

WHAT THE AGENCY NEEDS TO DO

Implement and evaluate its long-term vision on how it plans to provide service, given the current and anticipated changes to the workload, staffing needs, technology, and customer service expectations.

Continue to strengthen its controls for administering the Representative Payment Program, including selecting and monitoring payees.

Key Related Performance Measures

The key customer service performance measures from SSA's FY 2015 *Annual Performance Plan* are listed below.

- Achieve the target speed in answering national 800-number calls.
- Achieve the target busy rate for national 800-number calls.
- Maintain high customer satisfaction with online services.
- Improve access to services by increasing the number of citizens who complete their business online.

While the first three performance measures listed measure a desired outcome of timely service or high customer satisfaction, the last measure listed does not. It appears to measure greater access to personalized information, but it really measures the output of the number of transactions processed through *my Social Security*. Increasing the number of transactions through *my Social Security* accounts does not equate with greater access to personalized information as customers may find the accounts unhelpful or hard to use and choose not to use them. A more meaningful performance metric would measure the customer satisfaction with *my Social Security* or the benefit to SSA of providing its customers with online access to personalized information.

Key Related Links

OIG Report – [Payments to Terminated or Non-Selected Representative Payees](#) (A-09-13-23071), February 2015.

OIG Report – [Direct Deposit Auto-Enrollment Fraud Prevention Block](#) (A-06-14-14042), April 2015.

OIG Report – [The Social Security Administration’s Field Office Consolidation Decision Process](#) (A-07-15-25027), May 2015.

OIG Report – [Deceased Representative Payees](#) (A-01-14-34112), June 2015.

Government Accountability Office Report – [Report to Congressional Committees, High-Risk Series \(An Update\)](#) (GAO-15-290), February 2015.

SSA’s [Vision 2025](#).

SSA’s [Agency Strategic Plan Fiscal Years 2014-2018](#).

SSA’s [Annual Performance Plan for Fiscal Year 2016, Revised Performance Plan for Fiscal Year 2015, and Annual Performance Report for FY 2014](#).

SSA’s [Annual Report on the Results of Periodic Representative Payee Site Reviews and Other Reviews, Fiscal Year 2014](#).

INVEST IN INFORMATION TECHNOLOGY INFRASTRUCTURE TO SUPPORT CURRENT AND FUTURE WORKLOADS

CHALLENGE

Federal agencies must ensure they wisely invest their scarce resources. SSA faces the challenge of determining how best to use technology to accomplish its mission within its budget and resource constraints, while ensuring its information systems are secure and sensitive data are protected.

Cyber-security

Federal information systems—and the information they hold—are increasingly becoming targets of cyber-attacks. Recent breaches at several Federal agencies have underscored the importance of securing Federal systems and protecting sensitive information. The information SSA houses on nearly every U.S. citizen is invaluable to would-be hackers and potential identity thieves. Consequently, the Agency's information systems may be at particular risk of attack. Given the highly sensitive nature of the personal information in its systems, it is imperative that SSA have a robust information security program.

Our prior audit and investigative work has revealed a number of concerns with the security of SSA's information systems. Since FY 2012, auditors have concluded that the risk and severity of SSA's information security weaknesses identified constituted a significant deficiency under the *Federal Information Security Management Act of 2002* (Pub. L. No. 107-347). Those security deficiencies, when aggregated, created a weakness in SSA's overall information systems security program that the auditors concluded significantly compromised the security of the Agency's information and information systems. Additionally, other recent audits and evaluations have identified serious concerns with SSA's information security program.

To address ever-increasing security challenges, it is crucial that SSA implement a well-designed, continuous monitoring strategy to monitor and assess security controls. SSA has issued its *Continuous Monitoring Strategy* but is still implementing it. The Office of Management and Budget and National Institute of Standards and Technology require near real-time, continuous monitoring for risk management and risk-based decisionmaking.

IT Physical Infrastructure

One of SSA's major IT investments in recent years has been replacing its existing National Computer Center (NCC). The NCC has been in continuous operation as a data center since it opened in 1980 and, while its computing capacity has been expanded over the years, increasing workloads and expanding telecommunication services severely strained its ability to support the Agency's business. SSA received \$500 million from the *American Recovery and Reinvestment*

Act to replace the NCC with a new National Support Center (NSC). SSA must diligently monitor migration activities to ensure a successful transition from the NCC to the new NSC.

Development and Implementation of Secure Electronic Services

According to SSA, in FY 2015, the Agency's field offices saw about 40 million visitors, and it handled over 37 million calls to its national 800-number. To support its increasing workloads, SSA has developed and implemented over 30 electronic services to the public, businesses, and other government agencies. With these expanded services, SSA reported it processed more than 85 million transactions online in FY 2015.

One of the Agency's priorities is to develop and increase the use of self-service options. To achieve that goal, SSA plans to rapidly expand the services available under its *my Social Security* online portal. For example, SSA plans to provide direct access to certain information and notices through its online services.

The Agency is developing an application to permit certain individuals to request replacement SSN cards online. In 2015, we evaluated SSA's Authentication Risk Assessment for the Internet Social Security Number Replacement Card Project and identified some concerns with the mitigating controls SSA plans to use for the application.

While expanding its inventory of electronic services, the Agency needs to ensure those services are secure. Prior investigative and audit work have identified multiple incidents of fraud committed through SSA's electronic services. For example, despite controls to prevent unauthorized access to *my Social Security*, we continue to receive fraud allegations related to *my Social Security* accounts.

Implementation of Major IT Projects

SSA faces challenges in executing and implementing major IT projects and delivering expected functions on-schedule and within budget.

