



2005
Performance
Report

Social Security Administration
Office of the Inspector General



Table of Contents

Executive Summary.....	1
Performance Results.....	2
Performance Discussion and Analysis	3
Goal 1 – Impact	3
Goal 2 – Quality	4
Goal 3 – Timeliness	5
Goal 4 – Value	7
Goal 5 – People	8

MISSION STATEMENT

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of Social Security Administration (SSA) programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

VISION and VALUES

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.

EXECUTIVE SUMMARY

On March 31, 2005, the Office of the Inspector General (OIG) marked its 10th year anniversary. Throughout these 10 years, we remained committed to putting into place an organization that excels in protecting the integrity of Social Security programs while remaining accountable to the American people. This Performance Report demonstrates our organization's commitment to these values. Accomplishments during the final year of our Fiscal Year (FY) 2003 through 2005 Strategic Plan, focused on five general areas: the *Impact* we have on improving Social Security's programs and operations; the *Quality* of OIG products and services; the *Timeliness* by which we deliver those products and services; the *Value* we bring to Social Security and the citizens we serve; and the *People* who make our office successful—our employees. Our success is measured by targets established under 15 individual measures. For FY 2005, we successfully met the targets for 13 of the 15 performance measures (1 measure was eliminated in FY 2005).

The results in this report demonstrate that our efforts have had a significant impact on Social Security programs and operations. The quality of our products remains judicious and timely. The work we do continues to demonstrate our value to the American taxpayer. For every \$1 invested in our organization, we return \$9 through audits, investigations, and legal proceedings. Furthermore, this report also emphasizes the strength of our commitment to our workforce by offering our employees occupational challenges, career potential and development opportunities while improving our workforce diversity.

Finally, during this past year, we convened a workgroup of representatives from each of our components to develop our new 5-year Strategic Plan. The workgroup was charged with reviewing our existing goals, strategies and performance measures as well as looking at new ways to measure our impact. The new *FY 2006-2010 Strategic Plan* will only expound upon our current successes.

PERFORMANCE RESULTS

GOAL	DESCRIPTION	TARGET	RESULT	GOALS	
				MET	NOT MET
IMPACT					
1.1	<i>Maintain an annual acceptance rate of at least 85 percent for all recommendations through FY 2005.</i>	85%	95%	X	
1.2	<i>Through FY 2005, achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency and effectiveness of SSA.</i>	85%	90%	X	
QUALITY					
2.1	<i>Achieve a positive internal and external user assessment rating of 80 percent for product-service quality.</i>	80%	94%	X	
TIMELINESS					
3.1	<i>Evaluate and respond to all allegations received within 30 days through FY 2005.</i>	30 Days	23 Days	X	
3.2	<i>Complete investigative fieldwork for 80 percent of cases within 180 days through FY 2005.</i>	80%	66%		X
3.3	<i>Respond to congressional requests within an average of 30 days through FY 2005.</i>	30 Days	14 Days	X	
3.4	<i>By 2005, take action on 80 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.</i>	80%	90%	X	
3.5	<i>Issue 70 percent of final audit reports within 1 year of the entrance conference with SSA.</i>	70%	78%	X	
3.6	<i>Issue 95 percent of OIG products in time to meet the needs of Congress, SSA and other key decision makers.</i>	95%	95%	X	
VALUE					
4.1	<i>Generate an annual positive return on investment.</i>	Positive	\$9 to \$1	X	
4.2	<i>Increase the number of total judicial outcomes by at least 30 percent by FY 2005.</i>	30%	38%	X	
PEOPLE					
5.1	<i>By FY 2005, achieve an 80 percent retention rate for newly hired employees.</i>	80%	82%	X	
5.2	<i>By 2005, achieve an 80 percent positive organizational health assessment rate.</i>	80%	---	---	<i>Measure Eliminated in FY 2005</i>
5.3	<i>Ensure that 90 percent of OIG staff receives at least 40 hours annually of appropriate developmental training.</i>	90%	96%	X	
5.4	<i>By FY 2005, improve the overall workforce diversity with an emphasis on underrepresented groups.</i>	29.2%	30%	X	

PERFORMANCE DISCUSSION AND ANALYSIS

This section provides detailed performance information, including a description of our Strategic Plan goals aimed at achieving success in each of the five general areas. We state each goal, its associated results and describe the method of calculation. We also discuss, where appropriate, why we believe we were successful or unsuccessful in meeting our goals.

