
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**THE ACCURACY OF THE GARNISHMENT OF
TITLE II BENEFITS BY THE
SOCIAL SECURITY ADMINISTRATION'S
COURT ORDERED GARNISHMENT SYSTEM**

July 2012

A-15-10-21063

AUDIT REPORT



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SOCIAL SECURITY

MEMORANDUM

Date: July 19, 2012

Refer To:

To: The Commissioner

From: Inspector General

Subject: The Accuracy of the Garnishment of Title II Benefits by the Social Security Administration's Court Ordered Garnishment System (A-15-10-21063)

OBJECTIVE

Our objective was determine the status of the corrective actions the Social Security Administration (SSA) took to address the recommendations in our January 15, 2010 report on *The Accuracy of the Garnishment of Title II Benefits by the Social Security Administration's Court Ordered Garnishment System (A-15-09-19063)*. We also determined whether SSA (1) accurately calculated the allowable garnishment amounts and (2) properly documented new, amended, and terminated garnishment orders in a retrieval system for later access.

BACKGROUND

The Social Security Act

The *Social Security Act* (Act)¹ protects a beneficiary's right to receive Social Security benefits² directly and use them as he/she sees fit. Specifically, section 207³ indicates, in part, that no moneys paid or payable under Title II of the Act ". . . shall be subject to execution, levy, attachment, garnishment, or other legal process . . ." except by a provision of law that ". . . does so by express reference to this section." Section 459(a)⁴ contains a specific exception to section 207. Pursuant to section 459(a),⁵ Title II

¹ *Social Security Act* § 207, 42 U.S.C. § 407 (applicable to Title XVI benefits pursuant to section 1631(d)(1) of the Act, 42 U.S.C. § 1383(d)(1)).

² Social Security benefits include Old-Age, Survivors and Disability Insurance established under Title II and Supplemental Security Income established under Title XVI of the *Social Security Act*.

³ *Social Security Act* § 207, 42 U.S.C. § 407.

⁴ *Social Security Act* § 459(a), 42 U.S.C. § 659(a).

⁵ *Id.*

benefits are subject to legal process⁶ brought by a State agency or individual obligee to enforce a Title II beneficiary's legal obligation to provide child support⁷ and/or make alimony⁸ payments. Title XVI payments are not subject to levies or garnishment. In Fiscal Years (FY) 2009 and 2010, SSA made approximately 625.5 and 644.9 million Title II benefit payments, respectively. Of the 625.5 and 644.9 million benefit payments, SSA garnished approximately 3.4 and 4 million (less than 1 percent), totaling \$554.1 and \$683.1 million, respectively.

Social Security Administration Garnishes Title II Benefits

Once SSA receives a garnishment order, its overall responsibility for processing that order is as follows.⁹

1. Review garnishment orders to determine whether to honor or reject¹⁰ them.
2. Notify the involved parties of SSA's determination.
3. Make necessary adjustments to its records.
4. Issue payments timely.

Before the Court Ordered Garnishment System

Before the Court Ordered Garnishment System (COGS) was implemented in March 2006, SSA established a garnishment policy to have a court order served at the local field office (FO) forwarded to the jurisdictional processing center (PC)¹¹ for manual processing. However, because there was no uniform method in the policy's application,

⁶ POMS, GN 02410.001 B.4. (07/27/2006), defines garnishment as a type of legal process by which benefits are taken to pay a beneficiary's child support and/or alimony obligation to a third party.

⁷ POMS, GN 02410.200 D. (2/27/2006), defines child support as periodic payment of funds for the support and maintenance of a child (ren) subject to, and in accordance with, State or local law.

⁸ POMS, GN 02410.200 E. (2/27/2006), defines alimony as periodic payment of funds for the support and maintenance of a spouse or former spouse subject to and in accordance with State or local law. It includes, but is not limited to, separate maintenance and spousal support.

⁹ POMS, GN 02410.210 (04/20/2011), indicates garnishment orders are reviewed to determine, among other things, whether to honor or reject them, and if the order does not provide the full name and SSN of the beneficiary to be garnished or the SSN cannot be obtained from the ALPHIDENT, notify the party who caused the order to be served or the party's representative, that the order will not be honored unless adequate identifying information is supplied.

¹⁰ POMS, GN 02410.205 B. (01/20/2010), indicates that SSA would return a garnishment order to the court if it is delivered by a method not in accordance with the law of the State in which it is issued and would return the order to the issuing entity if the order specifically names someone other than SSA (for example, General Electric) as the "garnishee," "employer," "income payer", etc.

¹¹ POMS GN 02410.205 A (01/20/2010), refers to PC as a program center. POMS GN 02410.210 A (04/20/2011) refers to PC as a processing center. Although the two are interchangeably used, for our report purpose we refer to a processing center.

each PC had a different way of controlling garnishment cases based on the volume of garnishments received. This garnishment process had the following limitations.

- PCs manually processed garnishment adjustments of Title II benefits.
- No distinct data were on the Master Beneficiary Record (MBR).
- Local programs controlled the repetitive payments.
- Notices were a manual process.

As a result of these limitations, COGS was developed.

The Court Ordered Garnishment System

Overview

COGS is a national system that automates withholding from beneficiaries in compliance with State- or court-ordered garnishment requests. COGS automated many of the manual tasks that were involved for the PCs, such as tracking payments and court orders; deducting the garnishment from the beneficiary's payment; issuing the payment to the court, child support agency, or ex-spouse; and sending the appropriate notice. COGS adjusts Title II benefits, issues payments to the appropriate payee as designated in the garnishment order, and issues appropriate notices to the garnished beneficiary and court.¹²

Court Ordered Garnishment System Process

The manager (or designated representative) of any FO or PC can be served with legal process to enforce a legal obligation to provide child support and/or make alimony payments.¹³ Processing garnishment orders is primarily the responsibility of the FOs, while the PCs process garnishment orders served directly to them.¹⁴

The beneficiary's ZIP code determines where the garnishment is established. Once SSA receives a court order, a designated employee in the FO or PC inputs the garnishment order into COGS. There is no requirement for a second, independent review of the information input into COGS. Within 15 days of processing a garnishment order, COGS automatically sends the appropriate garnishment notices to the

¹² SSA's Modernized Systems Operations Manual - SPECPAYSYS 003.001.