To simplify system support and maintenance, improve the speed and quality of the disability process, and reduce the overall growth rate of infrastructure costs, SSA plans to develop DCPS, which, once implemented, will be used by all DDSs. However, despite investing more than \$344 million in DCPS over 7 years, SSA has not fully developed and implemented a system. The project has faced schedule delays and increasing stakeholder concerns.

In response to a request from the Chairman of the House Subcommittee on Social Security, Committee on Ways and Means, we evaluated the DCPS project in FY 2015. Our November 2014 report recommended that SSA suspend the development of certain custom-built components of DCPS until the Agency evaluated and determined whether off-the-shelf or modernized SSA-owned software are viable alternatives. In May 2015, we initiated a review to examine SSA's efforts to evaluate those alternatives.

In May 2015, we issued a report with our observations and recommendations for DCPS. In that review, we found that previous Beta versions of DCPS had significant functionality limitations.

Those limitations caused delays in processing and required that the DDSs develop various “workarounds” to process claims through the system. DDS personnel expressed many concerns with the efficiency and effectiveness of the rollout as well as SSA management’s communication with users.

Agency Actions

Cyber-security

SSA acknowledges it must be mindful of potential cyber-threats and remain committed to protecting privacy and security. One of the Agency’s goals is to ensure its IT services are reliable, secure, and efficient. As part of that effort, SSA plans to strengthen its cyber-security program.

In FY 2015, SSA continued to address the significant deficiencies in information security. In addition, partially in cooperating with the Federal Cybersecurity Sprint efforts, SSA implemented additional policies and procedures. This included, but was not limited to, strengthening access controls and management of privileged accounts, prioritizing critical data inventory, and expanding penetration testing.

SSA also plans to revise and enhance other information security policies and procedures. For example, to better control systems access for employees and contractors, SSA had planned to manage access requests through a new automated system by the end of September 2015 but now expects to do so by the end of the Calendar Year 2015.

Two-factor authentication (for example, using a physical badge and password) methods make it harder for unauthorized individuals to access SSA’s network and systems and better protect sensitive data. By the end of 2015, SSA plans to prevent employees and contractors from logging onto its internal network without their badges.

IT Physical Infrastructure

SSA has taken steps to address its IT infrastructure challenge and the NCC’s sustainability through 2016. For example, SSA provides technical experts regular tours of the facility to identify needed repairs or future replacement projects.

The General Services Administration managed construction of the new NSC, which was completed in September 2014. In 2015, we evaluated SSA’s efforts to transition its NCC operations to the Agency’s new NSC. While we did not identify any significant issues that threatened the Agency’s ability to complete the migration as planned, we believe SSA must continue diligently monitoring migration activities and taking appropriate action when issues arise that put the project at risk. We also believe SSA should inform stakeholders if it determines key milestones will not be met.

The Agency plans to finish migrating its systems from the existing NCC to the new NSC by August 2016 and close out the project by September 2016. We will continue monitoring SSA’s progress in migrating to the NSC and plan to issue another report in FY 2016.

Development and Implementation of Secure Electronic Services

In FY 2014, SSA implemented fraud prevention enhancements to secure **my Social Security** transactions, including applications for benefits and changes of address and direct deposit. SSA continued its outreach activities to promote the **my Social Security** portal. The Agency held a National **my Social Security** Week campaign and various other activities, such as sign-up events, special radio and social media advertisements, press events, and local office activities encouraging the public to use its online services.

Implementation of Major IT Projects

SSA has taken steps to get the DCPS project on track and ensure its successful completion. In March 2014, SSA contracted with an external firm to conduct an independent analysis of the DCPS project, and, in FY 2015, the Agency continued to evaluate and implement the firm's recommendations. Through a dedicated Chief Program Office, the Agency has increased user engagement and is identifying core functionality requirements—common to all DDSs—that will be used to develop the system.

WHAT THE AGENCY NEEDS TO DO

Address the deficiencies identified by the independent auditor that, when aggregated, are considered to be a significant deficiency in SSA's information security program.

Ensure successful transition of its IT operations to the NSC and maintain responsive, reliable system performance.

Ensure the electronic services the Agency provides are secure.

Ensure the Agency's IT planning and investment control processes are effective.

Key Related Performance Measures

The key IT related performance measures from SSA's FY 2015 *Annual Performance Plan* are listed below.

- Improve access to services by increasing the number of citizens who complete their business online.
- Maintain high customer satisfaction with online services.
- Provide the public with access to personalized information by increasing the number of established *my Social Security* accounts.
- Provide uninterrupted access to systems during scheduled times of operation.
- Ensure the continuity of operations by transitioning IT production functions to the NSC by FY 2016.
- Enhance systems performance and reliability by upgrading the telecommunications infrastructure.
- Maintain reliable IT services by continually assessing business and infrastructure applications to identify those that are high risk and determine strategies to renovate, replace, or retire them.
- Explore the use of emerging technologies by establishing a testing lab to promote research and development of innovative technology solutions that provide more effective and flexible ways for the public to conduct business online and for employees to complete their work.
- Provide secure and effective services to the public by improving cyber-security performance.

Most of the performance measures measure outputs. For example, the last performance measure is worded to measure the outcome of secure services but only measures the output of implementing systematic controls. To measure the desired outcome of the systematic controls, SSA should measure whether the controls prevent outside infiltrations of SSA systems.

Key Related Links

OIG Report – [*The Social Security Administration’s Compliance with the Federal Information Security Management Act of 2002 for Fiscal Year 2014*](#) (A-14-14-24083), October 2014.

OIG Report - [*The Social Security Administration’s Financial Report for Fiscal Year 2014*](#) (A-15-14-14084), November 2014.

