
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**SINGLE AUDIT OF THE
COMMONWEALTH OF MASSACHUSETTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2010**

December 2011

A-77-12-00001

**MANAGEMENT
ADVISORY REPORT**



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.
- Promote economy, effectiveness, and efficiency within the agency.
- Prevent and detect fraud, waste, and abuse in agency programs and operations.
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.
- Access to all information necessary for the reviews.
- Authority to publish findings and recommendations based on the reviews.

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: December 21, 2011

Refer To:

To: Frances Cord
Director
Audit Management and Liaison Staff

From: Inspector General

Subject: Management Advisory Report: Single Audit of the Commonwealth of Massachusetts for the Fiscal Year Ended June 30, 2010 (A-77-12-00001)

This report presents the Social Security Administration's (SSA) portion of the single audit of the Commonwealth of Massachusetts for the Fiscal Year ended June 30, 2010. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

KPMG, LLP performed the audit. The results of the desk review conducted by the Department of Health and Human Services (HHS) concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by KPMG, LLP and the reviews performed by HHS. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Massachusetts Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Massachusetts Rehabilitation Commission (MRC) is the Massachusetts DDS' parent agency.

The single audit reported that some timesheets and bi-weekly payroll reports for payroll costs charged to the disability program did not have the required supervisory approval signature (Attachment A, Page 1 and 2). The corrective action plan indicated MRC developed a policy to ensure supervisory approval of payroll. Further, MRC will

continue to provide additional training to ensure existing policies and procedures are followed and monitored (Attachment A, Page 3). We made a recommendation to SSA in a prior report for corrective action on this finding.¹ SSA confirmed that policies and procedures were put in place to ensure supervisory review of payroll. Accordingly, we are not making any recommendations on this finding.

The single audit also disclosed the following findings that may impact DDS operations although they were not specifically identified to SSA. I am bringing these matters to your attention as they represent potentially serious service delivery and financial control problems for the Agency.

- The annual user access review of applications containing Personally Identifiable Information was not conducted (Attachment B, Page 1).
- MRC did not document the management review of reports submitted to the Federal Government (Attachment B, Pages 2 and 3).
- MRC did not have a reporting system that ensured vocational rehabilitation data were submitted to the Federal Government timely, completely and accurately (Attachment B, Pages 4 and 5).
- Central support service costs were not appropriately allocated to benefiting programs (Attachment B, Pages 6 and 7).

If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802.



Patrick P. O'Carroll, Jr.

Attachments

cc:
L. Bernstein

¹ SSA OIG, Management Advisory Report, *Single Audit of the Commonwealth of Massachusetts for the Fiscal Year Ended June 30, 2009* (A-77-11-00004), November 2010.

Massachusetts Rehabilitation Commission

Rehabilitation Services – Vocational Rehabilitation Grants to States (84.126)

Rehabilitation Services – Vocational Rehabilitation Grants to States, Recovery Act (84.390)

Social Security Disability Insurance (96.001)

Federal Award Number:	H126A1000028B	Federal Award Year:	2010
	H390A090028A		2010
	04-1004MAD100		2010

**U.S. Department of Education
Social Security Administration**

Reference: 2010-30

Requirement

Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal awards, including but not necessarily limited to wages, salaries, and fringe benefits. The costs of such compensation are allowable to the extent that they satisfy the specific requirements of this Circular, and that the total compensation for individual employees: (1) Is reasonable for the services rendered and conforms to the established policy of the governmental unit consistently applied to both Federal and non Federal activities; (2) Follows an appointment made in accordance with a governmental unit's laws and rules and meets merit system or other requirements required by Federal law, where applicable; and (3) Is determined and supported as provided in subsection h (OMB Circular A-87 Attachment B Section 8 (a)).

These standards regarding time distribution are in addition to the standards for payroll documentation. (1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit (OMB Circular A-87 Attachment B Section 8 (h)).

Finding

The Commonwealth of Massachusetts Human Resources Division's Time and Attendance Policy (Revised May 27, 2010), requires that time sheets be approved by an employee's supervisor. Further an Executive Office of Health and Human Services (EOHHS) Time and Attendance Reporting Training Job Aid (issued February 2007) directs EOHHS supervisors to sign and keep on file transmittal spreadsheets that are used to document payroll items such as sick days and hours work by hourly employees. The Massachusetts Rehabilitation Commission (MRC) also issued an administrative bulletin related to payroll on March 22, 2010 that directed Unit Supervisors or managers to review and approve time and attendance for their respective Units.