¹³ 42 U.S.C. §§ 659(b) & (c); and SSA, POMS, GN 02410.205 A (01/20/2010).

¹⁴ POMS, GN 02410.210 A. (04/20/2011), provides, in part, that processing garnishment orders is the primary responsibility of the FO. PCs process garnishment orders served directly to them and process COGS-related alerts and exceptions. If the order is served to an FO or PC other than the servicing FO or PC, the POMS instructs that the order not be forwarded to the servicing office.

beneficiary/payee and the court/agency. After an employee inputs the court-ordered garnishment into COGS, they fax the document into a document retrieval system and destroy the original.

SSA's ORSIS maintains COGS software through all stages of its life cycle: analysis, requirements, design, development, testing and validation, and implementation and maintenance. Specifically, the Manual Analysis Branch (MAB) is responsible for analysis, requirement, procedure and validation of garnishments. MAB compiles all court-ordered garnishment inputs into reporting spreadsheets, which staff forwards to the Payment Certification Branch (PCB) for payment certification. Once payments are certified, SSA transmits the pertinent data to the Department of the Treasury (Treasury) to ensure accurate and timely issuance of garnishment benefit payments.

Conversion from Prior Garnishment System to the Court Ordered Garnishment System

On March 6, 2006, SSA converted approximately 180,000 beneficiaries with garnishments from the manual garnishment system to the automated COGS. These converted cases had a default start date in COGS of March 6, 2006. The garnishment amounts included in COGS were the previous amounts in the manual garnishment system. SSA did not recalculate these garnishments.

The beneficiaries with garnishments converted to COGS received a notice dated March 14, 2006, informing them about their garnishment liability, the amount SSA withheld for garnishment, and the monthly payment amount they will receive.

Prior Audit Results

In the January 2010 audit,¹⁵ we identified instances where SSA withheld incorrect garnishment amounts. Specifically, we found that 5 (8 percent) of 65 cases resulted in incorrect amounts being withheld. Also, SSA did not maintain the court orders in 14 (22 percent) of 65 cases. Therefore, we recommended that SSA:

1. Ensure the five garnishments in the report were corrected.
2. Remind staff to follow existing policies and procedures that require all new, amended, and terminated garnishment orders to be faxed into the document retrieval system for later access.

Based on the results of our limited sampling in the 2010 audit, we expanded our sample review of the court-ordered garnishments for this audit. We took our expanded sample from a data extract from one segment of the Master Beneficiary Record (MBR) for the period October 1, 2008 through September 30, 2009.

¹⁵ SSA OIG, *The Accuracy of the Garnishment of Title II Benefits by the Social Security Administration's Court Ordered Garnishment System* (A-15-09-19063), January 15, 2010.

RESULTS OF REVIEW

SSA had taken corrective action to address the two recommendations in our prior report, as follows.

Recommendation 1 – Ensure the five garnishments in this report were corrected.

SSA reviewed the incorrect cases and made corrections.

Recommendation 2 – Remind staff to follow existing policies and procedures that require all new, amended, and terminated garnishment orders to be faxed into the document retrieval system for later access.

The Agency sent out an Administrative Message (AM)¹⁶ reminding staff about the policy and procedures to follow when processing incoming garnishment orders.

We identified two sampling populations for this audit. We selected 258 beneficiaries with court-ordered garnishments from these 2 sampling populations.

- Our first sampling population comprised 14,154 beneficiaries with a garnishment action(s) on their records. We randomly selected 250 beneficiaries from the total population.
- Our second sampling population comprised eight beneficiaries. Beneficiaries had a garnishment action(s), as well as, an additional garnishment action(s) for a dependent (that is, spouse or child) on their records. For example, a parent and an adult child each had garnishment actions against them and were on the same record. We examined all eight beneficiaries.

Using the sample results for this audit, we found 13 instances where SSA incorrectly withheld garnishment amounts. Additionally, we had similar findings to the first audit where SSA did not maintain the court orders for 56 beneficiaries. To determine whether SSA accurately calculated the allowable garnishment amounts and properly documented new, amended, and terminated garnishment orders in a retrieval system for later access, we reviewed 258 beneficiaries associated with 1 or more garnishment actions.¹⁷ A summary of our results follows.

¹⁶ Policy Instruction AM-10188 SEN dated November 30, 2010.

¹⁷ We took our sample from one segment (segment 5) of the MBR for the period October 1, 2008 through September 30, 2009. From this segment, we identified 14,154 beneficiaries with child support and alimony garnishment actions in the sample population. The findings in our sample are related to child support and alimony cases, which are processed by the FOs.

Table 1 – Audit Results	
Description	Number of Beneficiaries
Accurately Calculated Garnishment Court Orders	189
Inaccurately Calculated Garnishment Court Orders ¹⁸	13
Subtotal - Reviewed Garnishment Court Orders	202
Missing/Destroyed Garnishment Court Orders ¹⁹	56
Total	258

We determined that the Agency had maintained the garnishment court orders for 202 (78 percent) of 258 beneficiaries. However, we found that the Agency did not maintain the garnishment court orders for 56 (22 percent) of 258 beneficiaries. In addition, we found that the Agency incorrectly calculated 13 (6 percent) of the 202 reviewed beneficiaries' amounts being withheld.

Inaccurate Garnishment Amounts

In reviewing the garnishment orders, we determined whether the COGS amount withheld was in accordance with the court order and applicable State/Federal laws. We found that each State had unique guidelines on how the State maximum garnishment amount was calculated. The maximum garnishment amount is based on the beneficiary's State of residence. The court-ordered garnishment can be greater than the Title II amount, but COGS will determine the lesser of the Federal or State maximum and the amount that SSA should withhold. The Federal maximum withholdings²⁰ are as follows:

- 50 percent of disposable income if supporting a second family,²¹ with no arrears or less than 12 weeks in arrears;
- 55 percent of disposable income if supporting a second family and owes more than 12 weeks in arrears;
- 60 percent of disposable income if single, with no arrears or less than 12 weeks in arrears; and
- 65 percent of disposable income if single and is more than 12 weeks in arrears.

¹⁸ One beneficiary is part of the second sampling population. We reviewed 100 percent of the second population; therefore, we will exclude this court order exception in our projection of inaccurately calculated garnishment payments (see Appendix C).

