

# OIG

Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION



## *Fiscal Year 2015* Performance Report

October 30, 2015

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## **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, the 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**

This 2015 Performance Report focuses on the Office of the Inspector General's (OIG) results for the fifth year operating under our *Fiscal Year (FY) 2011 – 2015 Strategic Plan*. We evaluate our progress using 15 performance measures developed within a framework of three general goals: **Impact, Value, and People**. For FY 2015, we successfully met 14 out of 15 performance measures<sup>1</sup>.

The first of our three general goals focuses on the **impact** we have on SSA's programs and operations. Four performance measures are used to calculate the integrity, efficiency, and effectiveness of SSA programs and operations. One strategy used to accomplish this goal in FY 2015, was to promote an OIG-wide process for cross-component communications on potential programmatic and operation vulnerabilities. We fully achieved this goal by exceeding all performance measures.

The second goal reflects the **value** we provide to SSA, the Congress, and the American public by delivering timely and reliable products and services while sustaining a positive return for each tax dollar invested in OIG activities. We track this goal using eight performance measures. We fully achieved this goal by exceeding all performance measures, and generated a positive return of \$82 for every tax dollar invested. To ensure continual improvement of OIG products, we use a quality assessment instrument to measure external user satisfaction and help us accomplish our goals.

The third goal includes strategies to enhance the work experience of our **people**, who are the foundation of the OIG organization. We use three performance measures to evaluate our success in maintaining a skilled, motivated, and diverse workforce in a positive and rewarding work environment. One such goal relates to training. During FY 2015, 99 percent of our employees received 40 hours or more of appropriate developmental and skill-enhancement training.

SSA OIG employees remain committed to achieving our goals in support of our overall mission of inspiring public confidence by detecting and preventing fraud, waste, and abuse in SSA's programs and operations.

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<sup>1</sup> Data for Goal 3.2 will be available in November 2015.

## **PERFORMANCE RESULTS**

GOAL	DESCRIPTION	TARGET	RESULT	GOALS MET	GOALS NOT MET
<b>IMPACT</b>					
<u>1.1</u>	Maintain an annual acceptance rate of at least 88 percent for all audit recommendations.	88%	<b>96%</b>	X	
<u>1.2</u>	Achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA.	85%	<b>88%</b>	X	
<u>1.3</u>	Ensure that at least 80 percent of all cases opened during the fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs.	80%	<b>96%</b>	X	
<u>1.4</u>	Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the fiscal year.	75%	<b>89%</b>	X	
<b>VALUE</b>					
<u>2.1</u>	Generate a positive return of \$8 for every tax dollar invested in OIG activities.	\$8 to \$1	<b>\$82 to \$1</b>	X	
<u>2.2</u>	Evaluate and respond to 90 percent of all allegations received within 45 days.	90%	<b>96%</b>	X	
<u>2.3</u>	Complete investigative fieldwork on 75 percent of all cases within 180 days.	75%	<b>91%</b>	X	
<u>2.4</u>	Respond to 95 percent of constituent-based congressional inquiries within 21 days.	95%	<b>98%</b>	X	
<u>2.5</u>	Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.	90%	<b>97%</b>	X	
<u>2.6</u>	Achieve a positive external user assessment rating of 85 percent for product-service quality.	85%	<b>94%</b>	X	
<u>2.7</u>	Issue 85 percent of final audit reports within 1 year of the entrance conference with SSA.	85%	<b>91%</b>	X	
<u>2.8</u>	Complete 85 percent of requests for legal advice and review within 30 days.	85%	<b>99%</b>	X	
<b>PEOPLE</b>					
<u>3.1</u>	Achieve an annual attrition rate of 5 percent or less.	5%	<b>1%</b>	X	
<u>3.2</u>	Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvements are needed.	75%	<b>TBD<sup>2</sup></b>		
<u>3.3</u>	Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill enhancement training annually.	<b>90%</b>	<b>99%</b>	<b>X</b>	

<sup>2</sup> Data for Goal 3.2 will be available in November 2015.

