

CONTENTS

APPROPRIATION LANGUAGE.....	201
GENERAL STATEMENT.....	202
Overview	202
FY 2022 Major Initiatives	205
SSA’s Significant Management Challenges.....	210
Monetary Benefits.....	213
Transfer Authority	213
BUDGETARY RESOURCES	214
Analysis of Changes	215
Budget Authority by Activity.....	218
Budget Resources by Object	219
BACKGROUND.....	220
Authorizing Legislation	220
Appropriation History.....	221
OIG’S ORGANIZATIONAL STRUCTURE AND MISSION.....	225
General Purpose.....	225
Rationale for the Budget Request.....	226

TABLES

Table 4.1—Justification..... **205**
Table 4.2—Amounts Available for Obligation **215**
Table 4.3—Summary of Changes..... **216**
Table 4.4—Explanation of OIG Budget Changes **217**
Table 4.5—Budget Authority by Activity **219**
Table 4.6—Budget Resources by Object..... **220**
Table 4.7—Authorizing Legislation **220**
Table 4.8—Appropriation History Table..... **221**
Table 4.9—Detail of Full-Time Equivalent Employment and Workyears..... **226**
Table 4.10—Average Grade and Salary **226**

APPROPRIATION LANGUAGE

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, [~~\$30,000,000~~] \$32,000,000, together with not to exceed [~~\$75,500,000~~] \$80,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund: *Provided, That \$2,000,000 shall remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization.*

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the “Limitation on Administrative Expenses”, Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: *Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House of Representatives and the Senate at least 15 days in advance of any transfer. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.)*

GENERAL STATEMENT

OVERVIEW

The FY 2022 President's Budget for the SSA Office of the Inspector General (OIG) is \$112 million in total budget authority and 484 FTE. The OIG intends to obligate \$124.1 million, and operate with 537 FTE, which includes a transfer of dedicated program integrity allocation adjustment funds from the SSA LAE account as described below.

With these resources, the OIG will conduct comprehensive oversight of SSA, which operates a nearly \$13 billion annual budget, and each year, processes about \$1 trillion in Social Security benefits for our citizens, including some of our nation's most vulnerable, representing about a quarter of all Federal spending.

The Budget supports OIG investments in staffing and resources necessary to oversee an agency that provides services to over 70 million people each year. We have identified six categories of significant SSA management challenges, specifically (1) SSA's response to the Novel Coronavirus (COVID-19) pandemic, (2) improve administration of the disability program, (3) improve the prevention, detection, and recovery of improper payments, (4) improve service delivery, (5) protect the confidentiality, integrity, and availability of SSA's information systems and data, and (6) modernize information technology (IT).

In FY 2020, the OIG identified \$29 in returns to the government through investigative recoveries and audit findings, for every \$1 received through our appropriation. To compare, the wider OIG community's aggregate FY 2020 budget of approximately \$3.1 billion represented an approximate \$17-to-\$1 return-on-investment ratio, according to the Council of the Inspectors General on Integrity and Efficiency (CIGIE) FY 2020 Annual Report to the President and Congress. We attribute our significant returns to successfully identifying areas within SSA that are in most need of oversight and improvement.

Reports of Social Security-related and government imposter scams¹ have increased at alarming rates; in FY 2019, the OIG received about 478,000 allegations, then 718,000 in FY 2020, and already more than 400,000 in FY 2021 (through March 2021). The OIG considers stopping government imposter scams critical; therefore, in FY 2020, the OIG committed approximately 30 percent of the OIG workforce to combat these scams, including public outreach, deterrence, allegation processing, and investigative and audit work. We have designed a multi-faceted public awareness campaign to alert citizens about the prevalence of these scams, focusing on media outreach, coordination with major United States (U.S.) retailers, and partnerships with Federal agencies. On the investigative front, we have combatted these scams in several ways, including working with prosecutors to charge

¹ Social Security-related and government imposter scams refer to in-person phone calls, robocalls, texts, emails, or mailings that use a false premise involving a Social Security number, account, or benefits to convince potential victims to provide personally identifiable information or money.

alleged perpetrators; warning gateway carriers that they have pervasive scam robocall issues on their networks; using real-time allegation data to work with major telecom carriers to terminate, or “disrupt,” suspected fraudulent numbers; and agreeing to share allegation data with the Federal Trade Commission (FTC), which will provide hundreds of law enforcement agencies timely access to the fraud data we collect. To support our ongoing efforts to combat Social Security-related and government imposter scams and other complex, high-impact investigations, the OIG budget provides increased funding for additional specialized investigative staffing and related outreach and communications support.

