



SOCIAL SECURITY
Office of the Inspector General

MEMORANDUM

Date: May 30, 2001
To: Larry G. Massanari
Acting Commissioner
of Social Security

Inspector General

Refer To: ICN 31150-23-162

Subject: Review of the Social Security Administration's Office of Child Support Enforcement Pilot Evaluation (A-01-00-20006)

The attached final report presents the results of our evaluation. Our objective was to determine whether the Social Security Administration's assessment of the benefits and risks of using online, read-only access to Office of Childhood Support Enforcement data was accurate and complete.

Please comment within 60 days from the date of this memorandum on corrective action taken or planned on each recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

James G. Huse, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**REVIEW OF THE SOCIAL
SECURITY ADMINISTRATION'S
OFFICE OF CHILD SUPPORT
ENFORCEMENT PILOT
EVALUATION**

May 2001

A-01-00-20006

EVALUATION REPORT



Mission

We improve SSA programs and operations and protect them against fraud, waste, and abuse by conducting independent and objective audits, evaluations, and investigations. We provide timely, useful, and reliable information and advice to Administration officials, the 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

By conducting independent and objective audits, investigations, and evaluations, we are agents of positive change striving for continuous improvement in the Social Security Administration's programs, operations, and management and in our own office.

Executive Summary

OBJECTIVE

Our objective was to determine whether the Social Security Administration's (SSA) assessment of the benefits and risks of using online, read-only access to the Office of Childhood Support Enforcement (OCSE) data was accurate and complete.

BACKGROUND

In accordance with section 316 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Department of Health and Human Services' OCSE developed a database, known as the National Directory of New Hires (NDNH), to aid in enforcing child support orders. This Act, as well as the Privacy Act, also provide for the disclosure of the information in the NDNH database to SSA for its use in preventing and reducing payment errors. The NDNH contains:

1. a registry of all newly hired employees in the nation;
2. quarterly wage information; and
3. quarterly unemployment compensation information.

OCSE data has been shared with SSA for quarterly computer matches since 1998. In addition to this quarterly matching, SSA implemented online access to the NDNH in all its field offices (FO) during the first quarter of calendar year (CY) 2001. The query is designed to give FO staff online, read-only access to limited wage, new hire and unemployment information for those individuals who have filed for Supplemental Security Income (SSI) benefits.

Before establishing this access nationwide, SSA piloted access to the NDNH in 50 FOs. The pilot period was from May 8, 2000 through June 30, 2000 and allowed SSA personnel to query the NDNH database online. The purpose of the pilot was to test the access controls, monitor the impact the query has on OCSE operations, and determine the impact of the query on payment accuracy under the SSI program.

During the pilot, SSA staff used OCSE data to assess whether claimants for SSI benefits had unreported income. Current means of verification are done after individuals are receiving SSI payments. Verifying wages and other income before deciding whether an applicant is eligible for SSI is expected to improve payment accuracy for SSA, reducing both overpayments and underpayments to recipients. In addition, it is expected to reduce the number of overpayment recovery activities SSA must process.

During development of SSA's query access, OCSE staff expressed concerns that SSA's querying OCSE data would compromise the confidentiality of the data and/or create a perception that data in the NDNH is no longer confidential. OCSE staff were concerned

that such a perception could, in turn, jeopardize OCSE's use of the Federal Parent Locator Service. The U.S. Office of Management and Budget also shared OCSE's concerns. As a result of these concerns, the Office of the Inspector General was requested to conduct an independent assessment of SSA's OCSE pilot evaluation.

RESULTS OF REVIEW

Our review tested specific features of system security over the OCSE query and assessed SSA's calculation of return on investment (ROI) from OCSE data access.

System Security

We found two vulnerabilities with SSA's OCSE permission module which was developed to ensure that SSA staff could only access records with an SSI business relationship. Contrary to access specifications, our tests showed that authorized FO personnel could:

- Gain query access for individuals who were not receiving SSI benefits, but who were receiving benefits from SSA under a separate entitlement program. SSA corrected this issue as soon as we brought it to their attention.
- Gain query access for individuals who were representative payees for SSI recipients, but who did not receive SSI benefits themselves. When we brought this to their attention, SSA staff reported that they would take corrective action to implement a system modification prior to the national rollout of the online query.