# 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 three general areas. We state each goal and its associated measures, and describe the method of calculation. We also discuss, where appropriate, why we believe we were successful in meeting our goals.

## Goal 1—IMPACT

*Enhance the integrity, efficiency, and effectiveness of SSA programs and operations.*

Strategies to attain this goal include:

1. Promote an OIG-wide process for cross-component communications on potential programmatic and operational vulnerabilities.
2. Communicate with the Agency to identify mission-critical issues and operations that would benefit from OIG audit and investigation services and develop practical solutions to address identified weaknesses or deficiencies.
3. Prioritize investigations, audits, and counsel actions to effect more efficient and effective SSA programs and operations.

***Goal 1.1: Maintain an annual acceptance rate of at least 88 percent for all audit recommendations.***

**FY 2015 Result:** 96 Percent

We calculate this measure by dividing the number of legislative, policy, and regulatory recommendations accepted by SSA and/or the 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.

For FY 2015, our annual acceptance rate was 96 percent, exceeding our goal of 88 percent. Of the 130 recommendations we submitted during this period that have a management decision, SSA agreed with 125.

***Goal 1.2: Achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA.***

**FY 2015 Result:** 88 Percent

We calculate this measure by dividing the total number of accepted recommendations implemented by SSA during the past five FYs by the total number of recommendations SSA agreed to implement during the past five FYs.

Since SSA needs sufficient time to implement the recommendations it has been agreed that a one-year lag exist in this calculation. Thus, for FY 2015 we are reporting the five-year period covering FYs 2010 through 2014. Our average implementation rate for accepted audit recommendations was 88 percent. During this period, SSA implemented 865 of 981 accepted recommendations.

***Goal 1.3: Ensure that at least 80 percent of all cases opened during the fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs.***

**FY 2015 Result: 96 Percent**

We calculate this measure by dividing the total number of cases opened during the FY which are directly related to the Title II or Title XVI programs, by the total number of cases opened during the FY. This performance measure relates to SSA's Strategic Plan for FYs 2014-2018 Strategic Goal: *Strengthen the Integrity of Our Programs*.

For FY 2015, of the 8,419 cases we opened, 8,066 of the cases related directly to improper payments within SSA's Title II and Title XVI Programs. This 96-percent performance rate exceeds our 80-percent target.

***Goal 1.4: Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the FY.***

**FY 2015 Result: 89 Percent**

We calculate this measure by dividing the number of closed Title II and Title XVI cases successfully concluded during the FY by the total number of Title II and Title XVI cases closed during the FY. A successful criminal conclusion occurs when a subject either pleads guilty or is convicted, or accepts pre-trial diversion or probation before judgment. A successful civil conclusion occurs when a subject either pleads guilty or is convicted, or when the Office of Counsel to the Inspector General (OCIG) accepts a CMP referral resulting from our Office of Investigations' (OI) casework. A successful administrative conclusion occurs when SSA denies, terminates, suspends, recovers, or reduces a benefit; or removes a representative payee, based on an OI investigation.

For FY 2015, of the 7,837 Title II and Title XVI cases we closed, 6,950 had a successful conclusion. This 89-percent performance rate exceeds our 75-percent target.

## Goal 2—VALUE

*Provide quality products and services of value in a timely manner to Congress, SSA, and other key decision-makers while sustaining a positive return for each tax dollar invested in OIG activities.*

Strategies used to attain this goal include:

1. Maintain a “positive-return” culture within OIG.
2. Ensure continual improvement of OIG products by using a product and service quality assessment instrument to measure external user satisfaction.
3. Implement best practices to ensure quality and timeliness of OIG products and services.
4. Utilize information technology investments to enhance OIG work products and service delivery.

***Goal 2.1: Generate a positive return of \$8 for every tax dollar invested in OIG activities.***

**FY 2015 Result:** \$82 to \$1

We calculate this measure by dividing the total amount of all OIG savings identified during the FY by the total amount of appropriated funds during the same period.