OIG Report - [*The Social Security Administration’s Authentication Risk Assessment for the Internet Social Security Number Replacement Card Project \(Limited Distribution\)*](#) (A-14-14-24130), May 2015.

OIG Report – [*Progress Report on the Social Security Administration’s National Support Center*](#) (A-14-15-15006), August 2015.

OIG Report – [*Observations and Recommendations for the Disability Case Processing System*](#) (A-14-15-50008), May 2015.

OIG Report – [*The Social Security Administration’s Disability Case Processing System*](#) (A-14-15-15016), November 2014.

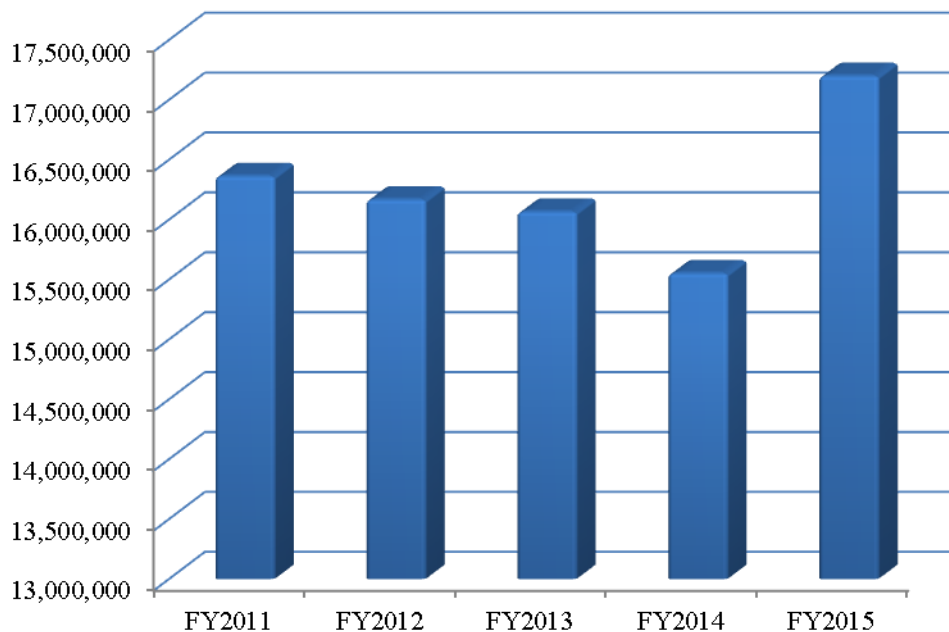
STRENGTHEN THE INTEGRITY AND PROTECTION OF THE SOCIAL SECURITY NUMBER

CHALLENGE

Protecting the SSN and properly posting the wages reported under SSNs are critical to ensuring eligible individuals receive the full benefits they are due.

As shown in Figure 9, SSA issued over 17 million original and replacement SSN cards in FY 2015. In addition, the Agency received and processed about 275 million wage items in FY 2015. Protecting the SSN and properly posting the wages reported under SSNs are critical to ensuring SSN integrity and eligible individuals receive the full benefits due them.

Figure 9: Original and Replacement SSN Cards Issued



SSN Use

The SSN is heavily relied on as an identifier in U.S. society and is valuable as an illegal commodity. Additionally, the SSN is critical in accurately recording workers' earnings on which future benefit payments are based. For these reasons, properly assigning SSNs only to those individuals authorized to obtain them, protecting SSN information once the Agency assigns the numbers, and accurately posting the earnings reported under SSNs are critical SSA missions.

SSN Misuse

While SSA has improved its enumeration process, given the preponderance of SSN misuse and identity theft in U.S. society, we continue to believe protection of this critical number is a considerable challenge for SSA as well as its millions of stakeholders. Unfortunately, once SSA assigns an SSN, it has no authority to control how other entities collect, use, and protect it. Our audit and investigative work have shown that the more SSNs are unnecessarily used, the higher the probability individuals could use them to commit crimes. For example, some educational institutions unnecessarily collect and use SSNs as a primary student identifier. A March 2015 study revealed that 12.7 million consumers were victims of identity fraud in 2014. Two-thirds of these victims had received a data breach notification in the same year.

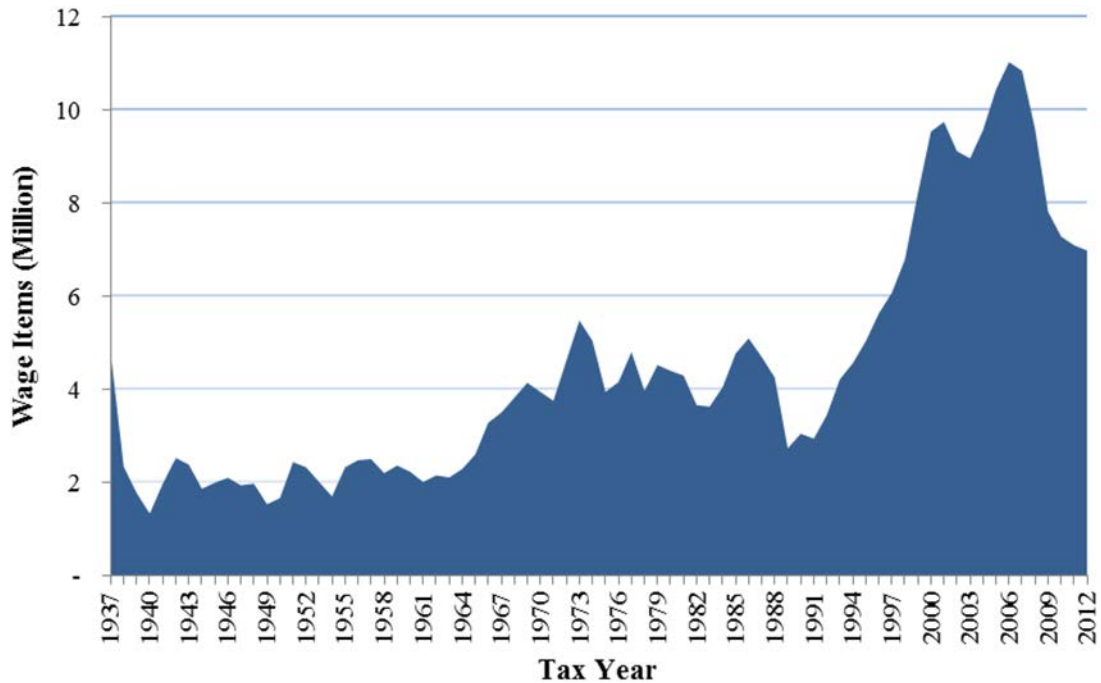
We remain concerned about SSN misuse by noncitizens who are not authorized to work in the United States. We are also concerned that some individuals misuse SSNs for identity theft purposes. In addition, recent audit work determined that over 6 million numberholders age 112 or older had no death information on their Numident records. The accuracy and completeness of death information is critical because Federal benefit paying entities, the Department of Homeland Security, the Internal Revenue Service, State and local governments, and private industry customers rely on the Death Master File to detect unreported deaths and prevent fraud.

