

Good morning, Chairman Chaffetz, Chairman Jordan, Congressman Tierney, Congressman Cartwright, and members of both Subcommittees. I'm pleased to appear before you today to discuss the Social Security Administration (SSA) Office of the Inspector General's (OIG) procurement and use of ammunition. It is gratifying to have this opportunity to set the record straight for you and for the public.

Last August, an online commentator took note of a routine solicitation for .357 caliber duty-carry hollow-point ammunition that SSA's Office of Acquisition and Grants (OAG) had put forth on the OIG's behalf. It was an unremarkable solicitation, no different from many others we have made in our 18 years as an OIG, and no different from those made by other OIGs across the Federal government. Yet this website suggested that SSA was preparing for "civil unrest" resulting from rumored changes to SSA benefits and programs. Public and media interest was widespread, to the point where even Jay Leno included us in his "Tonight Show" monologue.

We were able to put a stop to the civil unrest rumor and other misinformation through complete disclosure and transparency, delivered through conversations with the media and Congress and via two blog posts of our own. Still, we continue to get questions from time to time, so again, I'm pleased to be here today to set the record straight on why the SSA-OIG needs bullets, how we procure them, and what we do with them.

This year marks the 35th anniversary of the *Inspector General Act of 1978*, passed in the wake of Watergate to ensure integrity in Federal government operations. It created 12 Inspectors General, charged with conducting independent audits and investigations into fraud, waste, and abuse in their respective Departments' programs and operations.

In the years since, Congress has expanded the community of Inspectors General to include virtually every Federal entity, some 73 Inspectors General conducting audits and investigations across government. In 2008, Congress even created the Council of the Inspectors General on Integrity and Efficiency (CIGIE), an informal governing body of IGs to coordinate and facilitate the audit and investigative activities of its 73 members.

While the SSA-OIG is one of the largest OIGs, it is by no means unique. Our counterparts in almost every other OIG have sworn Federal law enforcement agents conducting criminal investigations, making arrests, and carrying weapons. In fact, we obtained over 1,400 criminal convictions last year, physically making 552 arrests, while completing 7,833 criminal investigations. These investigations bring our agents into contact with violent felons, angry subjects, and frightened witnesses. To ask our agents to do so unarmed would be irresponsible, unfair to them and their families, and dangerous to the public.

For many years, our authority to carry weapons came not through statutory authority (which the IG Act did not originally provide), but through Memoranda of Understanding (MOU) with the U.S. Marshals Service. In fact, from the creation of the SSA-OIG in 1995 (when SSA became independent from the Department of Health and Human Services) until passage of the *Homeland Security Act of 2002*, we operated under such an MOU, and our agents were designated Special Deputy U.S. Marshals. The MOU required, from day one of our operation, that all sworn agents comply with the Attorney General's Guidelines for Federal Law Enforcement Agents, which included (and still includes) a requirement that all agents undergo quarterly firearms qualifications.

In 2002, when the Homeland Security Act was enacted, our law enforcement authority became statutory. While we were no longer subject to the MOU with the Marshals Service, the new statutory authority carried the same central requirement: compliance with the Attorney General guidelines, including quarterly firearms qualification.

Those quarterly qualifications, in which our agents use the same hollow-point ammunition they carry in the course of their duties, require that each agent complete a 60-round course of fire with a minimum score of 70 percent. If they do not achieve this score, they may try again twice more, for a potential total of 180 rounds. Often, even if an agent passes on his or her first attempt, a second round is completed, meaning that many agents use at least 120 bullets, and some as many as 180. Using 120 as an average, our 290 sworn agents, firing 120 shots four times a year would require a total of 139,000 bullets.

However, once a year, our agents must also qualify during a 36-round 'low light' exercise. Even if all 290 agents passed this exercise on the first try, that would require another 10,440 bullets, bringing the total, conservatively, to 149,440 (and of course, some agents require two low-light courses to qualify, so this exercise could require 20,880 rounds, bringing the total to 159,880). Then of course, each agent must have a quantity of bullets to carry in the course of investigations, and agents often undergo other, non-mandatory but advisable, training, such as prone shooting and misfire drills.

As you can see, our solicitation for 174,000 bullets was offered based on a reasonable estimate of our needs for the fiscal year; however, not every annual purchase total is the same. We make our purchases based on our estimated need and available resources. In some years, we've made significantly larger purchases; in other years, significantly smaller ones.

Our care in procuring ammunition is apparent when viewed over time. Although records retention requirements dictate that we retain these records for three years, we have eight years' worth of records at hand, dating back to our first purchase of .357 caliber ammunition as we transitioned from another duty weapon. These records show that we have purchased a total of 1,217,000 rounds of .357 caliber duty-carry hollow-point ammunition since Fiscal Year (FY) 2005, or an average of 152,125 rounds per year—a reasonable total given the qualification requirements described above.

We have provided spreadsheets reflecting our procurements over this period, and I am happy to answer any questions I can to explain the year-to-year variances, which are as mundane as late deliveries that required an additional order to avoid depletion of stock to timing based on resource availability. But looking back as far as records allow establishes conclusively that we buy only what we need to do our jobs.

Even looking at a single year—the 2012 purchase that inspired last August's controversy—what we procured was, as I stated earlier, very close to our anticipated need for the year: 174,000 rounds of .357 caliber duty-carry hollow-points, another 38,000 rounds of lead-free .357 for use on ranges that require lead-free ammunition, 9,000 rounds of 9mm simunition, and 38,250 rounds of appropriate 12-gauge shotgun ammunition.

Simunition is non-lethal ammunition designed for certain training exercises. And agents must undergo biannual familiarization (10 rounds) or qualification (20 rounds, up to two tries) drills on shotguns,

requiring between 11,600 (10 rounds per agent per familiarization drill) and 46,400 (40 rounds per agent per qualification if two courses required to pass) shotgun rounds.

The total ammunition cost in FY2012 was \$99,946, or approximately one-tenth of one percent of the OIG's budget for the year.

We procure our ammunition through SSA's OAG, following all relevant statutory and regulatory requirements. Some have questioned why the OIG uses an SSA component to accomplish this task; the answer lies in efficiency. As you're well aware, government contracting is a technical and complex bureaucratic operation. This OIG, like most, sees no need to expend taxpayer funds to duplicate effort on administrative matters that the parent agency already performs, and performs well, when there is no compromise of OIG independence and no conflict of interest.

Just as we adhere to all regulations related to the acquisition and procurement of ammunition, we take great care in storing and protecting it, and in ensuring against waste and loss.

Firearms instructors in each Field Division are responsible for securing ammunition, tracking it, distributing it, and accounting for it, though a system of logs and reports designed to ensure that no ammunition goes unaccounted for.

While we have always been confident in our policies, our practices, and our people, we have, since last August, been discussing an even more formalized, more centralized system of controls over ammunition to ensure not only economy and security, but accountability. As a result, we recently enacted a new ammunition procurement, storage, usage, and tracking policy that gives our headquarters greater control through the Office of Investigations' Personnel and Administration Division, and provides real-time inventory information to guide and inform procurement decisions.

I often remind OIG employees that, as an oversight entity, we are held to a higher standard of accountability, both individually and collectively. We are exacting in our audits and investigations, and no less exacting in terms our own administrative operations, particularly concerning fiscal outlays, procurement regulations, and inventory controls.

Once again, I appreciate the opportunity to stand before you today and explain our ammunition procurement, usage, and tracking. I am happy to answer any additional questions you might have.