	000400	12/4/2008	18
2564	12/5/2008	02233024	12/29/2008	855.0	000451	12/2/2008	27
2522	8/22/2008	02190621	9/18/2008	795.0	000460	8/22/2008	27
2573	1/7/2009	02248826	2/11/2009	745.0	000226	1/7/2009	35

In addition, there was one (1) transaction for which the check was cleared in the CMIA account held at the Governmental Development Bank; however, no request of funds was issued to the Federal Government. The detail of transactions follows:

Voucher Number	Voucher Date	Check No.	Check Date	Amount
2371	8/13/2007	2196867	10/1/2008	\$ 30,634

**Effect**

The continued occurrence of these conditions may result in the following:

1. Due to the significant amount of federal funds received, the PRDF could be exposed to significant administrative sanctions by the grantor, including the assessment of interest cost on funds that were not disbursed within the required time;
2. the Federal agencies may require that future payment requests be routed to an office of the Chief Financial Officer and/or HHS representative for approval;
3. the program funds may be suspended;



**Effect- continued**

4. the PRDF may lose the ability to request reimbursement of federal funds for programs expenditures paid for with state funds; and
5. the Federal Agencies may question the ability of the PRDF to manage federal awards in compliance with laws, regulations, and provisions of contracts and grant agreements.

**Questioned costs**

Could not be determined

**Recommendation**

We recommend the PRDF to establish adequate procedures and controls, which shall consider, among others, the following:

- a) Establish and implement written policies and procedures for all aspects of the programs, including controls for proper review and authorization during the processing of federal funds draw downs. Petition documents and its related supporting documentation shall be thoroughly reviewed before they are recorded and processed for refund. All fund petitions shall be properly authorized by the respective PRDF's representatives and shall be supported with all the required documentation.
- b) Provide adequate training to employees regarding each program requirements and proper claim for reimbursement processing procedures, and as to the importance of safeguarding procedures and the proper coordination and communication for the retrieval of documents when needed.

## **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.