Earnings

SSA's programs depend on earnings information to determine whether an individual is eligible for benefits and to calculate the amount of benefit payments. Properly posting earnings ensures eligible individuals receive the full retirement, survivors, and/or disability benefits due them. If employers report earnings information incorrectly or not at all, SSA cannot ensure all individuals entitled to benefits are receiving the correct payment amounts.

SSA spends scarce resources correcting earnings data when employers report incorrect information. The Earnings Suspense File (ESF) is the Agency's repository of wage reports on which wage earners' names and SSNs fail to match SSA's records. Per the latest available data, the ESF had accumulated over \$1.2 trillion in wages and 333 million wage items for Tax Years 1937 through 2012. In Tax Year 2012 alone, SSA posted 6.9 million wage items, representing \$71 billion, to the ESF. From Tax Years 2003 to 2012, the ESF grew by approximately \$749 billion in wages and 90 million wage items, representing about two-thirds of the total wages in the ESF and one-third of the total wage items.

Figure 10: ESF Suspended W-2s (1937 to 2012)



Agency Actions

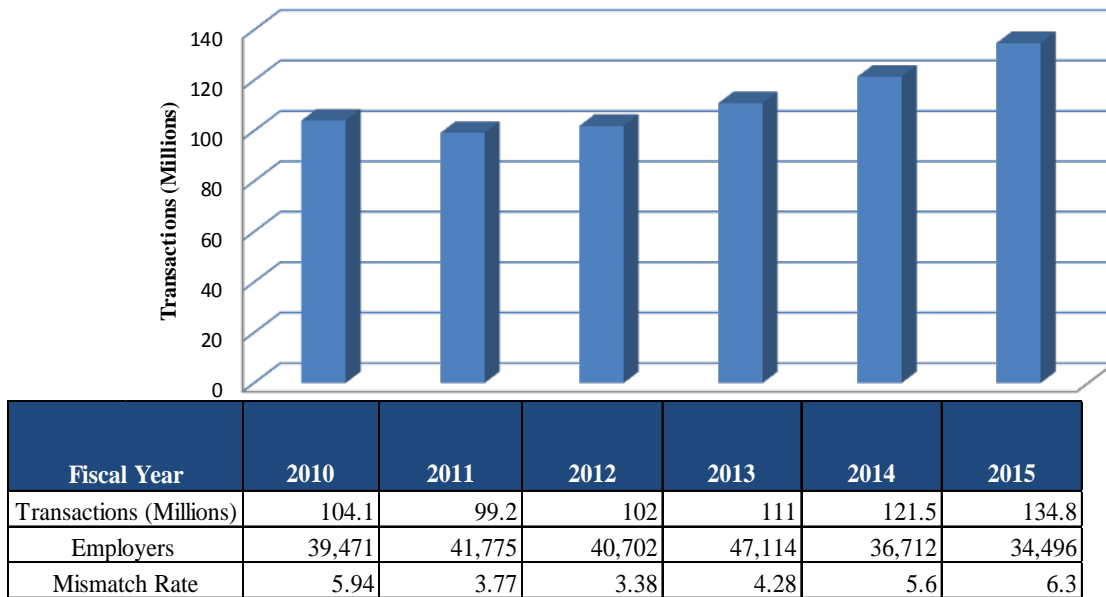
SSA has taken steps to streamline its enumeration process. For example, SSA is developing an Internet-based Social Security Number Replacement Card application. This will allow SSA to reduce the number of replacement card requests in field offices and Social Security Card Centers. While we believe this initiative may enhance customer service, SSA must ensure it takes all necessary steps to minimize the risk of individuals fraudulently obtaining an SSN replacement card.

In addition, SSA has strengthened its policy for processing requests for the SSN printout and no longer provides SSN printouts to the public except in certain disaster situations. If an individual needs proof of his/her SSN and does not have a Social Security card, he/she will need to request a replacement by completing an *Application for a Social Security Card* (Form SS-5) and providing the required documentation.

Social Security Number Verification Service

SSA has taken steps to reduce the size and growth of the ESF. The Agency has offered employers the ability to verify the names and SSNs of their employees using the Agency's Social Security Number Verification Service (SSNVS), which is an online verification program, before reporting wages to SSA. In FY 2015, approximately 34,000 employers were registered to use the service and the service was used to check over 134 million SSNs.