Goal 1 - IMPACT

Increase our impact on the integrity, efficiency and effectiveness of SSA programs and operations.

Strategies to attain this goal include:

1. Establish and communicate an OIG-wide process for cross-component communications on potential programmatic and operational vulnerabilities.
2. Coordinate, receive and assess information about potential programmatic and operational vulnerabilities.
3. Focus OIG efforts on impacting congressional and SSA programmatic and operational decisions, including major budgetary decisions.
4. Reinforce OIG's role as an agent for positive change using constructive, balanced language in presenting viable opportunities for improving SSA programs and operations.

Goal 1.1	<i>Maintain an annual acceptance rate of at least 85 percent for all recommendations through FY 2005.</i>	<u>FY 2005 Result</u> 95 Percent
<p>This measure is calculated by dividing the number of legislative, policy and regulatory recommendations accepted by SSA and/or Congress (included in proposed legislation) during the FY by the total number of recommendations with a management decision and legislative proposals made during the FY.</p> <p>For FY 2005, our annual acceptance rate was 95 percent, exceeding our 85 percent goal. Of the 353 recommendations we submitted during this period that have a management decision, SSA agreed with 337.</p>		

Goal 1.2	<i>Through FY 2005, achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency and effectiveness of SSA.</i>	<u><i>FY 2005 Result</i></u> <i>90 Percent</i>
<p>This measure is calculated by dividing the total number of accepted recommendations implemented by SSA during the past 5 FYs by the total number of recommendations SSA agreed to implement during the past 5 FYs.</p> <p>Since SSA needs sufficient time to implement the recommendations it has agreed to, there is a 1-year lag in this calculation. Thus, for FY 2005 we are reporting the 5-year period covering FYs 2000 through 2004. Our average implementation rate for accepted audit recommendations was 90 percent, exceeding our 85 percent goal. During this period, SSA implemented 1,202 of 1,343 recommendations.</p>		

Goal 2 - QUALITY

Provide OIG products and services of quality and value to Congress, SSA and other key decision makers.

Strategies used to attain this goal include:

1. Implement a product and service quality assessment instrument.
2. Develop and implement procedures and a tracking system to review and analyze internal and external feedback to maintain a focus on continuous improvement of OIG products and services.
3. Communicate OIG-wide best practices and lessons learned.

Goal 2.1	<i>Achieve a positive internal and external user assessment rating of 80 percent for product-service quality.</i>	<u><i>FY 2005 Result</i></u> <i>94 Percent</i>
<p>This measure is calculated by using a multi-tier rating scale measuring the strength of agreement with a series of statements about OIG product-service quality. Specifically, during our Quality Assurance Review (QAR) process, we translate these responses into a percentage with 80 percent indicating satisfaction.</p> <p>For FY 2005, we achieved a 94 percent rating.</p>		

Goal 3 - TIMELINESS

Ensure OIG products and services are issued in time to meet the needs of Congress, SSA, key decision makers, and other end users.

Strategies used to attain this goal include:

1. Identify administrative and operational barriers to timely delivery of OIG products and services.
2. Identify and adopt best practices to aid the timeliness of OIG products and services.
3. Identify and use information technology investments to expedite OIG work products and service delivery.
4. Use mid-point or other early warning reports to encourage swift action on sensitive and politically controversial issues.

