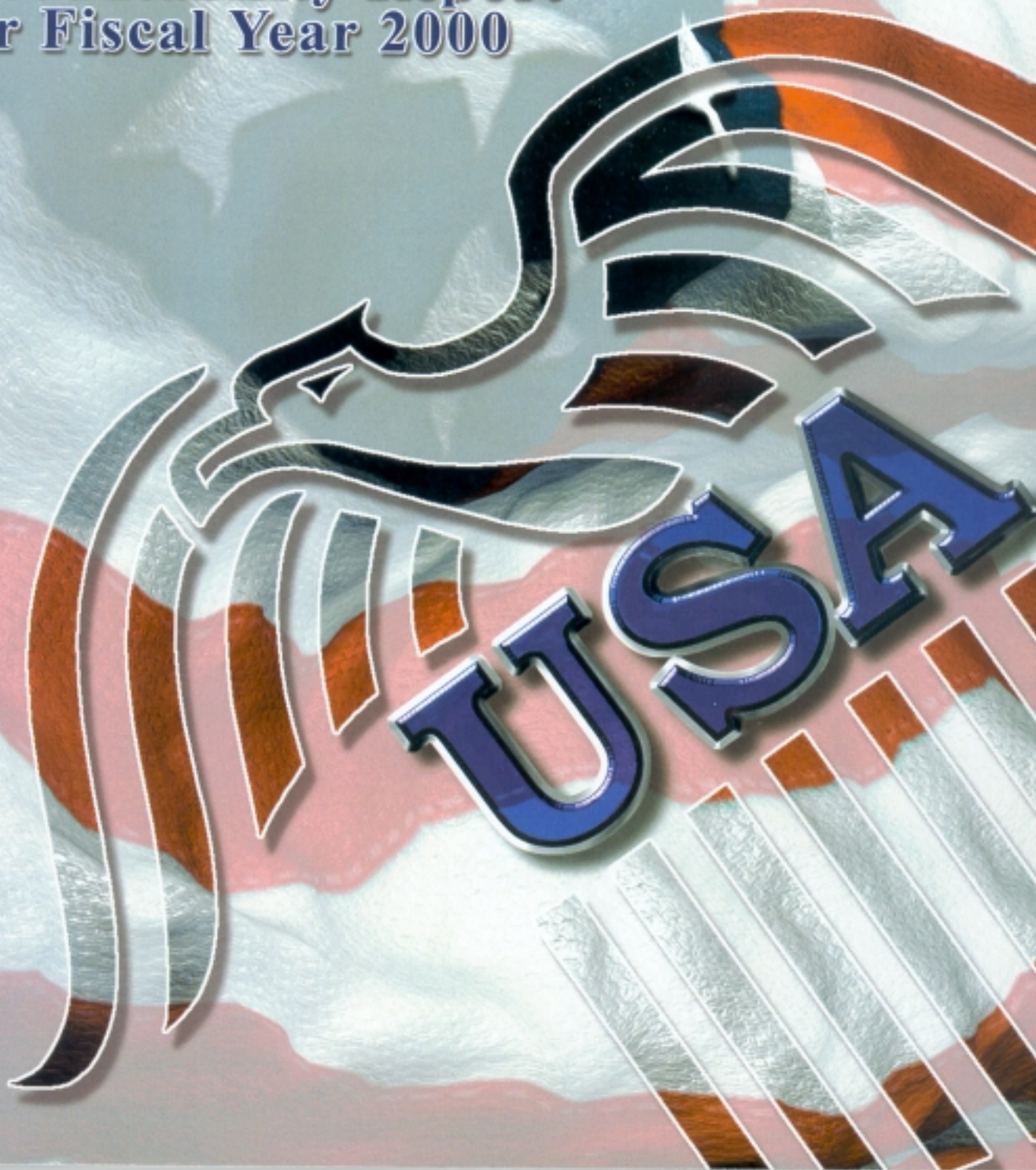


Social Security

Performance and
Accountability Report
For Fiscal Year 2000



Social Security...

for people of all ages



Survivors Benefits



Disability Benefits



Retirement Benefits



A Message From the Commissioner

The year 2000 marked the 65th anniversary of the establishment of the Social Security program. It is a dynamic program that has changed over time to meet changing circumstances. And, largely because of this responsiveness to changing needs, the Social Security program has also become the most successful, most popular domestic government program in the nation's history. The Social Security Administration's (SSA) Performance and Accountability Report for Fiscal Year (FY) 2000 is a testament to that legacy by providing a comprehensive picture of SSA's efforts during this past year in administering the Social Security programs.