For the Rehabilitation Services – Vocational Rehabilitation Grants to States Program, we examined 60 weekly timesheets covering five pay periods for payroll costs charged to the federal VR grant; at least one pay period was selected for each of the 25 Area Offices, as well as 1 Regional Office. We also reviewed 40 weekly timesheets covering four pay periods for payroll costs charged to the VR American Recovery and Reinvestment Act (ARRA) grant. These timesheets represented 17 Area Offices and 1 Central Office department. For the above sampled items all payroll support documentation was received from agency personnel including proof of supervisory approval.

As an alternative test, site visits to five VR Area Offices were conducted. The review of 50 weekly timesheets covering five pay periods disclosed that 8 of the 50 weekly timesheets—six from the Boston Area Office and two from the Somerville Area Office—were missing evidence of a supervisory approval signature. As a result, questionable costs for the timesheets involved amounted to \$121,085.

With respect to Social Security Disability Insurance Program (DDS), we inspected 82 weekly timesheets covering five pay periods from 25 departments that were charged to the Federal DDS grant. For the above examination all payroll support documentation was received from agency personnel including proof of a supervisory approval signature for all 182 weekly timesheets reviewed.

The absence of a payroll supervisor's signature does not provide for adequate assurance that payroll expenditures are accurate and valid and the program is being charged only for the actual time an employee has worked on a program.

Our review also disclosed the following deviations related to EOHHS or MRC policy:

Electronic Transmittals (EOHHS)

- Although our own comparison did not detect any discrepancies between authorized employee timesheets and payroll exceptions reported on EOHHS electronic transmittals, 8 of the 50 EOHHS timesheets inspected during our site visits to Area Offices (payroll costs charged to the VR federal grant) did not have evidence of a supervisory approval signature. Four of the 8 incidences occurred after the MRC Administrative Bulletin revision was effective.
- 4 out of 40 EOHHS Transmittals (payroll costs charged to the VR ARRA federal grant) did not have evidence of a supervisory approval signature. All four occurrences transpired after the MRC Administrative Bulletin revision and took place at the Boston Area Office.
- 4 out of 82 EOHHS timesheets (payroll costs charged to the DDS federal grant) did not have evidence of a supervisory approval signature. All four occurrences transpired before MRC's revised Administrative Bulletin. Additionally, we noted that DDS management did not implement the MRC agency-wide Administrative Bulletin until May 24, 2010; roughly two months after the Administrative Bulletin effective date.

Bi-Weekly Payroll Reports

- 21 out of 55 MRC bi-weekly payroll reports (payroll costs charged to the VR federal grant) did not have evidence of a supervisory approval signature. Fourteen of the twenty-one were identified during our site visits to Area Offices, with 5 taking place after the MRC Administrative Bulletin revision.
- 2 out of 20 MRC bi-weekly payroll reports (payroll costs charged to the VR ARRA federal grant) did not have evidence of a supervisory approval signature. Both occurrences transpired after the MRC Administrative Bulletin revision and took place at the Boston Area Office.
- 33 out of 41 MRC bi-weekly payroll reports (payroll costs charged to the DDS federal grant) did not have evidence of a supervisory approval signature. Seven of the thirty-three occurrences took place after the MRC Administrative Bulletin revision.

A similar finding was reported in the prior year single audit report as finding number 2009-31.

Recommendation

MRC should provide training and dedicate adequate resources to ensure that existing policies and procedures are implemented.

Related Noncompliance

Based on the above, MRC is not in compliance with the stated requirement.

Questioned Costs

\$121,085 (84.126)

Views of Responsible Officials and Corrective Actions

MRC has developed an Agency-wide Payroll Policy to ensure that employee timesheets are reviewed by program supervisors. This payroll policy was issued in March 2010. MRC will continue to provide additional training to ensure that existing policies and procedures are followed and monitored. MRC submits that the time sheets in question did not have the proper approvals. MRC's internal control process uses reports provided on Document Direct to ensure that payroll is accurate and consistent. MRC's internal controls minimize the risk of reportable questioned costs.