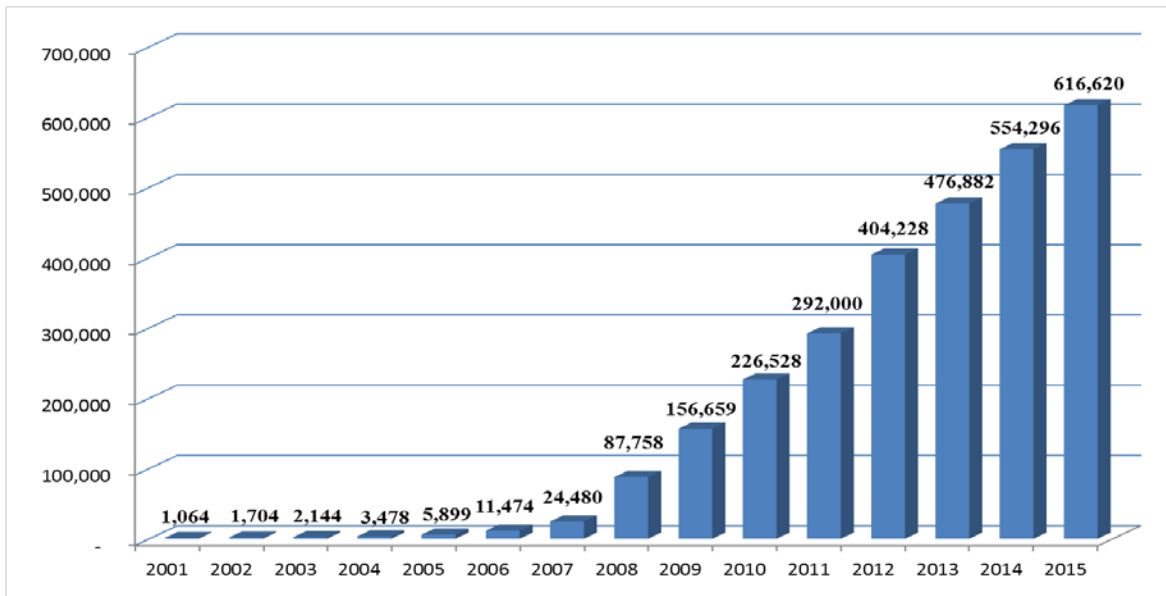
Figure 11: SSNVS Verifications FYs 2010 Through 2015



E-Verify

SSA also supports the Department of Homeland Security in administering the E-Verify program, which assists employers in verifying the employment eligibility of newly hired employees. According to the Department of Homeland Security, over 616,000 employers have enrolled to use E-Verify, and, since its inception in 2001, E-Verify’s enrollment has steadily increased. In FY 2015, employers submitted more than 31.6 million queries.

Figure 12: Enrollment in E-Verify



WHAT THE AGENCY NEEDS TO DO

Continue to be vigilant in protecting SSNs. We remain concerned about SSN misuse by noncitizens who are not authorized to work in the United States as well as the misuse of SSNs for identity theft purposes.

Take steps to ensure the accuracy and completeness of the Death Master File.

Ensure any electronic applications related to SSN card issuance offered through *my Social Security* include an effective authentication process.

Improve wage reporting by informing employers about potential SSN misuse cases, identifying and resolving employer reporting problems, re-examining the validity and integrity checks used to prevent suspicious W-2s from being posted, and encouraging greater use of the Agency's employee verification programs. SSA can also improve coordination with other Federal agencies with separate, yet related, mandates. For example, the Agency needs to work with the Internal Revenue Service to achieve more accurate wage reporting.

Key Related Performance Measures

The key SSN-related performance measures from SSA's FY 2015 *Annual Performance Plan* are listed below.

- Expand the services available under *my Social Security* by implementing an online Social Security Number Replacement Card application.
- Redesign the earnings system to improve the accuracy and timeliness of the earnings data used to calculate benefits.

The first bullet measures the output of developing and testing an online SSN replacement card application. Given the investment needed to create an online SSN replacement card option, it should improve services and a performance measure should measure that improvement, like increased timeliness, accuracy, or customer satisfaction. The second bullet appears to measure the outcome of more accurate and timely earnings data and benefit calculations, but it only measures the output of a redesigned system. SSA should measure the outcome of the redesigned system, such as improved accuracy or timeliness of earnings data.

Key Related Links

OIG Report – [*Status of the Earnings Suspense File*](#) (A-03-15-50058), September 2015.

OIG Report – [*Access Controls over the Business Services Online \(Limited Distribution\)*](#), (A-03-15-13015), June 2014.

OIG Report – [*Improper Use of Children's Social Security Numbers*](#) (A-03-12-21269), March 2014.

OIG Report – [*Numberholders Age 112 or Older Who Did Not Have a Death Entry on the Numident*](#) (A-06-14-34030), March 2015.

OIG Report – [*The Social Security Administration's Authentication Risk Assessment for the Internet Social Security Number Replacement Card Project \(Limited Distribution\)*](#) (A-14-14-24130), May 2015.

OIG Report – [*Internet Social Security Number Replacement Card Project \(Limited Distribution\)*](#) (A-08-14-24096), July 2014.

OIG Report – [*Potential Misuse of Foster Children's Social Security Numbers*](#) (A-08-12-11253), September 2013.

OIG Report – [*Noncitizens Issued Multiple Social Security Numbers*](#) (A-06-10-20155), December 2012.

Inspector General Testimony – [*Hearing on Social Security's Death Records*](#), February 2012.

OIG Report – [*Controls for Issuing Social Security Number Printouts*](#) (A-04-11-11105), December 2011.