Return on Investment

During the course of our evaluation, several issues came to our attention regarding the ROI portion of SSA's evaluation:

- The FOs involved in the OCSE pilot were not selected randomly. Therefore, SSA was not able to make a statistical projection of ROI based on the pilot results; however, SSA's report did not identify the ROI as a non-statistical estimate.
- In addition to OCSE data, SSA obtains wage, unemployment, and other data through a data access system known as Social Security Administration Access to State Records Online (SASRO). Under SASRO, SSA negotiates online access to data maintained at State agencies. Many SSA FOs have and use SASRO, including some of the same FOs selected for the OCSE pilot. Since SASRO provides some of the same information as the OCSE query, any savings occurring from the OCSE pilot could possibly have also been obtained through SASRO. Since the possibility of duplicative savings was not built into SSA's OCSE ROI calculations, the ROI could be overstated or duplicative of savings reported by SSA as a result of SASRO. SSA staff, however, does not believe that the ROI developed during the pilot was inflated.

CONCLUSIONS AND RECOMMENDATIONS

Our review did not identify any issues that would cause us to recommend against SSA's implementation of the online query in all its FOs. However, during our limited testing of SSA's system security, we identified security weaknesses, which indicated that SSA had not conducted sufficient testing prior to implementing the pilot. Also, we have some general concerns regarding SSA's ROI calculation. In response to our findings, SSA initiated prompt corrective actions to address the security weaknesses we identified. Also, SSA had planned to perform an additional study in 2001 to assess the costs and benefits of nationwide access to the online OCSE query.

We recommend that SSA:

- continue to monitor and test the security of the OCSE query during the national rollout to ensure access weaknesses do not exist; and
- ensure that the savings reported for SSA's initiatives for online access under SASRO are factored into its planned ROI analysis of nationwide access to OCSE databases.

AGENCY COMMENTS

In response to our draft report, SSA agreed with our first recommendation. With regard to our second recommendation, SSA no longer plans to conduct a study to assess the cost and benefits of nationwide online OCSE access.

OIG RESPONSE

Since SSA no longer plans to conduct a nationwide ROI study, when disclosing the results of the ROI based on the pilot, SSA should note that the ROI is not a statistical projection and may duplicate reported savings from SASRO.

Table of Contents

	Page
INTRODUCTION	1
RESULTS OF REVIEW	5
SYSTEM SECURITY	5
• NDNH Access for Individuals Receiving OASDI Only.....	5
• NDNH Access for Representative Payees.....	6
• Additional Access Tests.....	6
RETURN ON INVESTMENT	7
• Impact of FOs Selected for OCSE Pilot on ROI.....	8
• Overlap Between OCSE and SASRO Data	9
CONCLUSIONS AND RECOMMENDATIONS	10
APPENDICES	
APPENDIX A – Agency Comments	
APPENDIX B – OIG Contacts and Staff Acknowledgments	

Acronyms

CR	Claims Representative
CY	Calendar Year
FO	Field Office
MOA	Memorandum of Agreement
NDNH	National Directory of New Hires
OASDI	Old-Age, Survivors and Disability Insurance
OCSE	Office of Child Support Enforcement
OIG	Office of the Inspector General
OMB	Office of Management and Budget
OQA	Office of Quality Assurance and Performance Assessment
ROI	Return on Investment
SASRO	Social Security Administration Access to State Records Online
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security number
UI	Unemployment Insurance

OBJECTIVE

Our objective was to determine whether the Social Security Administration's (SSA) assessment of the benefits and risks of using online, read-only access to the Office of Childhood Support Enforcement (OCSE) data was accurate and complete.

BACKGROUND

The Old-Age, Survivors and Disability Insurance (OASDI) program provides retirement benefits to insured individuals who have reached the minimum retirement age, survivors' benefits to dependents of insured wage earners in the event the family wage earner dies, and disability benefits to disabled wage earners and their families. The Supplemental Security Income (SSI) program provides income to financially needy individuals who are aged, blind, or disabled.

In accordance with section 316 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the United States Department of Health and Human Services' OCSE developed a database to aid in enforcing child support orders. This database, known as the National Directory of New Hires (NDNH), contains the following information:

1. A registry of all newly hired employees in the nation (a compilation of all "W-4s" filed by employers).
2. Quarterly wage information.
3. Quarterly unemployment compensation information.