Contact: Ruth Paulson

Implementation Date: MRC will continue on an on-going basis to provide additional training to ensure that existing policies and procedures are followed and monitored.

Executive Office of Health and Human Services

Logical Access Controls – MMIS

Finding Reference: 2010-06

Observation

The EOHHS Security Request Process requires an annual access review of all applications containing Personally Identifiable Information or of additional applications as specified by Management.

We were informed that a review of NewMMIS users was not performed in FY 2010.

The lack of formal user access reviews for applications increases the risk that active user accounts belonging to terminated employees may not be disabled for a prolonged period of time. In addition, inappropriate employee access privileges may not be detected and modified in a timely manner.

Recommendation

EOHHS should perform a periodic review of end user NewMMIS application access privileges on to ensure that only authorized personnel have system access based on their job responsibility. IT Administrators should perform follow-up procedures to perform corrective action for identified deviations.

Views of Responsible Officials and Corrective Actions

A Draft Access Control Policy is being developed by ITD and the Enterprise Security Board. To date, Security Operations has created a database which combines our users' access to the Network, email, NewMMIS, MA-21 SEVS Systems, has identified who the users' Directors are and created a report for each Director to review. Implementation is pending approval of the policy notification by management.

Responsible Official: Walter Johnson, Director, IT Operations, EOHHS

Massachusetts Rehabilitation Commission

Rehabilitation Services – Vocational Rehabilitation Grants to States (84.126)

Rehabilitation Services – Vocational Rehabilitation Grants to States, Recovery Act (84.390)

Federal Award Number:	H126A080028D	Federal Award Year:	2009
	H126A090028A		2010
	H390A090028A		2010
	H126A100028B		2011

U.S. Department of Education

Finding Reference: 2010-28

Requirement

A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to: (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes (34CFR 80.20 (a)).

The financial management systems of other grantees and subgrantees must meet the following standards: (1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. (2) Accounting records. Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. (3) Internal control. Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes. (34CFR 80.20 (b)).

Finding

In our review of the quarterly Financial Status Report (SF-269) or the Federal Financial Report (SF-425), for the quarters ending September 30, 2009 and March 31, 2010, we noted that the Massachusetts Rehabilitation Commission (MRC) did have controls in place to ensure the accuracy and completeness of these reports but did not have documentation of management review. Our audit disclosed the following reporting deficiencies:

- Federal unliquidated obligations totaling \$101,311 were undervalued on the March 2010 (ARRA) SF-269. This error was later corrected on the June 2010 report.
- State unliquidated obligations totaling \$9,316,194 were not reported on the September 2009 SF-269 report. This error was later corrected on the March 2010 report.

Recommendation

We recommend that MRC review the current policies and procedures in place and make the necessary adjustments to ensure that reports submitted to the Federal government are complete and accurate.

Related Noncompliance

Based on the above MRC was not in compliance with the requirement above.

Questioned Costs

None

Views of Responsible Officials and Corrective Actions

MRC concurs with the recommendation that the Department review the current policies and procedures in place. MRC will make the necessary adjustments to ensure that reports submitted to the Federal government are complete and accurate.

Contact: Ruth Paulson

Implementation Date: On-going with a scheduled completion date of 12-31-11

Massachusetts Rehabilitation Commission

Rehabilitation Services – Vocational Rehabilitation Grants to States (84.126)

Rehabilitation Services – Vocational Rehabilitation Grants to States, Recovery Act (84.390)

Federal Award Number:	H126A080028D	Federal Award Year:	2009
	H126A090028A		2010
	H390A090028A		2010
	H126A100028B		2011

U.S. Department of Education

Reference: 2010-29

Requirement

A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to: (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes (34 CFR 80.20 (a)).

The financial management systems of other grantees and subgrantees must meet the following standards: (1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. (2) Accounting records. Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. (3) Internal control. Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes. (34 CFR 80.20 (b)).