OIG Report – [*Kindergarten Through 12th Grade Schools' Collection and Use of Social Security Numbers*](#) (A-08-10-11057), July 2010.

STRENGTHEN PLANNING, TRANSPARENCY, AND ACCOUNTABILITY

CHALLENGE

Planning, transparency, and accountability are critical factors in effective management. Failure to plan properly to meet its mission and challenges will lessen the Agency's ability to provide its services efficiently and effectively now and in the future. Similarly, mismanagement and waste as well as a lack of transparency for citizens in Government operations, can erode trust in SSA's ability to tackle the challenges it faces.

Planning

In the past, the Agency developed multiple-year strategic plans, which included general descriptions of the programs, processes, and resources needed to meet its mission and strategic objectives. SSA has also produced other strategic plans, like the Information Resources Management Strategic and Human Capital Operating Plans, which covered periods of only a few years. While planning for the next few years is important, a longer term vision is critical to ensuring the Agency has the programs, processes, staff, and infrastructure required to provide needed services 10 to 20 years from now and beyond.

Transparency

While the Agency has many performance measures and goals on which it publicly reports, we have questioned the usefulness of some of the measures and goals. We have recommended that SSA develop more outcome-based performance measures and goals, including performance targets based on SSA's long-term outcomes instead of annual budgets.

This document lists SSA's FY 2015 key performance measures. Similar to our previous comments on the Agency's metrics, SSA's FY 2015 performance measures could be more outcome-based. While many appear to measure outcomes because of the manner in which they are worded, they still mostly measure outputs. For example, one performance measure, *Enhance Our Security Features and Business Processes to Prevent and Detect Fraud*, appears to measure the prevention and detection of fraud. However, the data definition for the measure reveals that SSA is only measuring public fraud referrals. While fraud referrals may help detect and prevent fraud, the fraud referrals are steps in the process, not the desired outcome. The fraud referrals could be erroneous reports of fraud that SSA spends its resources investigating without achieving what it intended to achieve. SSA should measure the percentage of referrals that actually detect or prevent fraud to show the true outcome of the process being implemented. Measuring outputs, or steps in a process, does not inform the public whether SSA is managing towards the outcomes it needs to efficiently and effectively provide its services and meet its mission.

Accountability

Independent Auditor's Report

The FY 2015 *Independent Auditor's Report* contained three significant deficiencies in internal control (the full text of the report can be found in SSA's FY 2015 *Agency Financial Report*).

The auditor identified three deficiencies in internal control that, when aggregated, were considered to be a significant deficiency in internal controls related to calculation, recording, and prevention of overpayments. Specifically, the auditor noted calculation errors in 24 percent of the overpayment items selected in a statistical sample. In addition, SSA has a systems limitation where overpayment installments extending past the year 2049 are not tracked and reported. Further, SSA was not reconciling data between systems to detect discrepancies, which could lead to overpayment errors.

The auditor identified deficiencies in internal control that, when aggregated, were considered to be a significant deficiency in internal controls related to redeterminations. Testing identified instances where redetermination interviewers did not comply with established controls policies, and results were not appropriately recorded.

The auditor identified information system control deficiencies in four areas that, when aggregated, were considered to be a significant deficiency over information systems controls. The areas included

- Threat and Vulnerability Management;
- Information Technology Oversight and Governance;
- Change Management; and
- Access Controls.

SSA's Anti-Fraud Programs

SSA is under increased scrutiny after a number of highly publicized cases of fraud became the subject of congressional hearings. We hired a contractor to complete a fraud risk assessment of SSA's anti-fraud activities and found that SSA did not track all instances of fraud or use a risk-based approach for combatting fraud. The contractor also concluded that the Agency could be more proactive in addressing and mitigating new fraud schemes and improving the design and operating effectiveness of anti-fraud measures.

Agency Actions

At Congress' request, SSA contracted with the National Academy of Public Administration to develop a vision and high-level strategic plan aimed at helping the Agency address the continuing service delivery challenges it may face. SSA used the Academy's report and additional stakeholder input to develop its *Vision 2025*, which it released in FY 2015. Per SSA, *Vision 2025* is a critical first step in planning how it will serve the public in the future. Per

Vision 2025, SSA's Chief Strategic Officer will work with Agency leaders to identify critical milestones for its future strategic plans, which the Agency will use to help create the strategic roadmap for the next 10 years.

We are concerned that *Vision 2025* itself does not include the critical milestones and strategic roadmap needed to steer the Agency toward the organization of the future. In a letter to the Acting Commissioner of Social Security, the Chairman of the Social Security Subcommittee, concluded that *Vision 2025* lacked sufficient detail and did not include any specific goals to guide SSA when it attempts to implement the vision.

The Acting Commissioner has made addressing the internal control significant deficiencies a priority. Specifically, SSA has changed how it monitors discrepancies or inaccuracies in benefit payments. Also, SSA has taken a number of steps to increase its anti-fraud activities. For example, in November 2014, it established the Office of Anti-Fraud Programs to efficiently and effectively detect, deter, and mitigate fraud, waste, and abuse in its programs. SSA also has fraud prosecutors who work with offices of the U.S. Attorney to bring Federal criminal charges against individuals who defraud Social Security programs.

WHAT THE AGENCY NEEDS TO DO

SSA needs to develop and effectively implement long-range goals and a strategic roadmap to achieve those goals. While SSA developed its *Vision 2025*, it does not provide clear goals for the Agency or define the steps needed to achieve the vision. Also, SSA should develop performance measures that address its long-term outcomes.

The Agency needs to address its three internal control significant deficiencies.

SSA needs to be more proactive in addressing and mitigating new fraud schemes and improve the design and operating effectiveness of anti-fraud measures.