Section 316 of Public Law 104-193 and the Privacy Act¹ also provide for the disclosure of the information in the NDNH database to SSA for its use in preventing and reducing payment errors. SSA began using OCSE wage data in 1998 to conduct quarterly computer matches with its program benefit files. These quarterly matches gather data from all 50 States, the District of Columbia and Federal agencies. If there is a discrepancy detected during the matching operation, an alert is generated and processed in a SSA field office (FO). This matching operation identifies cases with new or increased wage and unemployment insurance (UI) income. SSA reported that the September 1998 computer match with OCSE data prevented an estimated \$6.5 million in future overpayments and detected \$17.6 million in recoverable overpayments.

As a supplement to the quarterly OCSE wage matches, in April 2000, SSA started a project to evaluate the cost effectiveness of having online access to the NDNH database. Online access to NDNH data would enable SSA to assess factors important for determining a SSI applicant's eligibility and payment amount before benefits are

¹ 5 U.S.C. 552a(b)(3) and 552a(e)(4)(D)

paid. Currently, SSA's means of wage and income verification are to rely on self-reporting by the SSI recipients and to conduct computer matches after individuals receive SSI payments. Online access to OCSE data is expected to allow SSA to verify wages and other income prior to deciding whether an applicant is eligible for SSI benefits. Verification of this information prior to making payments is expected to improve payment accuracy for SSA, reducing both overpayments and underpayments to recipients. In addition, it is expected to reduce the number of overpayment recovery activities SSA must process.

Office of Child Support Enforcement Pilot

Between May 8, 2000 and June 30, 2000, SSA conducted a pilot at 50 FOs which allowed SSA personnel to query the NDNH database to detect potential unstated income. The purpose of the pilot was to test the access controls, monitor the impact the query has on OCSE operations, and determine the impact of the query on SSA's programs. A notice announcing the query was published in the Federal Register on September 14, 1999.

Under the pilot, FO staff were allowed read-only query access to OCSE wage, new hire and unemployment information for those individuals who have filed claims for SSI benefits. During the pilot, SSA claims representatives (CR) were told to query the NDNH on claims prior to making a decision regarding the claimant or recipient's eligibility to SSI benefits. Specific situations where SSA would use the query are:

- prior to awarding SSI payments in certain circumstances;
- prior to releasing large underpayments; and
- when an interview/review indicates that there may be unreported/undisclosed income.

Access Security for Online OCSE Query

Access to SSA's automated system for processing SSI claims is controlled by TOP SECRET—a commercially available product used by many private and public organizations to control access to computer software programs and data files. TOP SECRET uses a combination of personal identification numbers, passwords, profiles, data sets, and transaction identifiers to control access. TOP SECRET enables SSA to restrict user access to the minimum amount required to perform their job duties (least privilege) and responsibilities. This provides the first line of defense to prevent unauthorized access and supports the Agency's compliance with the Privacy Act of 1974.

To gain access to TOP SECRET, employees must complete a form requesting access and submit it to their security officer. The applications are reviewed, and approved users are assigned a unique personal identification number, password and the systems

resources they can access. Over and above SSA's standard system security controls, SSA implemented a permission module to limit what data FO staff can access from the NDNH. SSA's access to NDNH data was designed to be limited to those individuals who have a SSI business relationship with SSA. A SSI business relationship is defined as having a SSI application or payment issue pending with SSA. Access is restricted to only those records in the NDNH where the Social Security number (SSN) in the NDNH matches the SSN on a SSI claim or record. The mechanism that "checks" the business relationship is referred to as the permission module.

Further security measures were taken to ensure that SSA's access to NDNH data is read-only. While SSA's access is online in the respect that it is real-time data, SSA staff are not actually accessing the OCSE database in an interactive manner. Specifically, SSA staff cannot modify, manipulate, add to, or delete data from the OCSE database.

Data Obtained in an NDNH Query

A response to a NDNH query is treated as a "lead" by SSA's FO staff. SSA cannot rely solely on the data obtained from a NDNH query to deny or decrease the payment amount of a SSI recipient. When SSA receives data in response to a NDNH query, SSA verifies the information obtained with the recipient and/or the supplier of the information. This verification ensures that data used by SSA is accurate and that privacy rights specified in the Computer Matching and Privacy Protection Act are respected.

The query to NDNH has an audit trail associated with it, as is standard practice for SSA. The audit trail provides for the collection and storage of usage data in SSA's records. The information captured includes who requested the query; the office code; the SSN accessed; and the type of information accessed (i.e., wages, new hire, and unemployment).

