

The Social Security Administration's Electronic Remittance System for Beneficiary-related Debts

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Office of Audit Report Summary

Objectives

Our objectives were to determine the accuracy and timeliness of remittances field offices processed via the Social Security Electronic Remittance System (SERS) for beneficiary-related debts. We also determined whether remittances field offices mailed to the Social Security Administration's (SSA) Mid-Atlantic Program Service Center (MATPSC) should have been processed through SERS.

Background

MATPSC is SSA's national remittance processing site. SSA employees, beneficiaries, and debtors send payments for processing to MATPSC. Some debtors choose to remit their payment via mail, while others pay in-person at an SSA field office.

In 2017, SSA implemented SERS for field offices to process certain Old-Age, Survivors and Disability Insurance and Supplemental Security Income debts locally. There are some exceptions to using SERS which require that field offices continue to mail remittances to MATPSC.

From January 1 through November 9, 2018, SSA field offices processed 112,266 of the beneficiary-related remittances, totaling approximately \$80 million, through SERS, while MATPSC processed 316,691, totaling approximately \$397 million. We sampled 200 remittances from each population.

Findings

Field offices accurately processed the 200 sampled remittances through SERS. SSA also posted all of the 200 SERS-processed remittances to beneficiaries' accounts within 8 days.

Of the 200 sampled remittances MATPSC processed, field offices mailed 39 (19.5 percent) to MATPSC. However, the field offices should have processed these 39 remittances through SERS within their field offices. As a result, we estimate field office employees unnecessarily mailed approximately 62,000 remittances to MATPSC. SSA stated the unnecessary mailings occurred because SERS was a new process. Additionally, before our audit, SSA did not require that field office supervisors verify whether remittances sent to MATPSC should have been processed through SERS.

For the 39 sampled remittances field offices unnecessarily mailed to MATPSC, SSA did not post 3, totaling \$3,407, to beneficiaries' accounts for an average of 59 days. SSA explained it did not always know the reason for the delays but, in some instances, the remittance may have been processed timely in the field office, but mail delays may have caused MATPSC to receive the remittance late and delayed posting to the record.

Agency Actions Resulting from the Audit

Between March and August 2019, we provided SSA the 39 sampled remittances for review. In May and September 2019, SSA issued reminders to field office employees to use SERS, as required by policy, for remittances of beneficiary overpayments, conserved funds, and misused funds. Also, in September 2019, SSA revised its policy to require that field office supervisors verify that only appropriate remittances are mailed to MATPSC.

As a result of the actions SSA took during our audit, we are not making any recommendations.