¹⁹ SSA did not maintain 56 of the 258 court orders. We determined that 55 court orders were missing and SSA destroyed the paper folder for 1 court order.

²⁰ Administration for Children and Families Basic Guidelines for Federal Agencies on Child Support Withholding: http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/opm_iw_guidance.htm.

²¹ A second family means there are other dependents, a spouse and/or child, for which the employee-parent has responsibility.

Based on our audit, we believe the Agency incorrectly calculated the amounts being withheld for 13 (6 percent) of 202 beneficiaries. These 13 beneficiaries had 1 or more garnishment actions that were associated with child support or alimony garnishments.

October 1, 2008 to September 30, 2009

Our audit period was October 1, 2008 through September 30, 2009. During this period, we noted 12 beneficiaries²² totaling \$6,258 in overpayments and \$10,001 in underpayments that had incorrectly calculated amounts withheld for 1 segment. Using the absolute value of \$16,259, we determined a point estimate of \$920,569 for one segment. Based on that point estimate, we estimate approximately \$18.4 million in inaccurate garnishment payments for all 20 segments. For further detail, refer to Appendix C.

October 1, 2008 to December 31, 2011

The incorrectly calculated cases in Table 2 were calculated using a 39-month period from October 1, 2008 through December 31, 2011 or until the garnishment order was terminated. We extended the review period to December 31, 2011 to determine whether the incorrect amounts were still being deducted from the beneficiaries' benefits. The extension of the review period was for the incorrectly calculated amounts and was not projected to our sample. The totals rounded to the nearest \$1.

As a result, we identified a \$17,808 overpayment and a \$32,402 underpayment in garnishment payments in our sample as follows:

Table 2 – Summary of Underpayments and Overpayments				
Sample	Number of Exceptions	Overpayment to Recipient	Underpayment to Recipient	Reference
Sample 1	12	\$9,958	\$32,402	Refer to Table 3 for details
Sample 2	1	7,850	0	Refer to Table 4 for details
Total	13	\$17,808	\$32,402	

In these cases, “overpayment” means the beneficiary was underpaid their Title II benefits, and the court-order recipient (that is, a child or spouse) was overpaid by the same amount. In addition, “underpayment” means the beneficiary was overpaid their Title II benefits, and the court-order recipient (that is, a child or spouse) was underpaid by the same amount. In other words, the under- or overpayment of the beneficiary’s Title II benefits has the opposite effect on the court-ordered payment. See Appendix E for narrative on these garnishment cases.

²² We reviewed all eight beneficiaries from the second sample population and found one inaccurately calculated payment for \$7,850. Therefore, we will exclude this court order exception in our projection of inaccurately calculated garnishment payments and table.

Table 3 – Summary of Sample 1 Underpayments and Overpayments					
Case Number	Benefit Amount Paid During Audit Review ²³	Garnishment Allowable Amount During Audit Review	Garnishment Amount Paid During Audit Review	Overpayment to Recipient ²⁴	Underpayment to Recipient
7	\$44,997	\$24,570	\$1,267	\$0	\$23,303
26	39,738	0	84	84	0
54	49,308	19,578	17,628	0	1,950
88	47,281	11,478	11,401	0	77
98	16,668	0	3,750	3,750	0
111	39,900	7,421	5,199	0	2,222
116	35,977	4,154	4,017	0	137
127	13,935	9,058	4,368	0	4,690
141	10,546	72	98	26	0
151	57,210	5,512	8,468	2,956	0
237	34,370	3,481	6,623	3,142	0
248	32,739	7,862	7,839	0	23
Total – 1st Sample	\$422,669	\$93,186	\$70,742	\$9,958	\$32,402

Note: We calculated the amounts listed in the table using a 39-month period from October 1, 2008 through December 31, 2011 or until the garnishment order was terminated.

Table 4 – Summary of Sample 2 Underpayments and Overpayments					
Case Number	Benefit Amount Paid During Audit Review ²⁵	Garnishment Allowable Amount During Audit Review	Garnishment Amount Paid During Audit Review	Overpayment to Recipient	Underpayment to Recipient
6	\$13,711	\$6,856	\$14,706	\$7,850	\$0
Total – 2nd Sample	\$13,711	\$6,856	\$14,706	\$7,850	\$0

Note: We calculated the amounts listed in the table using a 39-month period from October 1, 2008 through December 31, 2011 or until the garnishment order was terminated.

We found that SSA received the garnishment court orders for 10 beneficiaries (case numbers 6, 7, 26, 88, 98, 111, 116, 127, 141, and 248) before March 6, 2006 (conversion date to COGS). Therefore, the garnishment amounts included in COGS were the previous amounts included in the manual garnishment system. SSA did not

²³ The benefit amount paid is the monthly benefit payment minus any Medicare payments.

²⁴ Case Number 98 is for alimony support; therefore, a recipient can be a child or spouse receiving payments.

²⁵ The benefit amount paid is the monthly benefit payment minus any Medicare payments.

recalculate these garnishments since many of these cases were old and SSA did not maintain the court orders. Had SSA recalculated these garnishments at the conversion to COGS, SSA could have avoided \$11,710 in overpayments and \$30,452 in underpayments.

Missing Garnishment Court Orders

In reviewing the garnishment orders, we found that the Agency did not maintain 56 (22 percent) of 258 beneficiaries' court orders. Therefore, we were unable to verify the accuracy of these garnishment amounts.

These missing court orders are the result of several Agency changes to the POMS²⁶ on maintaining the garnishment court orders. Before establishing COGS on March 6, 2006, SSA required that PCs maintain the court orders while FOs only maintained a manual log of the court orders. Our audit found that 28 (49 percent)²⁷ of the 57 beneficiaries' missing garnishment orders were established before COGS.

After March 6, 2006, the court orders were to be faxed to the PCs.²⁸ During our audit period, SSA policy²⁹ directed that the entire garnishment court order be faxed into a document retrieval system (such as the Electronic Disability claim filing record or Non-Disability Repository Evidentiary Document), stored in the office for 120 days, and destroyed after 120 days. Our audit found that 29 (51 percent) of the 57 beneficiaries' missing garnishment orders were established after COGS was established. Therefore, the FOs and PCs should have faxed the entire garnishment court order into a document retrieval system in accordance with POMS. The lack of supporting documentation may result in improper garnishment of Title II benefits.