OCSE Data Privacy Concerns

Staff from OCSE participated in the SSA workgroup that developed SSA's query access to OCSE data. During development of the query, OCSE staff expressed concerns about using online access to facilitate the data exchange. Specifically, OCSE staff were concerned that querying the data would compromise the confidentiality of the data and create a perception that OCSE data is no longer confidential among OCSE's customers. OCSE staff was concerned that this perception could, in turn, jeopardize OCSE's use of the Federal Parent Locator Service—which is mission critical for OCSE. The U.S. Office of Management and Budget (OMB) also shared these concerns.

To address these privacy concerns, OCSE and SSA have taken steps to ensure that the read-only query sustains the protections provided in all statutes relating to agency use, collection and disclosure of personal information in accordance with the requirements of the Privacy Act of 1974 (5 United States Code 552a).

SCOPE AND METHODOLOGY

Due to concerns over SSA maintaining the privacy of OCSE data, the Office of the Inspector General was requested to conduct an independent assessment of SSA's OCSE pilot evaluation. To accomplish our objective, we:

- Interviewed staff from SSA's Office of Disclosure Policy, Office of Quality Assurance and Performance Assessment (OQA), and Office of Systems.
- Interviewed staff members from three SSA FOs who had access to both OCSE and Social Security Administration Access to State Records Online (SASRO).
- Conducted site visits at two SSA FOs to test access security over the OCSE pilot. Specifically, we assessed whether staff could access the NDNH data who were not supposed to be granted access. Also, we requested that CRs query the NDNH for individuals who:
 - received OASDI benefits, but do not have SSI claims;
 - previously received SSI benefits, but were not receiving payments at the time of our review;
 - did not receive any type of Social Security benefits;
 - are parents of SSI recipients, but do not have SSI claims of their own; and
 - are representative payees for SSI recipients, but do not have SSI claims themselves.
- Reviewed relevant laws, regulations, SSA guidelines, and the Memorandum of Agreement (MOA) on Privacy Act issues for electronic online single query access between OCSE and SSA (SSA # 1079).
- Reviewed SSA Office of Systems documentation detailing the security features in place for the OCSE pilot.
- Reviewed SSA's pilot evaluation report.

We did not assess, and do not express an opinion on (1) SSA's nationwide use of the OCSE online query or (2) SSA's adherence to its Software Engineering Technology standards and guidelines for developing the online query. Our review was not designed to identify all potential vulnerabilities. We limited our review to a general examination of the return on investment (ROI) calculation and testing of specific security features in place at the time of the OCSE pilot.

We performed our review in Boston, Massachusetts between May and December 2000. The entities evaluated were SSA's FOs under the Deputy Commissioner for Operations; the Office of Systems Development and Design under the Deputy Commissioner for Systems; and the OQA under the Deputy Commissioner for Finance, Assessment and Management. This review was conducted in accordance with the Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency.

Results of Review

Our review tested specific features of system security over the OCSE query and assessed SSA's calculation of ROI from OCSE data access. We found weaknesses in SSA's system security access controls that were contrary to established guidelines. Also, we have concerns regarding SSA's calculation of ROI. However, these weaknesses and concerns do not present barriers to SSA's national rollout of the online OCSE query.

SYSTEM SECURITY

We found two vulnerabilities with SSA's OCSE permission module which was developed to ensure that SSA staff could only access records with an SSI business relationship. Contrary to access specifications, our tests showed that FO personnel could:

- Gain query access for individuals who were not receiving SSI benefits, but who were receiving benefits from SSA under a separate entitlement program. SSA corrected this issue as soon as we brought it to their attention.
- Gain query access for individuals who were representative payees for SSI recipients, but who did not receive SSI benefits themselves. When we brought this to their attention, SSA staff reported that they would take corrective action to implement a system modification prior to the national rollout of the online query.

NDNH Access for Individuals Receiving OASDI Only

Our tests showed that CRs could, in violation of systems security requirements, gain query access for individuals receiving OASDI benefits only. After we advised SSA staff of the problem, they reported that they corrected the weakness immediately. Our follow-up tests indicated that SSA did correct this weakness.

During a site visit at 1 of the 50 pilot FOs, we provided a CR with the SSNs of 5 beneficiaries who were receiving OASDI benefits, but who did not receive SSI payments. Contrary to program guidelines, the CR was able to obtain NDNH data from the OCSE query for these 5 beneficiaries. Under the MOA and security features established, the CR should not have been able to obtain this information. We notified SSA of this weakness in the OCSE pilot query system and provided the Office of Systems Design and Development staff with the 5 SSNs used in our tests. SSA staff agreed that the CR should not have had access to the data since the system had been specifically designed to preclude access to the records of beneficiaries only receiving OASDI benefits.