The Coronavirus Disease 2019 (COVID-19) pandemic has substantially, and potentially permanently, transformed Federal agency business processes and customer service. SSA continues to maximize protections to its employees and the public by reducing certain workloads and minimizing in-office activity and services. The OIG is engaged with the agency as it begins recovery of services and operations, and we are providing oversight over SSA’s *Coronavirus Aid, Relief, and Economic Security (CARES) Act* responsibilities. For FYs 2021, 2022, and potentially 2023 and beyond, we will continue conducting oversight related to the COVID-19 pandemic and investigating allegations of fraud tied to COVID-19 pandemic relief programs, funds, and related scams.

Oversight of SSA’s IT functions and security is among the OIG’s top priorities. Almost all of SSA’s benefits transactions are electronic, and SSA houses sensitive information for nearly every U.S. citizen—living and deceased. As SSA continues its \$863 million IT-modernization effort, sufficient OIG oversight of SSA’s IT functions, development, and security requires specialized staff and additional resources. OIG will utilize the specialized staff and additional resources to monitor the agency’s progress on these significant IT development efforts and its compliance with Federal information security standards.

The FY 2022 Budget includes \$112 million for OIG direct appropriations, a 6 percent increase from 2021, and includes appropriation language to indicate that \$2 million remain available until expended for IT modernization. OIG’s internal IT systems have not been updated in over 15 years and are nearing end-of-life. A dedicated IT modernization account will support OIG software and hardware spending to support increased remote work capabilities for emergency situations, dedicated funding for the enhancement of the OIG’s key systems, risk assessment and data analytics software, and increased staffing to fill needs related to software development, project management, and systems security.

In addition to the request for \$112 million in direct appropriations, the Budget allows SSA to transfer up to \$12.1 million of its dedicated program integrity funds in SSA’s Limitation on Administration Expenses (LAE) account, an increase of \$0.9 million from FY 2021, to the OIG for the cost of jointly operated anti-fraud CDI units. Including the transfer, this is a six percent increase over FY 2021.

The Budget continues the OIG’s efforts to rebuild its capacity by providing an increase in base resources and in the transfer. Prior to FY 2019, we had seen staffing and corresponding investigative accomplishments steadily decrease as we had prioritized expanding the jointly operated Cooperative Disability Investigations (CDI) Program. The transfers received from

SSA's program integrity fund in FY 2019 and FY 2020 to fund CDI units afforded the OIG the ability to replace some staff that the organization shifted to the CDI Program. The 2021 transfer funds our CDI unit team leader costs, allowing us to fund other high priority activities. In FY 2019, the increase in dedicated funding resulted in an increase of non-CDI fraud prosecutions for the first time since FY 2012. The Budget continues this trend.

The OIG budget also includes \$850,000 for training, which satisfies the organization's FY 2022 training requirements. In FY 2022, OIG will contribute an estimated \$403,200 to the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as requested by CIGIE.

In summary, the Budget will provide necessary funding to carry out the OIG's major and supplemental investigative, audit, and legal initiatives, continue our efforts to combat Social Security-related and government imposter scams, oversee SSA's response to COVID-19, support the OIG's IT functions efforts and oversee SSA's IT modernization and security, and meet the legislative mandate to expand CDI coverage for all 50 States and U.S. territories. The initiatives section discusses some of our planned activities with proposed 2022 funding.

Table 4.1—Justification

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	FY21 to FY22 Change
FTE	519	513	537	24
Appropriation	\$105,500,000	\$105,500,000	\$112,000,000	\$6,500,000
Transfer Authority ¹	\$ 176,000	-	-	-
Reimbursable Authority ²	\$10,000,000	\$11,200,000	\$12,100,000	\$900,000
Reimbursable Authority Carryover ³	\$660,000	\$609,000 ⁴	\$1,386,000 ⁵	\$777,000
Total Authority	\$116,336,000	\$117,309,000	\$125,486,000	\$8,177,000
Unobligated balance lapsing	-\$418,000	-	-	-
Total Obligations⁶	\$115,309,000	\$115,923,000	\$125,486,000	\$9,563,000

¹ In FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget transferred \$10 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation adjustment funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increased to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG's PI allocation adjustment is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader operating costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA OIG does not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover and does not match Budget Appendix.

FY 2022 MAJOR INITIATIVES

Combating Social Security-Related and Government Imposter Scams

In the first half of FY 2021, the OIG received more than 400,000 allegations of Social Security-related and government imposter scams. These insidious scams are typically in-person phone calls or robocalls, are widespread across the United States, and generally come from overseas. They target American consumers to request payment via cash, gift cards, or other unconventional methods to purportedly pay a fine, resolve a problem, or secure assistance. These scams diminish the public's trust in the Social Security Administration and in the government's ability to prevent this pervasive fraud and protect vulnerable citizens and their resources.

Since the beginning of FY 2019, more than 100 OIG employees, or approximately 20 percent of the organization's total workforce, have contributed to efforts to combat these scams, including public outreach, deterrence, allegation processing, and investigative work. In FY 2020, the OIG dedicated an estimated \$4.1 million in human capital resources and extended hotline call center operations and allegations processing.