For FY 2015, we generated a return of \$82 for every dollar invested in us by the taxpayer. This rate of return was bolstered by three audit reports entitled, *Cost-benefit Analysis of Processing Low-dollar Overpayments* (A-07-14-14065); *Congressional Response Report: Administrative Law Judges with Both High Dispositions and High Allowance Rates* (A-12-14-24092); and *Payments to Student Beneficiaries* (A-09-13-13059). In these reports, we identified over \$3.2 billion in Questioned Costs and over \$3.4 billion in Funds put to Better Use.

***Goal 2.2: Evaluate and respond to 90 percent of all allegations received within 45 days.***

**FY 2015 Result:** 96 Percent

We calculate this measure by dividing the total number of allegations closed or referred within 45 days during the FY by the total number of allegations closed or referred during the FY.

For FY 2015, we evaluated and responded to 96 percent of all allegations received within 45 days. Of the 142,755 allegations closed or referred during the FY, we closed or referred 136,412 allegations within 45 days.

*Goal 2.3: Complete investigative fieldwork on 75 percent of all cases within 180 days.*

**FY 2015 Result:** 91 Percent

We calculate this measure by dividing the total number of investigations closed or referred for prosecution, CMP, SSA administrative action, or other State or Federal agency action within 180 days during the FY by the total investigations closed or referred during the FY.

For FY 2015, we surpassed our 75-percent goal with a 91-percent rating. We closed or referred a total of 8,182 investigations during the FY. Of these, we closed or referred 7,413 cases for action within 180 days.

*Goal 2.4: Respond to 95 percent of constituent-based congressional requests within 21 days.*

**FY 2015 Result:** 98 Percent

We calculate this measure by dividing the total number of constituent-based congressional inquiries (inquiries made by Members of Congress on behalf of one or more named constituents) responded to within 21 days during the FY divided by the total number of such inquiries received during the FY. Processing days are the calendar days elapsed from the OIG's Division of Communications' receipt of such an inquiry to the date of the first written response to the Member of Congress.

For FY 2015, we responded to 40 (98 percent) of 41 congressional inquiries within 21 days.

*Goal 2.5: Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.*

**FY 2015 Result:** 97 Percent

We calculate this measure by dividing the total number of CMP subjects against whom initial action was taken within 30 days of receipt by OCIG during the FY, by the total number of CMP subjects where action was taken during the FY. Initial actions are defined as sending a letter to the subject either stating an intention to pursue a CMP; or indicating that a CMP will not be proposed at this time, and directing the subject to SSA to make arrangements for repayment or other actions.

For FY 2015, we took action within 30 days on 2,153 (97 percent) of 2,224 CMP subjects.

***Goal 2.6: Achieve a positive external user assessment rating of 85 percent for product-service quality.***

**FY 2015 Result:** 94 Percent

The OIG's Office of Quality Assurance and Professional Responsibility, during each Quality Assurance Review, asks external customers to rate their level of satisfaction with the quality of OIG products and services. Recipients and users of OIG products and services include SSA and other Government entities, such as the Congress, Offices of U.S. Attorneys, and external law enforcement agencies. This rating, measured using a five-tier scale, is averaged for each Quality Assurance Review conducted during the FY, and then translated into a percentage, with 85 percent indicating satisfaction.

For FY 2015, we achieved a 94-percent rating, exceeding our goal of 85 percent.

***Goal 2.7: Issue 85 percent of final audit reports within one year of the entrance conference with SSA.***

**FY 2015 Result:** 91 Percent

We calculate this measure by dividing the total number of audit reports issued during the FY within one year of the entrance conference by the total number of audit reports issued during the FY.

For FY 2015, our office achieved a 91-percent rating, exceeding our goal of 85 percent. We issued 81 of 89 reports during the FY within one year of their respective entrance conferences.