SSA staff explained that, since 1985, the “Where Am I” file contains records of individuals receiving OASDI and/or SSI benefits. The “Where Am I” file is read by using a SSA standard permission module. SSA reported that the access weakness we identified occurred because the permission module misinterpreted a “present” return code as acceptable, when it should have been looking for a code representing “present and SSI.” SSA staff reported that the permission module was corrected.

After SSA reported to us that this change was made, we conducted further tests to determine whether the corrective action was implemented. In a subsequent site visit to a different FO, we had a CR attempt to access the OCSE query system for 3 OASDI beneficiaries who did not have a SSI business relationship with SSA. Our attempt failed and we concluded that SSA staff had adjusted the system as they had reported to us. Based on our follow-up test, NDNH records could no longer be accessed for OASDI only beneficiaries and this system weakness appears to have been corrected.

NDNH Access for Representative Payees

In certain situations, SSA makes payments to representative payees for the benefit of SSI recipients—usually because the recipients are incapable of managing their own funds. In such cases, the representative payee may also be receiving SSI payments, thereby having his or her own business relationship with SSA. However, there are also many situations where a representative payee does not have any other business with SSA other than serving as a representative payee.

During our site visit to a FO involved in the OCSE pilot, we had a CR attempt to access NDNH records for a representative payee who did not have any other SSI business relationship with SSA. Based on SSA’s system access security, FO staff should not be able to access NDNH records for representative payees who do not also have their own SSI claims. However, our tests found that NDNH queries were available to FO staff for this individual.

We notified SSA of this weakness in the OCSE pilot query system and provided the Office of Systems Design and Development staff with the SSN used in our test. SSA staff agreed that the CR should not have had access to the data since the system had been designed to preclude access to the records of beneficiaries who did not have their own SSI claims. SSA staff advised us in March 2001 that the needed modification to prohibit access to records of these representative payees was implemented. Also, SSA will continue to monitor systems security and the use of the OCSE query.

Additional Access Tests

In addition to those tests described above, we also conducted access tests for which the results were in agreement with SSA’s security design. For example, our tests of access to NDNH data showed that FO personnel could:

- Gain query access for individuals with terminated SSI records. According to SSA staff, this access is allowed because many people receive SSI payments, lose SSI eligibility, and later receive benefits again. Also, even though a person is not receiving SSI payments at a point in time, eligibility and payments during a prior period may be subject to review and revision, and access to the OCSE database could facilitate this review. Further, if a person applies for reinstatement of benefits, the reinstatement could be impeded in some cases if the permission module did not allow immediate access to the NDNH databases.
- Not gain query access for individuals with no SSA involvement (no OASDI or SSI claims). This is appropriate since it protects the privacy of individuals who are in the OCSE database but who do not have a business relationship with SSA.
- Not gain query access unless their individual-specific profile was authorized under SSA's access restriction software.
- Access records for parents of SSI recipients, regardless of whether the parent also had a SSI claim. SSA staff reported that this was necessary to ensure that any income deemed² from the parent to the child recipient was identified through the OCSE data.

RETURN ON INVESTMENT

The majority of SSI overpayments stem from recipients' failure to report wages or changes in the factors that can affect eligibility or payment amount. The leading source of payment error in the SSI program is undisclosed wages. If an applicant alleges no earnings, eligibility and payment amounts are determined on that basis. Of the SSI payments made for fiscal year 1996, an estimated \$365 million in overpayments were associated with unreported or underreported wages earned by recipients or the recipients' deems. Based on its OCSE pilot, SSA estimates that when pilot data is used to verify income on a pre-benefit payment basis, SSA realizes an SSI overpayment improvement of \$30.8 million for a ROI ratio of 3.6 to 1.