Goal 3.1	<i>Evaluate and respond to all allegations received within 30 days through FY 2005.</i>	<i><u>FY 2005 Result</u> 23 Days</i>
<p>This measure is calculated by dividing the total number of response days for all allegations during the FY by the total number of allegations closed during the FY. Response days are the elapsed days from receipt of an allegation to the date it is declined, referred to an appropriate authority or an investigation is opened.</p> <p>The average response time for allegations for FY 2005 was 23 days, an improvement over last year's average of 26 days.</p>		

Goal 3.2	<i>Complete investigative fieldwork for 80 percent of cases within 180 days through FY 2005.</i>	<i><u>FY 2005 Result</u> 66 Percent</i>
<p>This measure is calculated by dividing the total number of investigations closed or referred for judicial/SSA action during the FY where fieldwork was completed in less than 180 days by the total investigations closed during the FY.</p> <p>For FY 2005, we completed investigative fieldwork for 66 percent of all cases within 180 days. While our performance falls short of the target goal of 80 percent, our processing times have continued to improve in many areas. Future advances in our use of information technology and other work-process refinements will enable us to reduce the time it takes to complete investigative fieldwork.</p>		

Goal 3.3	<i>Respond to congressional requests within an average of 30 days through FY 2005.</i>	<u>FY 2005 Result</u> <i>14 Days</i>
<p>This measure is calculated by dividing the total processing days for all congressional requests received during the FY by the total number of congressional requests received during the FY. Processing days are the days elapsed from receipt of a congressional request to the date of a final response.</p> <p>For FY 2005, we received 105 congressional requests and our average processing time was 14 days.</p>		

Goal 3.4	<i>Take Action on 80 percent of CMP subjects within 30 days of receipt by FY 2005.</i>	<u>FY 2005 Result</u> <i>90 Percent</i>
<p>This measure is calculated by dividing the total number of CMP subjects against whom action was taken within 30 days of receipt during the FY by the total number of CMP subjects where action was taken during the FY.</p> <p>For FY 2005, we have taken action on 90 percent of CMP subjects within 30 days. We continued to reduce case evaluations and processing times through the innovative use of technology and work process enhancements.</p>		

Goal 3.5	<i>Issue 70 percent of final audit reports within 1 year of the entrance conference with SSA.</i>	<u>FY 2005 Result</u> <i>78 Percent</i>
<p>This measure is calculated by dividing the total number of audit reports issued during the FY within 1 year of the entrance conference by the total number of audit reports issued during the FY.</p> <p>For FY 2005, we issued 78 percent of our final audit reports within 1 year of the entrance conference meeting our target goal of 70 percent. The average report took only 292 days from start to issue which expedites implementation of corrective action.</p>		

Goal 3.6	<i>Issue 95 percent of OIG products in time to meet the needs of Congress, SSA and other key decision makers.</i>	<u>FY 2005 Result</u> <i>95 Percent</i>
<p>This measure is calculated by using a multi-tier rating scale to measure the strength of agreement with a series of statements about OIG product-service quality to include targeted measures of timeliness. Specifically, during our QAR process, we translate responses to questions regarding the timeliness of our products into a percentage with 95 percent indicating satisfaction. In FY 2005, we achieved our 95 percent target.</p>		

Goal 4 - VALUE

To sustain a positive return-result for each tax dollar invested in OIG activities.

Strategies used to attain this goal include:

1. Maintain a positive-return culture in OIG.
2. Provide OIG components with training and tools necessary to ensure that analytical methods for determining returns-results are consistent and appropriate.
3. Prioritize high impact investigations, audits and counsel actions to ensure an appropriate focus on more efficient and economic SSA programs and operations.
4. Maintain an awareness of, and address, both national security and public safety issues during the course of detecting and preventing fraud, waste and abuse.