I am pleased to report that this is the seventh consecutive year SSA's financial statements have received an unqualified opinion. This accomplishment demonstrates the Agency's commitment to the financial management precepts of the Chief Financial Officers' Act and to our stewardship responsibilities for the programs we administer. Performance reporting under the Government Performance and Results Act has become an integral part of our report as reflected in this year's new name – Performance and Accountability Report.

During FY 2000, we continued to make great strides in addressing the priorities I established as Commissioner: educating the public about the value of the Social Security program and its long term challenges as well as its role in personal financial planning; assuring program integrity; providing responsive service to the public; improving the administration of our Disability and Supplemental Security Income programs; and strengthening our long-range planning and our policy making processes.

Earlier this year, SSA was the only major Federal agency named a "2000 CIO-100 honoree" by CIO Magazine. SSA was cited along with such major corporations as Amazon.com Inc., Chase Manhattan Corp., Ford Motor Co., Marriott International, Inc. and Intel Corp. for demonstrating an innovative and sophisticated customer service approach which makes the customer central to our business. More recently, SSA was one of only two Federal agencies to receive the Association of Government Accountants "Certificate of Excellence in Accountability Reporting" Award for its FY 1999 Accountability Report. In addition, SSA was the only Federal agency to receive this award for two consecutive years since its inception in FY 1998.

While we are proud of our current accomplishments, the aging of America will place even greater strains on our ability to deliver the quality of service that Americans have come to expect from our Agency. To address these concerns, in August 2000, we released SSA's 2010 Vision document which provides a view of SSA's service in the 21st century and a roadmap to align SSA budget, human resources and technology to handle the significant workload growth we will experience over the next decade. As we look ahead to the next century, we will be ever mindful of the purpose of this "American Cornerstone" which has served the nation in providing economic security to the American public for 65 years. We will continue to meet the challenges facing us, maintain our steadfast commitment to our stewardship responsibilities and provide the best quality service to the American public.

A handwritten signature in black ink that reads "Kenneth S. Apfel". The signature is written in a cursive, flowing style.

Kenneth S. Apfel
Commissioner
of Social Security

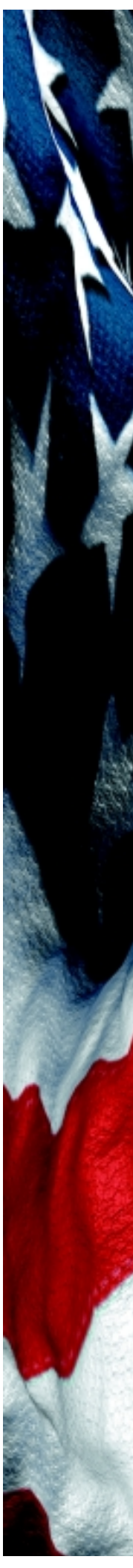
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This report consolidates the mandatory reporting requirements of the Chief Financial Officers' Act, the Government Performance and Results Act, the Debt Collection Act and the Federal Managers' Financial Integrity Act. Also included are the Inspector General's Report to Congress, SSA's Management Report on Final Action to Office of the Inspector General recommendations and the reporting requirements of Section 206(g) of the Social Security Independence and Program Improvements Act. The Management's Discussion and Analysis section of this report is considered Required Supplementary Information for the audit of the financial statements.



Ten-Year Summary of Financial Highlights..

(Data for the FYs ended September 30. Dollars in billions, except for unit costs)

Assets										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Investments	\$268.7	\$319.4	\$365.7	\$419.5	\$483.2	\$549.5	\$631.0	\$730.3	\$854.9	\$1,007.2
Total Assets ¹	278.4	329.2	376.4	450.1	499.1	565.9	648.6	748.4	874.9	\$1,029.2

1) See balance sheet on page 36 for breakout of Total Assets.