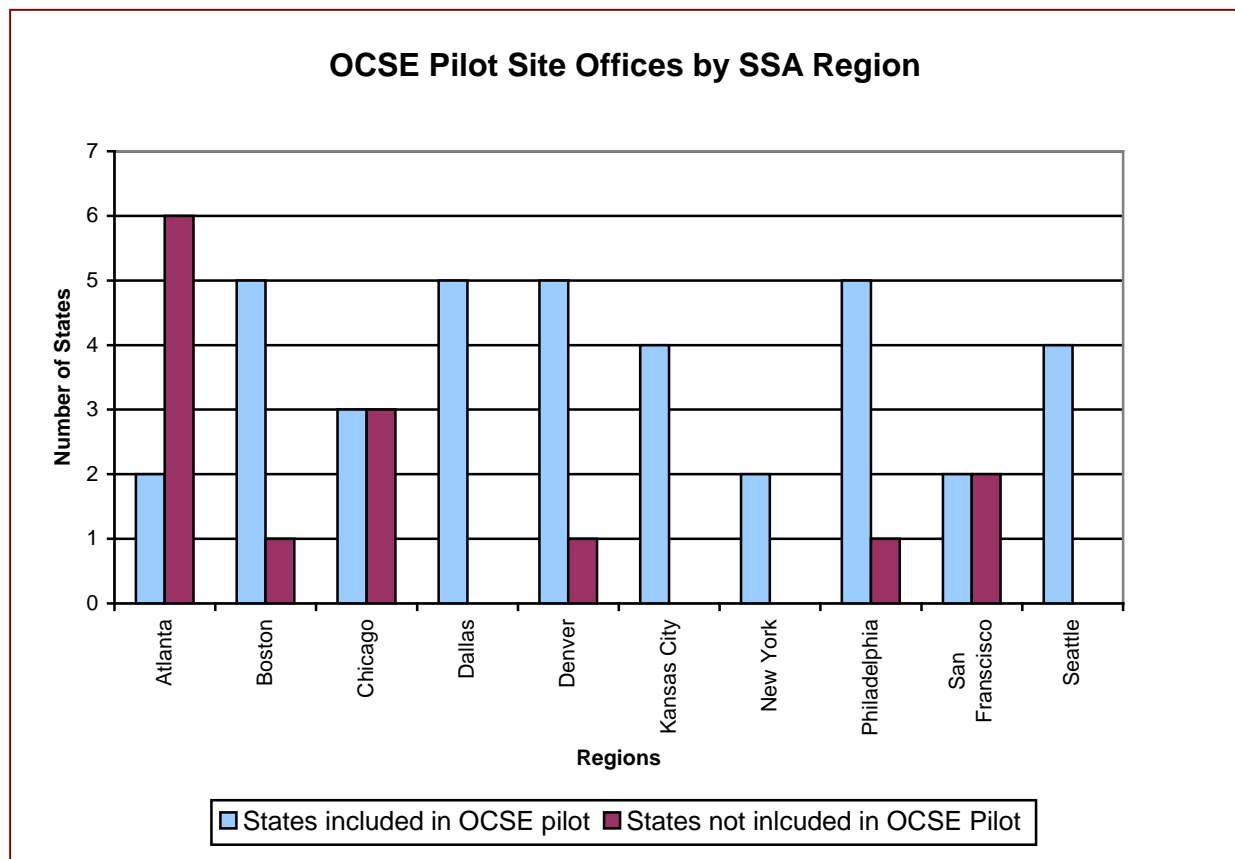
During the course of our evaluation, several issues came to our attention regarding the ROI portion of SSA's evaluation of the OCSE pilot. At the time of our evaluation of the pilot, SSA was planning a second review to fully assess the costs and benefits of nationwide OCSE online access. This second study by OQA was to be used to determine whether the OCSE/SSA data exchange should continue on an ongoing basis.

² The term deeming identifies the process of considering another person's income and resources to be available for meeting an SSI claimant's basic needs of food, clothing, and shelter.

Impact of FOs Selected for OCSE Pilot on ROI

According to SSA staff, the FOs involved in the OCSE pilot were not selected randomly. Therefore, SSA was not able to make a statistical projection based on the pilot results. However, even though SSA's report states that the FOs "volunteered to participate" in the OCSE pilot and were therefore not randomly selected, it does not identify the ROI as a non-statistical estimate.

Although 5 FOs were selected from each of the 10 SSA regions for a total of 50 OCSE pilot sites, these offices only represent 36 of the 50 States plus the District of Columbia. The remaining 14 States are not represented in the OCSE pilot. Also, in SSA's Atlanta region, only 2 of the 8 States (25 percent) for that region were represented in the pilot; whereas 4 regions included at least one FO from each of its designated States. (See the chart below).