Key Related Agency Performance Measures

The key planning, transparency, and accountability related performance measures from SSA's FY 2015 *Annual Performance Plan* are listed below.

- Evaluate the Agency's physical footprint as described in its Office of Management and Budget-approved *Real Property Cost Savings and Innovation Plan*.
- Maintain the target veteran and disabled veteran new hire percentage to improve their representation in SSA's workforce.
- Achieve the target on-board representation of employees with targeted disabilities.

- Maintain status as one of the Top Best Places to Work among large agencies in the Federal Government.
- Increase workplace flexibilities by expanding telework participation among employees.
- Enhance security features and business processes to prevent and detect fraud.
- Improve talent management to strengthen the competence of SSA's workforce.
- Achieve target number of human capital metrics to ensure progress toward building a model workforce.

The desired outcomes for some of these performance measures are not clear. For example, SSA includes the evaluation of its physical footprint as one performance measure. It is not clear what SSA hopes to gain from this evaluation. Without knowing what is to be gained by the activity, it is hard to determine its value. Also, it is hard to determine what is being measured because the average person will not know what the Office of Management and Budget -approved *Real Property Cost Savings and Innovation Plan* is.

In another case, the performance measure is worded to measure an outcome, the prevention and detection of fraud, but only measures a process or output, which is a fraud referral system in *my Social Security*. While fraud referrals are a step in the right direction, they do not measure the desired outcome of detecting and preventing fraud. SSA should measure the percentage of referrals that actually detect or prevent fraud to show the true outcome of the process being implemented. In fact, if SSA does not measure that, it will not know whether the fraud referral system is helping detect or prevent fraud. It could get many referrals, but none may lead to actually preventing fraud. If that were the case, SSA would need to re-evaluate the process. SSA should measure its desired outcomes whenever possible.

Key Related Links

National Academy of Public Administration report – [*Anticipating the Future: Developing a Vision and Strategic Plan for the Social Security Administration for 2025-2030*](#), July 2014.

OIG Report - [*The Social Security Administration's Financial Report for Fiscal Year 2014*](#) (A-15-14-14084), November 2014.

OIG Report – [*Fraud Risk Performance Audit of the Social Security Administration's Disability Programs*](#) (A-15-15-25002), April 2015.

SSA's [*SSA Annual Performance Report 2014 – 2016 \(Annual Performance Plan for FY 2016, Revised Performance Plan for FY 2015, and Annual Performance Report for FY 2014\)*](#).

SSA's [*Vision 2025*](#).

CONCLUSION

This report describes SSA's most pressing management and performance challenges. While we understand the Agency has competing priorities and limited resources, it must bring more attention to the issues outlined in this document to ensure it effectively and efficiently serves the American public. We look forward to working with the Agency in identifying ways it can continue to improve its performance and manage its programs in a more secure and transparent manner.



Steven L. Schaeffer, JD, CPA, CGFM, CGMA
Assistant Inspector General for Audit

APPENDICES

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>Self-employment Earnings Removed from the Master Earnings File (A-06-12-12123)</i>	January 30, 2015
<i>Disabled Beneficiaries Who Are Eligible for Higher Retirement Benefits (A-09-13-23054)</i>	January 30, 2015
<i>The Social Security Administration's Reporting of High-dollar Overpayments Under Executive Order 13520 in Fiscal Year 2014 (A-15-14-14123)</i>	December 31, 2014
<i>Underpayments Payable to Terminated Title II Beneficiaries (A-09-13-23099)</i>	December 17, 2014
<i>Payments to Student Beneficiaries (A-09-13-13059)</i>	December 15, 2014
<i>The Social Security Administration's Access to Financial Institutions Program (A-01-13-13069)</i>	December 5, 2014
<i>The Social Security Administration's Prisoner Incentive Payment Program (A-01-14-24100)</i>	December 3, 2014
<i>Individuals with Multiple Social Security Numbers that Were Not Cross-referenced in the Social Security Administration's Systems (A-02-14-34054)</i>	November 25, 2014

IMPROVE CUSTOMER SERVICE

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>Medicare Eligibility Determinations for Aged Supplemental Security Income Recipients (A-06-14-14134)</i>	September 28, 2015
<i>Deceased Representative Payees (A-01-14-34112)</i>	June 17, 2015
<i>The Social Security Administration's Field Office Consolidation Decision Process (A-07-15-25027)</i>	May 12, 2015
<i>Direct Deposit Auto-Enrollment Fraud Prevention Block (A-06-14-14042)</i>	April 22, 2015
<i>Payments to Terminated or Non-selected Representative Payees (A-09-13-23071)</i>	February 18, 2015
<i>The Social Security Administration's Pre-release Procedures of Institutionalized Individuals (A-02-14-24085)</i>	February 3, 2015
<i>The Social Security Administration's Interim Assistance Reimbursement Program (A-13-13-13035)</i>	January 30, 2015
<i>The Social Security Administration's Field Office Benefit Verification Process (A-04-14-24136)</i>	December 1, 2014

INVEST IN INFORMATION TECHNOLOGY INFRASTRUCTURE TO SUPPORT CURRENT AND FUTURE WORKLOADS

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>Progress Report on the Social Security Administration's National Support Center (A-14-15-15006)</i>	August 28, 2015
<i>The Social Security Administration's Authentication Risk Assessment for the Internet Social Security Number Replacement Card Project (A-14-14-24130)</i>	May 15, 2015
<i>Observations and Recommendations for the Disability Case Processing System (A-14-15-50008)</i>	May 4, 2015
<i>The Social Security Administration's Cloud Computing Environment (A-14-14-24081)</i>	December 17, 2014
<i>The Social Security Administration's Disability Case Processing System (A-14-15-15016)</i>	November 13, 2014
<i>The Social Security Administration's Compliance with the Federal Information Security Management Act of 2002 for Fiscal Year 2014 (A-14-14-24083)</i>	October 31, 2014