Financing Sources										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Tax Revenues	\$299.3	\$308.2	\$316.5	\$340.8	\$356.2	\$381.2	\$405.3	\$432.0	\$462.7	\$501.7
Interest Income	21.1	24.6	27.4	30.1	34.2	37.6	42.5	48.0	53.7	62.2
Total Exchange Revenue and Financing Sources	346.1	363.5	378.0	407.9	427.4	449.5	477.4	510.9	548.2	599.1

Outlays										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Benefit:										
OASI	\$236.1	\$251.3	\$264.6	\$276.3	\$288.6	\$300.0	\$312.9	\$324.3	\$332.4	\$347.9
DI	26.9	30.4	33.6	36.8	40.2	43.2	45.4	47.7	50.4	54.2
SSI	14.6	17.9	21.0	24.2	24.5	24.3	26.5	27.4	28.1	30.8
Administrative	4.3	4.9	5.2	5.4	5.7	5.6	6.2	6.7	6.9	7.0 ²

2) Benefit outlays include benefit payments to Social Security and SSI recipients.

Ratios										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Return on Trust Fund Investments ³	9.1%	8.7%	8.3%	8.0%	7.8%	7.6%	7.5%	7.2%	6.9%	NA
Long Range OASDI Actuarial Deficit as % of Taxable Payroll	1.08%	1.46%	1.46%	2.13%	2.17%	2.19%	2.23%	2.19%	2.07%	1.89%
Administrative Outlays as % of Benefit Outlays	1.6%	1.6%	1.6%	1.6%	1.6%	1.7%	1.6%	1.7%	1.7%	1.6% ⁴
% Change in SSA's Overall Productivity	(2.1%)	9.7%	7.5%	2.1%	5.2%	2.3%	2.2%	7.4%	1.4%	6.8%

3) Data shown are for calendar year.

4) Administrative expenses as a percent of benefit expenses is 1.7% as expressed on the Statement of Net Cost.

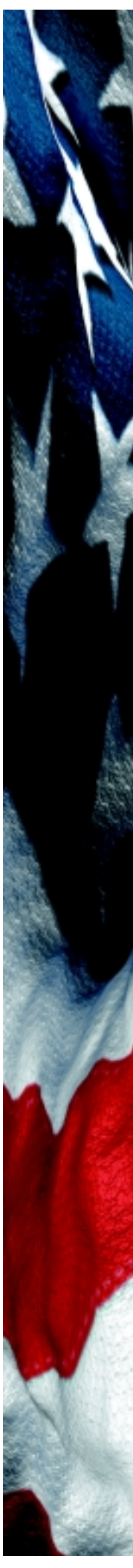


Number of Beneficiaries (In Millions)⁵										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
OASI	36.0	36.5	36.9	37.2	37.5	37.6	37.8	37.9	38.0	38.7
DI	4.4	4.8	5.2	5.5	5.8	6.0	6.1	6.3	6.5	6.6
SSI	5.0	5.5	5.9	6.2	6.5	6.6	6.6	6.6	6.6	6.6

5) Includes individuals receiving benefits from more than one program.

Unit Costs (Current Dollars)										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Issue Social Security Cards	\$12.25	\$12.30	\$12.42	\$12.83	\$13.47	\$14.68	\$15.86	\$15.07	\$14.77	\$15.29
Process Annual Wage Reports	.50	.53	.56	.62	.62	.53	.44	.37	.31	.25
Issue Earnings Statements ⁶	4.88	3.31	4.26	5.04	1.94	2.30	1.97	.96	.69	.45
Process Initial Claims (Overall Average)	465.88	452.68	419.65	422.45	418.30	414.44	428.17	395.02	394.61	372.03
Maintain Benefit Rolls (Overall Average Per Work Unit)	20.41	19.28	14.65	16.50	17.73	18.42	20.61	21.35	24.23	21.92
Provide Due Process (Overall Average)	900.12	749.66	666.52	692.33	761.17	812.11	831.25	843.91	864.85	838.40
Cost to Collect \$1	.13	.13	.13	.13	.13	.12	.09	.11	.11	.10

6) SSA began issuing legislatively mandated Social Security Statements in FY 1995; those costs are reflected in the FY 1995-2000 unit costs.





CERTIFICATE OF EXCELLENCE IN ACCOUNTABILITY REPORTING

Presented to the

*Social Security
Administration*

For its Annual Accountability Report
for the Fiscal Year Ended
September 30, 1999

A Certificate of Excellence in Accountability Reporting
is presented by the Association of Government Accountants
to federal government agencies whose annual
Accountability Reports achieve the highest standards
in presenting their programs and financial affairs.



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Chair, Certificate of Excellence
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Charles W. Culin Jr., CGFM
Executive Director