We consider random sampling to be the best way of providing a reasonably accurate projection of cost savings; and, if circumstances prevent a statistical estimate, it should be disclosed. If it is not disclosed, there is a risk that inferences about the ROI may be misinterpreted as being representative of the entire universe.

According to SSA staff, the OCSE pilot sites were not randomly selected for the ROI calculation because initially the OCSE pilot was only set to evaluate the security over the online query. Therefore, the 50 FOs were already selected when OMB later requested an ROI analysis.

Overlap Between OCSE and SASRO Data

In addition to OCSE data, SSA obtains wage, unemployment, and other State data through a data access system known as SASRO.³ Under SASRO, SSA negotiates online access to data, maintained at the state level, from human services, vital statistics, UI, and workers' compensation agencies. Many SSA FOs have and use SASRO, including some of the same FOs selected for the OCSE pilot. Since SASRO provides some of the same information as the OCSE query, any savings occurring from the OCSE pilot could possibly have been obtained online through SASRO. Such a possibility was not built into SSA's ROI calculations and, as a result, those estimates could be overstated or duplicative of savings realized by SSA as a result of SASRO.

SSA staff do not believe that the ROI developed during the pilot was inflated since the ROI was based on a comparison between (1) the information found through the OCSE query and (2) the information SSA would have had without the OCSE query (which may have included SASRO data).

³ As of September 2000, SSA had SASRO connections with 66 agencies in 37 States; and 22 of these connections are for wage and unemployment information.

Conclusions and Recommendations

Our review did not identify any issues that would cause us to recommend against SSA's implementation of the online query in all its FOs. However, during our limited testing of SSA's system security, we identified security weaknesses, which indicated that SSA had not conducted sufficient testing prior to implementing the pilot. Also, we have some general concerns regarding SSA's ROI calculation. In response to our findings, SSA initiated prompt corrective actions to address the security weaknesses we identified. Also, SSA had planned to perform an additional study in 2001 to assess the costs and benefits of nationwide access to the online OCSE query.

We recommend that SSA:

1. continue to monitor and test the security of the OCSE query during the national rollout to ensure access weaknesses do not exist; and
2. ensure that the savings reported for SSA's initiatives for online access under SASRO are factored into its planned ROI analysis of nationwide access to OCSE databases.

AGENCY COMMENTS

In response to our draft report, SSA agreed with our first recommendation. With regard to our second recommendation, SSA no longer plans to conduct a study to assess the cost and benefits of nationwide online OCSE access.

OIG RESPONSE

Since SSA no longer plans to conduct a nationwide ROI study, when disclosing the results of the ROI based on the pilot, SSA should note that the ROI is not a statistical projection and may duplicate reported savings from SASRO. (See Appendix A for SSA's comments.)

Appendices

Agency Comments



SOCIAL SECURITY

MEMORANDUM

30125-24-620

Date: May 3, 2001

Refer To: SJ1-3

To: James G. Huse, Jr.
Inspector General

From: Larry G. Massanari
Acting Commissioner of Social Security

Subject: Office of the Inspector General (OIG) Draft Evaluation Report, "Review of the Social Security Administration's Office of Child Support Enforcement Pilot Evaluation" (A-01-00-20006)—
INFORMATION

Our comments to the subject report are attached. Staff questions may be directed to Odessa J. Woods at extension 50378.

Attachment:
SSA Response

**COMMENTS OF THE SOCIAL SECURITY ADMINISTRATION (SSA) ON
THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT EVALUATION
REPORT: REVIEW OF THE SOCIAL SECURITY ADMINISTRATION'S
OFFICE OF CHILD SUPPORT ENFORCEMENT PILOT EVALUATION
(A-01-00-20006)**

We appreciate the opportunity to comment on the draft report. Following are our comments on the recommendations.

Recommendation 1

Continue to monitor and test the security of the Office of Child Support Enforcement (OCSE) query during the national rollout to ensure access weaknesses do not exist.

Comment

We agree. We continue to monitor the security of the OCSE query. To date, no infractions or problems have been reported.

Recommendation 2

Ensure that the savings reported for SSA's initiatives for online access under SSA's Access to State Records Online (SASRO) are factored into its planned return on investment (ROI) analysis of nationwide access to OCSE databases.

Comment

SSA has decided that a second study to assess the cost and benefits of nationwide online OCSE access is not needed.

