

**Report Summary**  
**Social Security Administration Office of the Inspector General**

June 2010

***Representative Payees Reporting Criminal Convictions***  
***(A-13-09-19145)***

**Objective**

To determine whether individuals accurately reported their criminal history to the Social Security Administration (SSA) when completing representative payee applications. Specifically, we reviewed applicants' responses about being convicted of an offense that resulted in imprisonment for longer than 1 year.

**Background**

A representative payee is the person, agency, organization, or institution selected to receive and manage benefits on behalf of an incapable beneficiary. Certain individuals convicted of criminal offenses are prohibited from serving as representative payees. The *Social Security Protection Act of 2004* generally disqualifies individuals from serving as payees if they are convicted of an offense that results in imprisonment for more than 1 year.

To view the full report, visit <http://www.ssa.gov/oig/ADOBEPDF/A-13-09-19145.pdf>

**Our Findings**

Some individuals did not accurately report their criminal history to SSA when completing representative payee applications. Our review of information in the Prisoner Update Processing System (PUPS) found 92 individual representative payees—76 relatives and 16 non-relatives—were incarcerated for longer than 1 year even though they did not disclose this information on their applications to serve as payees.

In addition, a comparison of information in PUPS with data in LexisNexis for 300 sampled representative payees found 28 payees who were incarcerated for longer than 1 year. Based on our sample results, we estimate about 900 payees were incarcerated for longer than 1 year and did not inform SSA of their criminal histories.

**Our Recommendations**

Payees who did not disclose their criminal histories to SSA may not be suitable representative payees because the Agency did not assess their criminal histories before selecting them to serve as payees. As a result, these payees may pose a risk to the beneficiaries they serve.

We recommended SSA:

1. Determine and implement a cost-effective method to use PUPS incarceration data and/or third party database information to assess individuals applying to serve as representative payees and use this information to determine the suitability of the payee applicants.
  
1. Review the 120 payees we identified to determine their suitability to continue to serve as representative payees.

SSA agreed with our recommendations.