



Report Summary

Social Security Administration
Office of the Inspector General

Payee Services, A Fee-for-Service Organizational Representative Payee for the Social Security Administration (Limited Distribution) ***(A-07-07-27150)***

The objectives of our audit were to determine whether Payee Services, Incorporated, as 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 SSA's policies and procedures.

Some individuals cannot manage or direct the management of their finances because of their youth or mental and/or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' payments. A representative payee may be an individual or an organization. SSA selects representative payees for Old-Age, Survivors and Disability Insurance beneficiaries or Supplemental Security Income recipients when representative payments would serve the individuals' interests. Representative payees are responsible for managing benefits in the best interest of the beneficiary.

Payee Services is a Fee-for-Service Organizational Representative Payee who serves approximately 500 beneficiaries. SSA's Kansas City Regional Office requested that we perform an audit of Payee Services. We found Payee Services' safeguards over the receipt and disbursement of Social Security benefits need to be improved to ensure Social Security benefits are used and accounted for in accordance with SSA's policies and procedures.

We made four recommendations to SSA and the Representative Payee. SSA and the Representative Payee agreed with our recommendations.

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