During the pilot, SSA discussed the possible need for a second study to fully assess the costs and benefits of nationwide OCSE online access. However, we determined that the pilot results were sufficient to clearly demonstrate the benefits of online OCSE access. Thus, nationwide access to the online OCSE query was implemented in the first quarter of calendar year 2001.

As indicated in the draft report, the Agency does not believe that the ROI developed during the pilot was inflated since the ROI was based on a comparison between: 1) the information found through the OCSE query; and 2) the information SSA would have had without the OCSE query (which may have included SASRO data). Also, as indicated in the report, the Agency believes the impact of SASRO wage data in the pilot study was negligible because the overlap (offices with OCSE and SASRO wage queries) was minimal. Although it is true that a statistical projection of ROI could not be made based on the pilot results (because the FOs involved were not randomly selected), the results clearly demonstrated the benefits of online OCSE access.

OIG Contacts and Staff Acknowledgments

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Judith Oliveira, Acting Deputy Director, (617) 565-1765

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Chief of Staff, Committee on Ways and Means	1
Chairman, Subcommittee on Social Security	2
Ranking Minority Member, Subcommittee on Social Security	1
Majority Staff Director, Subcommittee on Social Security	2
Minority Staff Director, Subcommittee on Social Security	2
Chairman, Subcommittee on Human Resources	1
Ranking Minority Member, Subcommittee on Human Resources	1
Chairman, Committee on Budget, House of Representatives	1
Ranking Minority Member, Committee on Budget, House of Representatives	1
Chairman, Committee on Government Reform and Oversight	1
Ranking Minority Member, Committee on Government Reform and Oversight	1
Chairman, Committee on Governmental Affairs	1
Ranking Minority Member, Committee on Governmental Affairs	1

Chairman, Committee on Appropriations, House of Representatives	1
Ranking Minority Member, Committee on Appropriations, House of Representatives	1
Chairman, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives	1
Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives	1
Chairman, Committee on Appropriations, U.S. Senate	1
Ranking Minority Member, Committee on Appropriations, U.S. Senate	1
Chairman, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate	1
Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate	1
Chairman, Committee on Finance	1
Ranking Minority Member, Committee on Finance	1
Chairman, Subcommittee on Social Security and Family Policy	1
Ranking Minority Member, Subcommittee on Social Security and Family Policy	1
Chairman, Senate Special Committee on Aging	1
Ranking Minority Member, Senate Special Committee on Aging	1
Vice Chairman, Subcommittee on Government Management Information and Technology	1
President, National Council of Social Security Management Associations, Incorporated	1
Treasurer, National Council of Social Security Management Associations, Incorporated	1
Social Security Advisory Board	1
AFGE General Committee	9
President, Federal Managers Association	1
Regional Public Affairs Officer	1
Total	97

Overview of the Office of the Inspector General

Office of Audit

The Office of Audit (OA) conducts comprehensive financial and performance audits of the Social Security Administration's (SSA) programs and makes recommendations to ensure that program objectives are achieved effectively and efficiently. Financial audits, required by the Chief Financial Officers Act of 1990, assess whether SSA's financial statements fairly present the Agency's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs. OA also conducts short-term management and program evaluations focused on issues of concern to SSA, Congress, and the general public. Evaluations often focus on identifying and recommending ways to prevent and minimize program fraud and inefficiency.

Office of Executive Operations

OEO supports the OIG by providing information resource management; systems security; and the coordination of budget, procurement, telecommunications, facilities and equipment, and human resources. In addition, this office is the focal point for the OIG's strategic planning function and the development and implementation of performance measures required by the *Government Performance and Results Act*. OEO is also responsible for performing internal reviews to ensure that OIG offices nationwide hold themselves to the same rigorous standards that we expect from SSA, as well as conducting investigations of OIG employees, when necessary. Finally, OEO administers OIG's public affairs, media, and interagency activities, coordinates responses to Congressional requests for information, and also communicates OIG's planned and current activities and their results to the Commissioner and Congress.

Office of Investigations

The Office of Investigations (OI) conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement of SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, physicians, interpreters, representative payees, third parties, and by SSA employees in the performance of their duties. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Counsel to the Inspector General

The Counsel to the Inspector General provides legal advice and counsel to the Inspector General on various matters, including: 1) statutes, regulations, legislation, and policy directives governing the administration of SSA's programs; 2) investigative procedures and techniques; and 3) legal implications and conclusions to be drawn from audit and investigative material produced by the OIG. The Counsel's office also administers the civil monetary penalty program.