***Goal 2.8: Complete 85 percent of requests for legal advice and review within 30 days.***

**FY 2015 Result:** 99 Percent

We calculate this measure by dividing the total number of legal opinions, subpoenas, and audit reviews completed by OCIG within 30 days of receipt during the FY by the total number of requests for legal opinions, subpoenas, and audit reviews completed during the FY.

During FY 2015, we completed 977 (99 percent) of the 988 requests for legal opinions, subpoenas, and audit reviews within 30 days.

## **Goal 3—PEOPLE**

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

Strategies used to attain this goal include:

1. Identify assignment interests and developmental needs of all employees.
2. Provide OIG components with training and tools necessary to ensure professional development and skills enhancement.
3. Maintain a proactive approach in recruiting and hiring candidates to meet different needs.

### ***Goal 3.1: Achieve an annual attrition rate of five percent or less.***

**FY 2015 Result:** One Percent

We calculate this measure by dividing the total number of employees separated (excluding retirements and deaths) during the FY by the employees on board at the beginning of the FY.

For FY 2015, OIG began the FY with 542 employees. During the FY, 14 employees separated from OIG, which is equivalent to a one percent attrition rate.

### ***Goal 3.2: Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvement is needed.***

**FY 2015 Result:** TBD

OIG's Organizational Health Committee implemented an annual employee job-satisfaction survey beginning in FY 2006. This year, the survey consisted of 19 questions, 12 of which are used to determine the percentage. Though the survey was released at the end of FY 2015, we do not yet have the results. Our desire is to have an average score of 75 percent for the questions asked pertaining to employee job-satisfaction, thereby indicating a high level of employee satisfaction. Based on the results of this survey, we will implement an action plan to increase employee satisfaction in any areas in which we need to improve.

Data will be available in November 2015.

*Goal 3.3: Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually.*

**FY 2015 Result:** 99 Percent

We calculate this measure by dividing the number of current OIG staff on board at the beginning of the FY receiving at least 40 hours of training during the FY by the number of current OIG staff on board at the beginning of the FY.

For FY 2015, 99 percent of our employees received 40 or more hours of appropriate developmental and/or skill-enhancement training. Achieving this goal demonstrates our commitment to having a capable and professional workforce. The continual development of our employees underlies our successful performance as an organization.

## HISTORICAL COMPARISON

GOAL	DESCRIPTION	FY 2013 RESULTS	FY 2014 RESULTS	FY 2015 RESULTS
1.1	<i>Maintain an annual acceptance rate of at least 88 percent for all recommendations.</i>	91%	97%	96%
1.2	<i>Achieve a five-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA.</i>	86%	88%	88%
1.3	<i>Ensure that at least 80 percent of all cases opened during the last fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs.</i>	94%	96%	96%
1.4	<i>Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the fiscal year.</i>	89%	89%	89%
2.1	<i>Generate a positive return for every dollar invested in OIG activities that places us in the top 10 percent of all OIGs for return on investment.</i>	\$20 to \$1	\$64 to \$1	\$82 to \$1
2.2	<i>Evaluate and respond to 90 percent of all allegations received within 45 days.</i>	96%	95%	96%
2.3	<i>Complete investigative fieldwork on 75 percent of all cases within 180 days.</i>	91%	91%	91%
2.4	<i>Respond to 95 percent of constituent-based congressional requests within 21 days.</i>	100%	95%	98%
2.5	<i>Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.</i>	99%	97%	97%
2.6	<i>Achieve a positive external user assessment rating of 85 percent for product-service quality.</i>	95%	95%	94%
2.7	<i>Issue 85 percent of final audit reports within one year of the entrance conference with SSA.</i>	94%	90%	91%
2.8	<i>Complete 85 percent of requests for legal advice and review within 30 days.</i>	99%	99%	99%
3.1	<i>Achieve an annual attrition rate of 5 percent or less.</i>	2%	3%	1%
3.2	<i>Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvements are needed.</i>	69%	68%	TBD <sup>3</sup>
3.3	<i>Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually.</i>	96%	98%	99%

<sup>3</sup> Data for Goal 3.2 will be available in November 2015.