The Agency recently sent out reminders on maintaining the garnishment court orders. For example, the Agency sent out an AM³⁰ reminding staff about the policy and procedures for processing incoming garnishment orders on November 30, 2010. In addition, the Agency made the Garnishment Processing Video on Demand available on May 12, 2011. The purpose of this broadcast was to remind technicians of the proper

²⁶ POMS, GN 02410.210 (04/20/2011) sets forth SSA policy for processing garnishment orders in the FO or PC.

²⁷ Case Number 147 has one garnishment court order established before March 6, 2006 and another one established after March 6, 2006. Therefore, it is included in the before and after COGS totals and increases the beneficiaries to 57 for this part of the review only.

²⁸ POMS, GN 02410.210 A.6. (effective from May 19, 2006 to December 20, 2007), provided that, after the FO completes the COGS input, the FO should complete a fax cover form and fax it along with a copy of the entire garnishment order for PRONGFILE-NO ACTION NECESSARY into the paperless fax number of the jurisdictional Processing Center.

²⁹ POMS, GN 02410.210 A.6. Effective October 28, 2009, POMS was revised to remove the 120 days retention requirement; however, for our audit timeframe this requirement was still applicable.

³⁰ Policy Instruction AM-10188 SEN dated November 30, 2010.

policies and procedures to follow when processing incoming garnishment orders in the field offices and processing centers. The broadcast included general reminders for processing various garnishment actions in SSA's COGS as well as important rules to follow when routing and reviewing incoming orders (for example, a reminder to FAX the court order into the document retrieval system).

The Agency sent these reminders after we started our audit. Our audit period was October 1, 2008 through September 30, 2009. Therefore, the Agency has taken corrective action to ensure that staff FAX all new, amended, and terminated garnishment orders into the document retrieval system for later access.

Administrative Fees Associated with Garnishment Payments

While determining whether SSA accurately calculated the allowable garnishment amounts and properly documented new, amended, and terminated garnishment orders in a retrieval system for later access, we found that several court orders permitted an administrative fee to process garnishment payments. Therefore, SSA may be entitled to charge an administrative fee to process garnishment payments.

We reviewed laws related to withholding support. Specifically, *Social Security Act*, § 466,³¹ provides for fees to be charged in certain instances when child support or alimony is being withheld from amounts otherwise owed to non-custodial parents. The *Social Security Act* provision defining child support essentially provides, in part, that such support “means amounts required to be paid under a judgment, decree or order . . . and which may include other related costs and fees”³²

The Administration for Children and Families (ACF) Basic Guidelines for Federal Agencies on Child Support Withholding states,³³ “. . . follow the law of the employee's principal place of employment (State of official duty station) for Employer's administrative fee.” The ACF guidelines show what each State may charge for an administrative fee. The fees vary among the States. See Appendix C for the administrative fees charged per State.

Although the law does not directly state that SSA is an employer and can charge a fee, SSA should determine whether it has a legal basis for charging an administrative fee to process a court-ordered garnishment payment. If SSA has the legal authority, it should develop an administrative garnishment fee schedule in accordance with existing laws and/or statutes. If SSA determines it does not have the legal authority, then it should

³¹ *Social Security Act* § 466(a)(3)(B) and (b)(6)(A)(i), 42 U.S.C. 666(a)(3)(B) and (b)(6)(A)(i).

³² *Social Security Act* § 459(i)(2), 42 U.S.C. 659(i)(2).

³³ ACF Basic Guidelines for Federal Agencies on Child support Withholding http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/opm_iw_guidance.htm.

seek the legal authority, to allow for collection of administrative garnishment fees to recapture the full cost of SSA's services to process a court-ordered garnishment payment (that is, child support or alimony).

After our fieldwork, SSA determined it did not have the legal authority to collect garnishment fees. Although the majority of the cases we reviewed were child support, SSA stated,

We conclude that SSA does not have authority to collect such fees. Section 207 of the Social Security Act generally prohibits garnishment of social security benefits. Although section 459 of the Act contains a narrow exception to this general rule for the purpose of enforcing child support obligations, we do not believe that SSA's costs in processing garnishment orders fall within the definition of 'other . . . costs and fees' in section 459(i)(2), which defines child support.

The regulation at 5 C.F.R. 581.307 provides guidance on the kinds of costs and fees that may be collected as part of a garnishment order. This regulation requires two things before a governmental entity can comply with legal process that seeks withholding for fees or costs: (1) the legal process must expressly provide for inclusion of the fee or cost as (rather than in addition to) child support or alimony; and (2) the award of fees or costs must be within the authority of the state court or state agency that issued the legal process. See 5 C.F.R. 581.307(a)-(b). We are not aware of any authority permitting state courts or state agencies to order the Social Security Administration, a federal agency, to collect fees to defray the agency's costs for processing garnishment orders. For this reason, too, we do not believe the agency may collect administrative fees from child support garnishees for the purpose of defraying the agency's costs for processing garnishment orders.

Because of budget constraints and limited resources, SSA should seek legislative authority to collect garnishment fees to offset the cost of processing garnishment orders.

Estimate of Administrative Fees Associated with Garnishment Payments

We used the FY 2009 through 2011 actual Number of Payments (NoP)³⁴ to determine what the Agency could have charged in administrative fees. To calculate each FY, we multiplied the number of accurate garnishment payments in our sample by the State administrative fee appropriate to where the beneficiary resides for each month. Next, we totaled the administrative fees for the 12-month period for each sample item and calculated an average administrative fee that SSA could charged each month. Finally, we applied the annual average rate per month to the actual NoP made for each FY. Therefore, we estimate the fees to be the following.

³⁴ SSA's Annual Metric Report publishes the actual NoP (garnishments and State Disbursing Unit).

Table 5 – Estimate of Administrative Fees			
FY	Actual NoP	Average Rate³⁵	Total
2009	3,401,964	\$2.61	\$8,879,126
2010	3,956,553	\$2.93	\$11,592,700
2011	4,511,841	\$3.15	\$14,212,299
Totals	11,870,358		\$34,684,125

Based on our analysis, we believe SSA could have collected approximately \$34.7 million in administrative fees for the 3-year period reviewed.

Outstanding Agency Policy Concerns

During the audit, we identified (1) outstanding Agency policy concerns and (2) lack of adherence to Agency policy.