STRENGTHEN THE INTEGRITY AND PROTECTION OF THE SOCIAL SECURITY NUMBER

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>Status of the Social Security Administration's Earnings Suspense File (A-03-15-50058)</i>	September 22, 2015
<i>Numberholders Age 112 or Older Who Did Not Have a Death Entry on the Numident (A-06-14-34030)</i>	March 4, 2015

STRENGTHEN PLANNING, TRANSPARENCY, AND ACCOUNTABILITY

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>Social Security Administration Contracts Awarded to MicroTechnologies, LLC and Affiliated Contractors (A-15-14-34094)</i>	September 24, 2015
<i>Performance Review of US Investigations Services, LLC (A-15-15-25034)</i>	September 24, 2015
<i>Unauthorized Direct Deposit Changes through my Social Security (A-01-14-24011)</i>	September 23, 2015

Management Challenge Area, Report Title, and Common Identification Number	Report Issued
<i>The Social Security Administration's Anti-fraud Training</i> (A-01-16-50035)	September 22, 2015
<i>Oversight of the Benefit Offset National Demonstration Project</i> (A-04-14-14078)	September 22, 2015
<i>Freedom of Information Act Response Process</i> (A-03-15-50107)	August 21, 2015
<i>Tax Compliance for Social Security Administration Employees</i> (A-03-15-25004)	July 23, 2015
<i>The Social Security Administration's Travel Charge Card Program</i> (A-13-14-11414)	May 29, 2015
<i>The Social Security Administration's Compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012 in the Fiscal Year 2014 Agency Financial Report</i> (A-15-15-50007)	May 12, 2015
<i>Reimbursement for Data Exchanges with Third Parties</i> (A-03-14-24027)	May 8, 2015
<i>Fraud Risk Performance Audit of the Social Security Administration's Disability Programs</i> (A-15-15-25002)	April 29, 2015
<i>Performance Indicator Audit: Minimize Average Wait Time for Initial Disability Claims</i> (A-07-14-24004)	January 30, 2015
<i>Fiscal Year 2014 Risk Assessment of the Social Security Administration's Charge Card Programs</i> (A-13-15-50002)	January 29, 2015
<i>The Social Security Administration's Rehired Annuitants</i> (A-13-15-25018)	January 12, 2015
<i>The Social Security Administration's Use of Hurricane Sandy Relief Funds</i> (A-15-14-14040)	January 8, 2015
<i>The Social Security Administration's Fiscal Year 2004 Through 2013 Accounts Receivable Balances</i> (A-15-14-24133)	January 5, 2015
<i>Disability Insurance Trust Fund</i> (A-15-15-15024)	December 1, 2014
<i>Social Security Administration Conference Expenditures in Fiscal Year 2013</i> (A-05-14-24070)	November 13, 2014
<i>Fiscal Year 2014 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges</i> (A-02-15-15038)	November 10, 2014
<i>The Social Security Administration's Financial Report for Fiscal Year 2014</i> (A-15-14-14084)	November 10, 2014

Appendix B – ACKNOWLEDGMENTS

Walter Bayer, Director	Improve the Responsiveness and Oversight of the Hearings Process
Mark Bailey, Director	Improve the Timeliness and Quality of the Disability Process
Ron Gunia, Director Judith Oliveira, Director	Reduce Improper Payments and Increase Overpayment Recoveries
James Klein, Director Shirley Todd, Director	Improve Customer Service
Jeffrey Brown, Director	Invest in Information Technology Infrastructure to Support Current and Future Workloads
Cylinda McCloud-Keal, Director Theresa Roberts, Director	Strengthen the Integrity and Protection of the Social Security Number
Tim Nee, Director Victoria Vetter, Director	Strengthen Planning, Transparency, and Accountability

MISSION

By conducting independent and objective audits, evaluations, and investigations, the Office of the Inspector General (OIG) inspires public confidence in the integrity and security of the Social Security Administration's (SSA) programs and operations and protects them against fraud, waste, and abuse. We provide timely, useful, and reliable information and advice to Administration officials, Congress, and the public.

CONNECT WITH US

The OIG Website (<http://oig.ssa.gov/>) gives you access to a wealth of information about OIG. On our Website, you can report fraud as well as find the following.

- OIG news
- audit reports
- investigative summaries
- Semiannual Reports to Congress
- fraud advisories
- press releases
- congressional testimony
- an interactive blog, "[Beyond The Numbers](#)" where we welcome your comments

In addition, we provide these avenues of communication through our social media channels.



[Watch us on YouTube](#)



[Like us on Facebook](#)



[Follow us on Twitter](#)



[Subscribe to our RSS feeds or email updates](#)

OBTAIN COPIES OF AUDIT REPORTS

To obtain copies of our reports, visit our Website at <http://oig.ssa.gov/audits-and-investigations/audit-reports/all>. For notification of newly released reports, sign up for e-updates at <http://oig.ssa.gov/e-updates>.

REPORT FRAUD, WASTE, AND ABUSE

To report fraud, waste, and abuse, contact the Office of the Inspector General via

Website: <http://oig.ssa.gov/report-fraud-waste-or-abuse>

Mail: Social Security Fraud Hotline
P.O. Box 17785
Baltimore, Maryland 21235

FAX: 410-597-0118

Telephone: 1-800-269-0271 from 10:00 a.m. to 4:00 p.m. Eastern Standard Time

TTY: 1-866-501-2101 for the deaf or hard of hearing