

The Social Security Administration's Internal Controls over Issuing and Monitoring Contractors' Homeland Security Presidential Directive-12 Credentials

A-15-11-11178



April 2013

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) had appropriate and adequate internal controls over issuing and monitoring Agency contractors' Homeland Security Presidential Directive-12 (HSPD-12) credentials.

Background

HSPD-12 requires that all Federal agencies develop and implement a mandatory, Government-wide standard of identification for Federal employees and contractors. The purpose of HSPD-12 is to enhance security, increase Government efficiency, reduce identity fraud, and protect personal privacy. The Federal Information Processing Standard 201 (FIPS 201), *Personal Identity Verification (PIV) of Federal Employees and Contractors*, established a standard for a PIV system based on secure and reliable forms of identification issued by the Government to its employees and contractors. Federal regulations require that contractors comply with HSPD-12 PIV requirements.

Our Findings

We reviewed the processes for SSA components involved in HSPD-12 suitability and credentialing. Overall, we determined that, in certain cases, SSA did not communicate the results of suitability determinations to the appropriate personnel, did not deactivate credentials timely or enforce the collection of credentials from terminated contractors. During our review, we found instances when SSA's components did not follow procedures for (1) terminating unsuitable contractors and ensuring investigations were complete, (2) cancelling terminated contractors' credentials, and (3) enforcing the collection and destruction of credential cards.

Our Recommendations

We recommend SSA:

1. Ensure all components involved in the HSPD-12 suitability and credentialing process effectively communicate unsuitable determinations, contractor terminations and changes in SSA contracts including Contract Officer Technical Representative changes.
2. Perform periodic reconciliations between the suitability and credentialing systems to determine whether unsuitable or terminated contractors have been terminated, their credentials cancelled, and their suitability determination is correct in all appropriate systems.
3. Ensure contractors who have been terminated outside of the normal system termination process are also cancelled in all systems.
4. Document its collection and destruction of terminated credentials in accordance with FIPS 201.

The Agency agreed with our recommendations.