During our review, we noted four cases with policy-related questions as follows.

- In one case, the Agency received both the “original” and “amended” court order. Therefore, the potential exists for issuing duplicate garnishments with two different case numbers for the same court order if the Agency does not ensure a consistent method of identifying case numbers in COGS.
- In one case, the Agency received multiple court orders with different criteria (for example, with and without arrears). Therefore, the potential exists to incorrectly calculate the garnishment amount if the Agency does not apply the correct maximum federal law garnishment percentage.
- In two cases, the Agency received additional garnishment instructions in the court order (for example, withholding worksheets). Therefore, the potential exists to incorrectly calculate the garnishment amount if the Agency receives conflicting garnishment instructions in the court order.

Lack of Adherence to Agency Policy

According to POMS, GN 02410.210 A.3.a.,³⁶ a garnishment order is reviewed to determine whether it is clearly to enforce, modify, or terminate an obligation to pay child support or alimony. If the order is not clear, staff is to immediately contact the garnisher, the garnisher’s representative or the issuing court to get a certified copy of the order.³⁷ In addition, if the date on the order is more than 1 year old, staff should

³⁵ We calculated the average rate by reviewing beneficiaries garnishment orders received in our sample for FY 2009. This rate is continued for 2010 and 2011.

³⁶ POMS, GN 02410.210.A.3.a. (04/20/2011).

³⁷ Id.

verify with the issuing entity that the order is still in effect.³⁸ During our review, we noted three cases with the lack of adherence to this policy as follows.

- In one case, the Agency received three court orders. Staff used only two garnishment orders to calculate the monthly payment. The latest garnishment order is more than 1 year old (dated July 2000) and was excluded from calculating the monthly payment. Therefore, the garnishment amount could be incorrectly calculated if the Agency does not verify the garnishment order with the issuing entity.
- In one case, the Agency received multiple court orders; however, it appears that the Agency may have incorrectly modified the garnishment order due to an inputting error. Therefore, the potential exists to incorrectly calculate the garnishment amount if the Agency does not verify the garnishment order to modify an obligation.
- In one case, the Agency received two garnishment orders from two different States for the same child. Therefore, the potential exists to duplicate the garnishment amount if the Agency does not review the garnishment orders (for example, monitor the child listed on the court order). If the garnishment order is not clear, the Agency should contact the court for verification.

We submitted these cases to SSA for further clarification. However, because of the transition of staffing and absence of expertise, SSA did not provide the correct order of action for the cases. We included these cases in the 189 accurately calculated garnishment court orders. See appendix F for narrative on policy-related cases.

CONCLUSION AND RECOMMENDATIONS

We found that SSA took corrective actions to address the recommendations in our January 15, 2010 report, *The Accuracy of the Garnishment of Title II Benefits by the Social Security Administration's Court Ordered Garnishment System (A-15-09-19063)* and no further action is required on our two prior recommendations.

During our follow-up audit, we found the Agency incorrectly calculated garnishment payments for 13 (6 percent) of 202 beneficiaries. In addition, SSA did not maintain 56 (22 percent) of 258 beneficiaries' court orders. Therefore, SSA should:

1. Ensure staff reviews the 13 garnishments in this report totaling \$17,808 in overpayments and \$32,402 in underpayments.
2. Determine whether the seven policy-related cases need corrective action.
3. Consider seeking legislative authority to collect garnishment fees to offset the cost of processing garnishment orders.

³⁸ POMS GN 02410.210 A.3.c. (04/20/2011).

AGENCY COMMENTS

The Agency agreed with our recommendations. Specific to Recommendation 3, the Agency stated, "If Congress granted us legal authority to collect fees from processing garnishments, we would incur costs associated with:

- Implementing a new electronic system to collect these fees;
- Drafting agreements with every State government and Federal territory to identify these payments; and
- Creating a system of internal controls to inhibit improper payments."

We agree with SSA that there would be implementation and system costs associated with the collection of garnishment fees.

The Agency's complete comments are included in Appendix G.



Patrick P. O'Carroll, Jr.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Projection of Inaccurately Calculated Garnishment Payments

APPENDIX D – Administrative Fees

APPENDIX E – Narrative for Garnishment Cases

APPENDIX F – Narrative for Policy-Related Cases

APPENDIX G – Agency Comments

APPENDIX H – OIG Contacts and Staff Acknowledgments

Acronyms

Act	<i>Social Security Act</i>
ACF	The Administration for Children and Families
COGS	Court Ordered Garnishment System
DCO	Deputy Commissioner for Operations
FO	Field Office
MAB	Manual Analysis Branch
MBR	Master Beneficiary Record
NOP	Number of Payments
OIG	Office of the Inspector General
ORSIS	Office of Retirement and Survivors Insurance Systems
PC	Processing Center
PCB	Payment Certification Branch
POMS	Program Operations Manual System
SSA	Social Security Administration
SSN	Social Security Number
Treasury	Department of the Treasury
U.S.C.	United States Code

Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable State/Federal laws and regulations, pertinent parts of the Social Security Administration's (SSA) Program Operations Manual System, and other relevant criteria.
- Reviewed and obtained data from the Office of Benefit Accounting and Systems Analysis Website.
- Obtained a data extract from Segment 5 of SSA's Master Beneficiary Record from October 1, 2008 through September 30, 2009. From this segment, we identified 14,162 beneficiaries with garnishments as the sample population. We identified two sampling populations.
- Selected 258 beneficiaries with court-order garnishments from these 2 sampling populations.
 - First sampling population – 14,154 Beneficiaries: We randomly selected 250 of 14,154 beneficiaries. As a result, there were 307 garnishments associated with these 250 beneficiaries.
 - Second sampling population – 8 Beneficiaries: We reviewed all 25 court-order garnishments related to these eight beneficiaries. Each beneficiary had multiple dependents (that is, spouse or child) listed on their record with a garnishment action(s). For example, a parent and an adult child each have garnishment actions against them and are on the same record.
- Obtained the court-order garnishments for the two sample groups.
- Obtained Court Ordered Garnishment System (COGS) data.
- Compared and recalculated court-order garnishment amounts to the COGS data to determine accuracy.
- Reviewed and calculated administrative fees associated with garnishment payments using The Administration for Children and Families Basic Guidelines for Federal Agencies on Child support Withholding.
- Obtained data from RATS STATS statistical software to report projections.

