

Report Summary

Social Security Administration Office of the Inspector General

March 2012



Objective

To determine whether the District of Columbia's Child and Family Services Agency (CFSA), a representative payee for the Social Security Administration (SSA), (1) had effective safeguards over the receipt and disbursement of Social Security benefits and (2) used and accounted for Social Security benefits in accordance with the Agency's policies and procedures.

Background

Some individuals cannot manage or direct the management of their finances because of their youth and/or mental or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' payments. During our audit period, October 1, 2009 to September 30, 2010, CFSA served as representative payee for 231 beneficiaries.

To view the full report, visit <http://oig.ssa.gov/audits-and-investigations/audit-reports/A-13-11-11149>

The District of Columbia's Child and Family Services Agency, an Organizational Representative Payee for the Social Security Administration (A-13-11-11149)

Our Findings

CFSA had effective safeguards over disbursement of Social Security benefits and used Social Security benefits in accordance with SSA's policies and procedures. However, CFSA did not have adequate safeguards over benefit receipts and it did not adequately account for Social Security receipts in accordance with SSA's policies and procedures. We found CFSA did not (a) promptly report changes in beneficiaries' circumstances to SSA; (b) apply to serve as representative payee timely; (c) have adequate safeguards over beneficiary receipts; or (d) have an appropriate bank account title.

Our Recommendations

We recommended that SSA:

- Collect applicable overpayments.
- Instruct CFSA to (a) monitor beneficiaries' resources, (b) notify the Agency when beneficiaries concurrently receive Supplemental Security Income (SSI) and Title IV-E benefits, (c) notify the Agency when it does not receive applicable Social Security benefits for beneficiaries in its care, (d) notify the Agency timely when a beneficiary is no longer in its care, (e) return benefit payments to SSA timely when no longer serving as representative payee for a beneficiary, and (f) notify SSA when a beneficiary who is receiving SSI is placed in facilities for 30 days or longer and Medicaid pays more than 50 percent of care.
- Determine whether payments for 10 beneficiaries in CFSA's care before its selection as payee were appropriate, and if not appropriate, take corrective actions;
- Encourage CFSA to (a) apply promptly to serve as representative payee for children in its care and (b) establish direct deposit for all beneficiaries in its care.
- Verify CFSA (a) segregated duties for recording and processing cash receipts, and (b) modified the titling of the beneficiaries' collective checking account in accordance with SSA policy.

SSA agreed with our recommendations, and CFSA provided corrective actions.