Finding

Each State Vocational Rehabilitation (VR) Agency that has expended funds in providing VR services to individuals with disabilities under the Section 110 and Title VI-B programs of the Rehabilitation Act of 1973 is required to prepare RSA-2 report for each federal fiscal year (October 1 – September 30). The report must be submitted to the United States Department of Education Rehabilitation Services Administration (RSA) by December 31 following the close of the federal fiscal year (FFY) and reflect all expenditures made during the FFY from federal, state and other rehabilitation funds in providing Vocational Rehabilitation (VR) services. In addition, the report requires information on the number of individuals with disabilities receiving services and on the funds expended on their behalf by the VR agency for each type of VR service. Also, the report requires information on the actual time (person/ years) that vocational rehabilitation jobs were filled during the period covered by the report.

Our review disclosed that the Massachusetts Rehabilitation Commission (MRC) did not have a reporting system that provided supporting documentation to substantiate the data reported in the RSA-2 for the period ended September 30, 2009. Specifically we noted:

- MRC did not submit its report until April 8, 2010; over three months after the December 31st deadline.
- MRC did not maintain documentation to support management's review and approval of their report and continues to complete the RSA-2 without written policies and procedures in place detailing its process.
- Federal unliquidated obligations totaling \$9,503,793 – of which \$188,626 represents American Recovery and Reinvestment Act (ARRA) obligations – were not included in the reporting period ending September 30, 2009. Moreover, not reporting unliquidated obligations as expenditures in the proper reporting period results in the overstatement of funds carried over to and expenditures reported in the next fiscal year (period ending September 30, 2010).
- Program income expenditures paid for with funds carried over from the previous fiscal year were overstated by \$378,462.
- Vocational Rehabilitation (VR) expenditures paid for with funds carried over from the previous fiscal year were understated by \$3,004,218.
- Client related services totaling \$6,549,862 purchased from private vendors not properly supported by an audit trail.

Further, person-years, in full year increments, must be reported for all state agency personnel whose salaries are charged in whole or in part to Section 110 funds, Title VI-B or other rehabilitation funds. Person-years mean the actual time that vocational rehabilitation jobs were filled during the period covered by the report. For example, if a job is filled throughout a fiscal year, it is counted as one person-year; two jobs each filled half a year would also count as one person-year. MRC reported the number of full-time employees (person-years) by counting the number of agency staff as of March 19, 2009, rather than, the actual time vocational rehabilitation jobs were filled.

A similar finding was reported in the prior year single audit report as finding number 2009-30.

Recommendation

MRC should implement documented policies and procedures to ensure that the RSA-2 report is submitted timely, completely and accurately.

Related Noncompliance

Based on the above, MRC was not in compliance with the stated requirement.

Questioned Costs

None

Views of Responsible Officials and Corrective Actions

MRC concurs with the recommendation and continues to document and implement policies and procedures to ensure that the RSA-2 report is submitted completely and accurately. It is noteworthy that some figures included in the RSA-2 flow from the SF269 and that MRC prepares the SF269 on a cash basis vs. an accrual basis both of which may be used as the basis of accounting. (See Policy Directive RSA-PD-10-03.) Reporting on a cash basis vs. an accrual basis impacts on how unliquidated obligations are reported. Therefore, reporting unliquidated obligations as expenditures is not considered best practices in cash reporting.

Contact: Ruth Paulson

Implementation Date: On-going with a scheduled completion date of December 31, 2011.

Massachusetts Rehabilitation Commission

Rehabilitation Services – Vocational Rehabilitation Grants to States (84.126)

Federal Award Number:	H126A080028D	Award Year:	2008 – 2009
	H126A090028A		2009 – 2010
	H126A100028B		2010 – 2011

U.S. Department of Education

Finding Reference: 2010-31

Requirement

To be allowable under Federal awards, costs must meet the following general criteria: 1) Be allocable to Federal awards under the provisions of this Circular. 2) Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit. (OMB) Circular A-87, Attachment A, Section C (1) Factors affecting allowability of costs.

A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs. Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Circular may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal award, or for other reasons. OMB Circular A-87, Attachment A, Section C (3) Allocable Costs.

Finding

The Office of the Comptroller (CTR) and the Executive Office of Health and Human Services (EOHHS) entered into Cost Allocation Agreements with the federal Department of Health and Human Services as required under the provisions of the Federal OMB Circular A-87. The Cost Allocation Agreements allow for central supportive service costs (chargebacks) to be allocated to state agencies that receive federal grants to administer federal programs. Allocations identified for the Massachusetts Rehabilitation Commission (MRC) were further allocated based on a spreadsheet developed by MRC to various federal programs administered by MRC. We reviewed the allocations of central support service costs (chargebacks) for secretarial central services and information technology data processing services from July 1, 2009 to June 30, 2010.