We performed our audit at SSA Headquarters from March 2010 through January 2012. We found the data used for this audit were sufficiently reliable to meet our objectives. The entities audited were the Offices of Retirement and Survivors Insurance Systems and Public Services and Operations Support.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Projection of Inaccurately Calculated Garnishment Payments

Projection of Inaccurately Calculated Garnishment Payments

Our audit period is October 1, 2008 through September 30, 2009. During this period, we developed attribute and variable projections based on the 12 beneficiaries with inaccurate garnishment payments in the first sample population. We reviewed all eight beneficiaries from the second sample population and found one inaccurately calculated payment for \$7,850. We excluded this from the projection table. The following table provides the details of our sample results and statistical projections.

Table 1 - Projection of Inaccurate Garnishment Payments	
Sample Results and Attribute Projections for Beneficiaries Whose Garnishment Payments Were Inaccurately Calculated	
Attribute Projection	
Population Size	14,154
Sample Size	250
Number of Beneficiaries' Inaccurate Garnishment Payments	12
Projected Quantity in Universe	679
Lower Limit	398
Upper Limit	1,080
Variable Projection	
Dollar Amount of Incorrect Garnishment Payments	16,260
Point Estimate	920,569
Lower Limit	132,392
Upper Limit	1,708,747
Note: Projections are at the 90-percent confidence level.	

As shown above, we noted 12 beneficiaries who had incorrectly calculated amounts withheld for 1 segment. Based on our point estimate of \$920,569 for one segment, we estimate \$18,411,380 in inaccurate garnishment payments for all 20 segments.

Administrative Fees¹

State	Description of the Administrative Fee Process	1 st Month	Additional Months
Alabama	\$2 per month	2.00	2.00
Alaska	\$5 per payment	5.00	5.00
Arizona	\$1 per payment or \$4 per month whichever is greater	4.00	4.00
Arkansas	\$2.50 per payment	2.50	2.50
California	\$1.50 per payment	1.50	1.50
Colorado	\$5 per month (from remainder of employee's income after deductions and withholding)	5.00	5.00
Connecticut	No provision for Administrative fees	0	0
Delaware	No provision for Administrative fees	0	0
District of Columbia	\$2 per deduction per pay period	2.00	2.00
Florida	\$5 for 1st payment \$2 per payment thereafter	5.00	2.00
Georgia	Up to \$25 against the obligor's income to reimburse, the payor for administration costs for the first income deduction pursuant to an income deduction order and up to \$3.00 thereafter each pay deduction.	25.00	3.00
Guam	No fee allowed	0	0
Hawaii	\$2 per payment	2.00	2.00
Idaho	\$5 per payment	5.00	5.00
Illinois	\$5 per month	5.00	5.00
Indiana	\$2 per payment	2.00	2.00
Iowa	\$2 per payment	2.00	2.00
Kansas	Lesser of \$5 per pay period or \$10 per month	5.00	5.00
Kentucky	\$1 per payment	1.00	1.00
Louisiana	\$5 per pay period	5.00	5.00
Maine	\$2 per pay payment	2.00	2.00
Maryland	Administrative fee of \$2 per payment	2.00	2.00
Massachusetts	Administrative fee of \$1 per payment	1.00	1.00
Michigan	No provision for Administrative fees	-	-
Minnesota	\$1 per payment	1.00	1.00
Mississippi	\$2 per payment plus \$5 to be withheld each month for Department of Human Services (the monthly \$5 may be sent in with the withheld obligation)	2.00	2.00

¹ Administration for Children & Families Basic Guidelines for Federal Agencies on Child Support Withholding http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/opm_iw_guidance.htm.

State	Description of the Administrative Fee Process	1 st Month	Additional Months
Missouri	\$6 per month	6.00	6.00
Montana	\$5 per month	5.00	5.00
Nebraska	\$2.50 per month	2.50	2.50
Nevada	\$3 per payments. Employer also required to collect \$2 per payment (maximum \$4 per month) to be sent to State Treasurer no less than quarterly per Nevada Revised Statutes 31A.080(3); \$2 fee to be deducted from the income due obligor after withholding of child support	2.00	2.00
New Hampshire	\$1 per payment	1.00	1.00
New Jersey	\$1 per payment	1.00	1.00
New Mexico	\$1 per payment	1.00	1.00
New York	No provision for Administrative fees	0	0
North Carolina	\$2 per payment	2.00	2.00
North Dakota	\$3 per month	3.00	3.00
Ohio	\$2 or up to 1 percent of payment, whichever is greater	2.00	2.00
Oklahoma	Administrative fee of \$5 per payment up to \$10 per month	5.00	5.00
Oregon	\$5 per order per month.	5.00	5.00
Pennsylvania	Administrative fee of 2 percent of payment	1.00	1.00
Puerto Rico	\$1 per payment	1.00	1.00
Rhode Island	\$2 per payment	2.00	2.00
South Carolina	\$3 per payment	3.00	3.00
South Dakota	\$3 per month	3.00	3.00
Tennessee	Up to 5 percent of payment not to exceed \$5 per month	5.00	5.00
Texas	\$10 per month	10.00	10.00
Utah	One-time fee of \$25 (may be charged all at once, or over several pay periods)	2.00	2.00
Vermont	\$5 per month	5.00	5.00
Virginia	\$5 per payment	5.00	5.00
Virgin Islands	up to \$1	1.00	1.00
Washington	\$10 for 1st payment; \$1 for all others	10.00	1.00
West Virginia	\$1 per payment	1.00	1.00
Wisconsin	Actual cost up to \$3 per payment	3.00	3.00
Wyoming	\$5 per payment	5.00	5.00

Narrative for Garnishment Cases¹

Case Number 6

The beneficiary resides in Michigan, which follows the State law maximum of 50 percent for garnishments. Conversely, the Court Ordered Garnishment System (COGS) has been deducting the maximum of 65 percent from the beneficiary's monthly benefit payment. Therefore, we estimate the court-ordered amount at \$6,855.50:

Month	Allowable Amount	COGS Amount	Overpayment
October 2008	\$90.00	\$117.00	\$27.00
November 2008	90.00	117.00	27.00
December 2008	95.50	124.20	28.70
January 2009	95.50	124.20	28.70
February 2009	95.50	124.20	28.70
March 2009	95.50	124.20	28.70
April 2009	190.50	247.70	57.20
May 2009	90.50	327.70	137.20
June 2009	190.50	659.90	469.40
July 2009	190.50	6,006.90	5,816.40
August 2009	190.50	247.70	57.20
September 2009	190.50	247.70	57.20
October 2009	190.50	247.70	57.20
November 2009	90.50	247.70	57.20
December 2009	190.50	247.70	57.20
January 2010	190.50	247.70	57.20
February 2010	190.50	247.70	57.20
March 2010	190.50	247.70	57.20
April 2010	190.50	247.70	57.20
May 2010	190.50	247.70	57.20
June 2010	190.50	247.70	57.20
July 2010	190.50	247.70	57.20
August 2010	190.50	247.70	57.20
September 2010	190.50	247.70	57.20
October 2010	190.50	247.70	57.20
November 2010	190.50	247.70	57.20
December 2010	190.50	247.70	57.20
January 2011	190.50	247.70	57.20
February 2011	190.50	247.70	57.20

¹ The calculations were extended from 12 to 39 months to determine whether the incorrect amounts were still being deducted from the beneficiary. The extension of the review period is only for the incorrectly calculated amounts.

March 2011	190.50	247.70	57.20
April 2011	190.50	247.70	57.20
May 2011	190.50	190.50	0.00
June 2011	190.50	190.50	0.00
July 2011	190.50	190.50	0.00
August 2011	190.50	190.50	0.00
September 2011	190.50	190.50	0.00
October 2011	190.50	190.50	0.00
November 2011	190.50	190.50	0.00
December 2011	197.50	197.50	0.00
Total	\$6,855.50	\$14,705.70	\$7,850.20

The benefit amount for the year was \$13,711. As of December 2011, COGS deducted \$14,705.70, which resulted in a \$7,850.20 underpayment to the child.

Case Number 7

The court order requested \$630 per month. Therefore, we estimate the court ordered amount at \$24,570 (approximately \$630 a month). The benefit amount for our review period was \$44,997. As of December 2011, COGS deducted \$1,267.50 (approximately \$32.50 a month), which resulted in an underpayment to the child of \$23,302.

Case Number 26

The court order requested \$14 per month. The original garnishment order was established before COGS. An amended garnishment order case was established on August 15, 2008 but was entered as a new case resulting in a duplicate garnishment, starting in August 2008. The benefit amount for our review period was \$39,738. Therefore, over our review period, COGS deducted \$84 (\$14 per month x 6 months) when the deduction should have been \$0 (\$14 per month x 0 months), which resulted in an overpayment to the child of \$84. As of December 2011, the garnishment was no longer active.

Case Number 54

The court order requested \$502 per month. We found that the monthly amount being deducted was \$452. The beneficiary resides in Louisiana, which follows the State law maximum for garnishments. Therefore, we estimate the court ordered amount at \$19,578 (\$502 a month). The benefit amount for our review period was \$49,308. As of December 2011, COGS had deducted \$17,628 (approximately \$452 a month), which resulted in a \$1,950 underpayment to the child.

Case Number 88

The court order requested \$294.30 per month. We found that the monthly amount deducted was \$217.40 for 1 month. Therefore, we estimate the court ordered amount at \$11,477.70 (approximately \$294.30 a month). The benefit amount for our review

period was \$47,281. As of December 2011, COGS deducted \$11,400.80 (approximately \$287.89 a month), which resulted in an underpayment to the child of \$76.90.

Case Number 98

Per the October 17, 1992 dissolution decree, \$250 was to be paid per month for the next 8 years from the date of the decree. Therefore, the payments should have stopped as of October 17, 2000. According to COGS, the payment was not terminated until January 19, 2010. The benefit amount for our review period was \$16,668. Conversely, COGS deducted \$27,500 (\$250 per month x 110 months) which was deducted from October 2000 to December 2009, which resulted in a \$27,500 overpayment to the child. For our review period, we calculated the overpayment in alimony to be \$3,750 (\$250.00 per month x 15 months).

Case Number 111

The court order requested \$190.27 per month. We found that the monthly amount being deducted was \$133.30. Therefore, we estimate the court order amount at \$7,420.53 (\$190.27 a month). The benefit amount for our review period was \$39,900. As of December 2011, COGS deducted \$5,198.70 (\$133.30 per month), which resulted in a \$2,221.83 underpayment to the child.

Case Number 116

The court order requested \$106.50 per month. We found that the monthly amount being deducted was \$103. Therefore, we estimate the court order amount at \$4,153.50 (approximately \$106.50 a month). The benefit amount for our review period was \$35,977. As of December 2011, COGS deducted \$4,017 (approximately \$103 a month), which resulted in a \$136.50 underpayment to the child.

Case Number 127

The court order requested \$368.34 per month. The beneficiary resides in a State that follows the Federal law maximum for garnishments. As a result, the maximum allowable garnishment amount was \$219.70, \$232.70, and \$241.15 per month. Therefore, we estimate the Federal maximum amount at \$9,057.75. The benefit amount for our review period was \$13,935. As of December 2011, COGS deducted \$4,368 (\$112 per month), which resulted in a \$4,689.75 underpayment to the child.

Case Number 141

The court order requested \$6.50 per month. The original garnishment order was established before COGS was implemented. An amended garnishment order case was established on August 15, 2008 but was entered as a new case resulting in a duplicate garnishment starting in August 2008. The benefit amount for our review period was

\$10,546. The Title II payment was terminated as of September 2009. Therefore, during our review period, COGS deducted \$97.50 (\$6.50 per month x 15 months) when the deduction should have been \$71.50 (\$6.50 per month x 11 months), which resulted in an overpayment to the child of \$26. The garnishment action is no longer active.

Case Number 151

The court order requested \$262.50 per month. We found that \$263 was being deducted each month. Therefore, we estimate the court order amount at \$5,512.50 (approximately \$262.50 a month). The benefit amount for our review period was \$57,210. Conversely, COGS deducted \$8,468 (approximately \$403.24 a month), which resulted in an overpayment to the child of \$2,955.50. The garnishment action was calculated using 21- months and is no longer active.