Goal 4.1	<i>Generate an annual positive return on investment.</i>	<u>FY 2005 Result</u> <i>\$9 to \$1</i>
<p>This measure is calculated by dividing the total amount of all OIG loss prevention-related savings identified during the FY by the total amount of appropriated funds during the same period.</p> <p>For FY 2005, we returned \$9 for every dollar invested. In FY 2005 our appropriation was \$90.4 million and the total loss prevention-related savings from our audit, investigative and legal activities were approximately \$813 million.</p>		

Goal 4.2	<i>Increase the number of total judicial outcomes by at least 30 percent by FY 2005.</i>	<u>FY 2005 Result</u> <i>38 Percent</i>
<p>This measure is calculated by dividing the incremental increase in convictions and other judicial outcomes (excluding fugitive felon apprehensions) as reported in OIG's semiannual reports by the level of judicial outcomes (excluding fugitive felon apprehensions) taken in the base year of FY 2002.</p> <p>This goal was originally revised in FY 2004 to exclude the apprehension of fugitive felons by agencies to which OIG provided information regarding the fugitives' whereabouts. We discontinued counting fugitive felon apprehensions by other agencies as a category of judicial outcomes. We also adjusted the base year to exclude fugitive felons as a defined judicial outcome. For FY 2005, we processed 2,769 judicial actions from our investigations, which represents a 38 percent increase over the 2,003 judicial actions processed in the base year.</p>		

Goal 5 - PEOPLE

Promote/Ensure a skilled, motivated, diverse workforce in a positive and rewarding work environment.

Strategies used to attain this goal include:

1. Identify underrepresented professional, technical and managerial skills at headquarters and field locations.
2. Identify assignment interests and developmental needs of all employees.
3. Prioritize resources to address underrepresented skills, employee interests and developmental needs.
4. Prepare a comprehensive management development program that includes: succession planning, desired core competencies and both technical and managerial skills for specific targeted positions.
5. Develop a proactive approach in recruiting and hiring candidates to meet different needs.
6. Pilot test, refine and implement the proposed Organizational Health Assessment Instrument.
7. Be sensitive to and target underrepresented minority groups both internally and externally in recruiting, hiring and staff development.

Goal 5.1	<i>By FY 2005, achieve an 80 percent retention rate for newly hired employees.</i>	<u>FY 2005 Result</u> 82 Percent
<p>This measure is calculated by dividing the total number of employees still on board that were hired 5 years ago (as of the end of the current reporting period) by the total number of employees hired 5 years ago.</p> <p>For FY 2005, our retention rate for employees hired during FY 2000 was 82 percent.</p>		

Goal 5.2	<i>By FY 2005, achieve an 80 percent positive organizational health assessment rate.</i>	<u>FY 2004 Result</u> Not Available
<p>During FY 2005, the Inspector General established an Organizational Health Committee to focus on employee issues and solutions. This Committee has recommended that the employee survey process be re-evaluated and requested that we not use the same instrument that was used in prior years. Therefore, this measure was eliminated in FY 2005.</p>		

Goal 5.3	<i>Ensure that 90 percent of OIG staff receives at least 40 hours annually of appropriate developmental training.</i>	<i><u>FY 2005 Result</u> 96 Percent</i>
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This measure is calculated by dividing the total number of OIG staff receiving at least 40 hours of developmental training during the FY by the OIG Full-Time Equivalents (FTE) for the FY.

For FY 2005, 96 percent of OIG staff received at least 40 hours of appropriate developmental training. This training-hours per FTE demonstrates our commitment to having a well-trained workforce.

Goal 5.4	<i>By FY 2005, improve the overall workforce diversity with an emphasis on under-represented groups.</i>	<i><u>FY 2005 Result</u> 30 Percent</i>
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This measure is the difference in the OIG workforce profile from the beginning of the FY compared to the end of the FY. For FY 2005, our workforce diversity profile was 30 percent. This exceeds our FY 2004 performance of 29.5 percent and demonstrates our commitment to recruit a more diverse workforce.