Our review of MRC's claiming of chargebacks disclosed the following:

- The Rehabilitation Services – Vocational Rehabilitation Grants to States program (VR Program) was overcharged \$9,516 for secretarial central services chargeback costs. The overcharge represents EOHHS human resource, facilities, and information technology supportive services that should have been allocated to other federal programs in accordance with the central support services allocation spreadsheet developed by MRC.
- The VR program was overcharged \$6,654 for Information Technology chargeback costs. The overcharge represents Information Technology Department and CTR data processing costs that should have been allocated to other federal programs according to the central support services allocation spreadsheet developed by the MRC.

As a result of our audit, MRC processed a Massachusetts Management reporting and Accounting System (MMARS) expenditure correction (EX) transaction that reassigned \$6,869 of the \$9,516 in secretarial central service costs from the federal VR program to the VR program income appropriation. The VR program income represent reimbursements received from the Social Security Administration (SSA) for Social Security beneficiaries and recipients for costs of services associated with achieving employment outcomes. Similarly, an additional \$6,654 in information technology data processing services was also reallocated to the VR program income appropriation from the federal VR program. This action, however, only reassigned \$13,523 of the \$16,170 in questioned costs. Accordingly, \$2,647 in secretarial central support service costs—services that benefit other federally funded programs—continue to be incorrectly charged to the federal VR program.

As noted above, MRC in an effort to realign central support service chargebacks reassigned costs totaling \$13,523 to its VR Program Income appropriation. MRC advised us that these costs could be charged to the program income appropriation and provided us with documentation to support their interpretation of the regulations regarding the use of program income to fund these other federally funded programs which included the Informed Members Planning and Assessing Choice Together (IMPACT); Supported Employment Program; Innovation Strategies for Transition Youth with Disabilities; Traumatic Brain Injury (TBI) Implementations Grant; and Assistive Technology Act.

MRC officials explained that the incorrect central support service charges made to the VR program were not allocated to the proper federal programs because in their view the amounts were not material and, therefore, did not justify the added administrative recordkeeping. Further, although MRC pointed out that it had inadvertently used the wrong secretarial central support service amount in its MMARS expenditure correction, MRC used \$6,867 rather than \$9,516, MRC noted that no further adjustments would be made.

Additionally, we noted MRC did not have specific written policies and procedures in place to instruct staff on the proper procedures for allocating central support service chargebacks and to make certain that federally funded programs received an appropriate allocation in accordance with the relative benefits received.

Recommendation

We recommend that MRC develop written policies and procedures to ensure that central support service chargebacks are appropriately allocated to benefiting programs.

Related Noncompliance

Based on the above MRC was not in compliance with the requirement above.

Questioned Costs

\$16,170

Views of Responsible Officials and Corrective Actions

MRC's allocation plan for EOHHS chargebacks is based upon information at the beginning of the federal fiscal year; however, MRC concurs that \$2,647 was incorrectly overcharged to the VR program as the questioned cost. This overcharge was the result of MRC receiving its final chargeback amount from EOHHS in the closing period of the fiscal year. MRC continues to monitor chargeback allocations throughout the fiscal year and where needed makes the necessary adjustments as authorized by The Comptroller of the Commonwealth.

MRC did not overcharge the VR program for IT chargeback costs in FY10. The amount in question was identified during the fiscal year by the State Audit Team prior to MRC reconciling the final allocations for all chargebacks. MRC made the necessary adjustment during the reconciliation process that takes place during the fiscal year closing period.

MRC concurs that we further develop written policies and procedures as presented in OSC's Fiscal Year Closing Instructions and MMARS policy on Expenditure Corrections to ensure that central support service chargebacks are allocated in accordance with State and Federal guidelines.

Contact: Ruth Paulson

Implementation Date: By June 30, 2011

Overview of the Office of the Inspector General

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.

Office of Investigations

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.

Office of the Counsel to the Inspector General

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.