Case Number 237

Two court orders were applicable in Fiscal Year 2009. The first court order, dated October 16, 2008, requested \$500 per month. The court order was amended on April 15, 2009. The amendment requested \$200 per month. The beneficiary resided in a State that followed the State law maximum for garnishments of 50 percent. As a result, we found that the maximum allowable garnishment amount was \$490.50 per month. Therefore, we estimate the State law maximum amount was \$3,481 (\$490.50 x 2 month + \$200 x 5 months + \$100 x 15 months). The benefit amount for our review period was \$34,370. As of December 2011, COGS deducted \$6,623.10, which resulted in a \$3,142.10 overpayment to the child.

Case Number 248

The court order requested \$201.60 per month. We found that the monthly amount being deducted was \$201. Therefore, we estimate the court order amount at \$7,862.40 (\$201.60 per month). The benefit amount for our review period was \$32,739. As of December 2011, COGS deducted \$7,839 (approximately \$201 a month), which resulted in an underpayment to the child of \$23.40.

Narrative for Policy-Related Cases

Case Number 71 - Potential Duplicate Garnishments

On January 27, 2009, SSA established a garnishment action from a January 8, 2009 amended garnishment case that requested \$50 per month. It appears the garnishment order should have indicated “original” instead of “amended.” In addition, SSA established another garnishment action on August 29, 2009 from an original garnishment case for the same amount. Although the case numbers listed on both garnishment orders were the same, the employees’ obligor’s Social Security number (SSN) was used to create the second garnishment action in COGS. Because of the Agency’s inconsistent method of identifying the case number in COGS, the potential exists for duplicate garnishments for this case.

Case Number 87 - Potential Non-Current Garnishment

COGS is deducting \$327.20 per month. SSA received two garnishment orders for the beneficiary. The court orders are as follows.

Description	Amount
Court Order Dated June 1, 1995	\$108.33
Court Order Dated October 20, 1997	\$216.67
2-Percent Administrative Fee	<u>\$2.17</u>
Subtotal	\$327.17
Rounding	<u>.03</u>
Total	\$327.20

In addition, SSA received a third garnishment order dated July 16, 2000 requesting \$166.11 per month plus a 2-percent processing fee. We cannot determine whether this case is used as part of the recalculation for the monthly garnishment payment. SSA may consider ensuring that all court order garnishments are included in COGS.

Case Number 142 - Potential Garnishment Percentage Error

Three cases are active under the same SSN. The orders were established as follows.

Case Number	Established Date
1997D0080250	July 30, 2009
2004D0008691	July 30, 2009
2006D0051095	July 30, 2009

The beneficiary resides in Illinois, which follows the Federal law maximum for garnishments. Court orders 1997D0080250 and 2004D0008691 are not in arrears; therefore, we calculate the maximum Federal law to be 60 percent. Court order 2006D0051095 is in arrears and therefore the maximum Federal law for deduction is 65 percent. We found that COGS deducted \$1,330 (approximately \$665 per month) \$665 per month is more than the maximum allowable amount for the first two court orders (\$614 per month). SSA should consider whether COGS uses the maximum percentage of the multiple orders or the percentage of each order separately for this case.

Case Number 177 - Potential Input Error

Two cases are active under the same SSN. The orders were established as follows.

Case Number	Established Date
287705	March 6, 2006
273098	December 16, 2008

On October 14, 2008, SSA amended case number 287705 monthly garnishment amount from \$55 to \$143 per month. However, in reviewing the amended court orders, we noticed that SSA modified the garnishment amount using case number 273098. Moreover, case number 273098 was established on December 16, 2008, but the court order was marked as amended for \$143 per month. For this case, SSA should consider contacting the issuing court for verification.

Case Numbers 207 and 208 - Potential Improper Garnishment Amount

In two cases, the beneficiaries each resided in Oregon, which follows the State law maximum for garnishments. The garnishment orders received from the court include withholding worksheets but it is not clear of which calculation to use. The court order states one amount, however the withholding worksheets use another amount. SSA should consider developing a procedure to use when it receives worksheets to calculate the garnishment amount.

Case Number 215 - Potential Duplicate Garnishment Amount Withheld from Two States

Two court orders are active under the same SSN for two different States. The garnishment orders, one from Alabama and one from California, are requesting payment for the same child. Both garnishment cases are active. SSA needs to review all court orders to determine whether it is to enforce, modify, or terminate an obligation to pay child support. For this case, SSA should consider adding the child listed on the garnishment order to COGS or the MBR to prevent duplicate withholdings for this case.

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: June 22, 2012

Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.
Inspector General

From: Dean S. Landis /s/
Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, "The Accuracy of the Garnishment of Title II Benefits by the Social Security Administration's Court Ordered Garnishment System" (A-15-10-21063)—INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Amy Thompson at (410) 966-0569.

Attachment

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, “THE ACCURACY OF THE GARNISHMENT OF TITLE II BENEFITS BY THE SOCIAL SECURITY ADMINISTRATION’S COURT ORDERED GARNISHMENT SYSTEM” (A-15-10-21063)

General Comment

We suggest OIG include in its report that there would be implementation and maintenance costs associated with the collection of administrative fees. The report gives the impression that we would have a windfall of \$34.7 million over 3 years if we collected garnishment fees. In fact, implementation and system maintenance costs would result in a significant reduction of this amount. If Congress granted us legal authority to collect fees from processing garnishments, we would incur costs associated with:

- Implementing a new electronic system to collect these fees;
- Drafting agreements with every State government and Federal territory to identify these payments; and
- Creating a system of internal controls to inhibit improper payments.

RESPONSE TO RECOMMENDATIONS

Recommendation 1

Ensure staff reviews the 13 garnishments in this report totaling \$17,808 in overpayments and \$32,402 in underpayments.

Response

We agree.

Recommendation 2

Determine whether the seven policy-related cases need corrective action.

Response

We agree.

Recommendation 3

Consider seeking legislative authority to collect garnishment fees to offset the cost of processing garnishment orders.

Response

We agree.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Victoria Vetter, Director, Financial Audit Division

Mark Meehan, Audit Manager

Acknowledgments

In addition to those named above:

Tonia Hill, Auditor-in-Charge

For additional copies of this report, please visit our Website at <http://oig.ssa.gov/> or contact the Office of the Inspector General's Public Affairs Staff at (410) 965-4518. Refer to Common Identification Number A-15-10-21063.

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The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

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OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

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