

Report Summary

Social Security Administration Office of the Inspector General

September 2010



Objective

To determine the effectiveness of controls over the release of Single Payment System (SPS) payments.

Background

The Social Security Administration (SSA) created SPS to automate payments that could not be made through the Title II system. SPS went into production in May 2002.

SPS payments above certain dollar amounts require expert or manager approval before issuance. Payments below the \$6,000 threshold only require the originator's personal identification number (PIN) for processing. SPS payments ranging from \$6,000 to \$49,999 require two unique PINs before release—the originator's PIN and a technical expert or team leader's PIN. SPS payments of \$50,000 to \$99,999 require three unique PINs—the originator's PIN, a technical expert or team leader's PIN, and a manager's PIN. SPS can only process payments below \$100,000.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-02-09-29123.pdf>

Controls over Single Payment System Payments (A-02-09-29123)

Our Findings

To determine whether SPS was releasing payments with the appropriate approvals, we reviewed the PINs on record for the 2.5 million SPS payments processed from May 2002 through February 2010. We found that SPS payments below \$50,000 were properly approved before release. We also found that while most of the payments above \$50,000 were properly approved, SSA released eight payments of \$50,000 or more, totaling approximately \$475,000, without the required three unique PINs.

We asked SSA to review the eight payments processed with two PINs instead of three PINs. They found the payments were appropriate and accurate even though they were released by fewer PINs than required.

SSA's Center for Security and Integrity (CSI) is required to review 100 percent of SPS payments of \$50,000 or more when completing program service center Onsite Security, Control and Audit Reviews (OSCAR). Per SSA, CSI has conducted the reviews in accordance with OSCAR guidance. OSCAR guidance requires that staff ensure SPS payments were timely, completed for authorized situations, and supported by appropriate documentation. Specific guidance and questions within the SPS OSCAR section does not require CSI to review employee PIN data. CSI failed to identify the problems with the eight payments we found to be problematic.

Our Recommendations

We recommend that SSA:

1. Amend SPS controls to ensure three unique PINs are present before releasing payments for the situations similar to those we identified during our audit.
2. Revise program service center OSCAR guidance to include steps to ensure SPS payments are properly documented by appropriate personnel before release.

SSA agreed with the recommendations.