We have designed a multi-faceted public awareness campaign to alert citizens about the prevalence of these scam calls. We coordinated National "Slam the Scam" Day on March 4, 2021 with SSA, FTC, and other entities, and the event generated news coverage in USA Today, CNBC, AARP, Forbes, The Hill, and other major outlets. SSA, the OIG, and the U.S. Postal Inspection Service worked together to place dual-branded digital or hardcopy posters in all U.S. post offices warning the public about Social Security-related phone scams. More recently, we worked with major retailers such as CVS and Walmart to provide scam awareness information in stores across the country.

On the investigative front, we established the Major Case Unit (MCU) in October 2019 to centralize investigative, analytical, and legal resources, and better coordinate with other Federal and State agencies, including the Department of Justice's Transnational Elder Fraud Strike Force. The MCU implemented a three-tiered investigative approach, focusing on (1) the international-based call centers and those U.S.-based carriers that facilitate the calls' entry into the U.S. telephone network; (2) the money mule networks that collect, launder, and move money defrauded from victims; and (3) the scammers' ability to reach U.S. consumers.

The OIG is currently pursuing nearly 35 major criminal investigations involving companies and individuals who are engaged in or profit from these scam calls, and we have contributed to more than 24 arrests, with many resulting in criminal prosecution. In second quarter FY 2020, we began sending warning letters to gateway carriers for which our analysis indicates a pervasive robocall issue on their network. As a result of one warning letter, one carrier terminated relationships with eight customers that collectively had passed over 27 million calls in a single day.

Further, in November 2019, the OIG launched a dedicated web-based form to collect targeted phone scam information directly from the public. We have received over 300,000 complaints via the dedicated form since its launch. From the form, we are able to collect "call back" numbers in

real time, and we work with major telecom carriers to terminate suspected fraudulent numbers. To date, we have referred 103,879 unique phone numbers for termination to their FCC-assigned telecommunication service provider.

The dedicated web form has also allowed the OIG to share phone scam allegations with other law enforcement agencies. For example, we recently entered into an agreement to share form data with the FTC's Consumer Sentinel program, which will provide hundreds of law enforcement agencies timely access to the fraud data we collect, and improve FTC's consumer-protection efforts.

In FY 2022, we anticipate fully staffing the MCU with investigators and analysts to analyze phone scam allegations, develop investigative leads, deploy effective investigative strategies, and expand the capacity of the MCU to address other complex, multi-jurisdictional investigative challenges. We also anticipate adding personnel to support related outreach and collaboration efforts needed to combat Social Security-related and government imposter scams.

Oversight of SSA's COVID-19 Response and Recovery

The FY 2022 Budget would allow the OIG to continue appropriate oversight audit work of SSA's *CARES Act* funding and other relief law requirements. We would also use FY 2022 funds to continue audit activities related to the agency's actions and responses arising from the COVID-19 pandemic that may have had an impact on the agency's internal and external stakeholders. This work would include assessing SSA's re-opening preparedness, the impact of suspended workloads, and SSA Disability Determination Services' (DDS) preparedness and response capabilities. We also plan to conduct new and ongoing reviews of SSA's operational response to the COVID-19 pandemic and assess its future preparedness, including issues pertaining to SSA's emergency response readiness, continuity of operations and service, safety and security of the public and employees, and IT security and privacy concerns related to remote operations. We would also leverage data on SSA's COVID-19 actions and response to make recommendations to improve future service delivery and reduce future operation disruptions and costs.

With regard to investigations, we are participating in 28 COVID-19 fraud workgroups and collaborating with other Federal law enforcement entities on joint investigations related to the COVID-19 pandemic. Since the outset of the COVID-19 pandemic, we have received over 26,000 fraud allegations referencing COVID-19 related relief programs and funds. In FY 2022, we will continue investigating COVID-19 pandemic-related fraud schemes and assist with related prosecution efforts. We anticipate using FY 2022 funds to cover the costs of these ongoing investigative activities, substantial human capital resources, and other operational needs.

IT Modernization and Increase Data Analytics Capabilities

IT Modernization: To keep pace with current IT trends and technologies necessary to support efficient and effective OIG audit and investigative functions, the OIG requires additional IT staff to handle responsibilities including IT support and services, systems development and infrastructure maintenance, information security and compliance, and cybersecurity

initiatives. Currently, an OIG IT staff of about 30 employees supports OIG IT functions nationwide. The OIG requires additional IT professionals, trained and skilled in these areas, to support current and future workloads.

Based on the planned implementation of a new OIG investigative case management system and critical administrative applications with new databases and business-process-management tools, we will need to enhance our skillset in those areas. For FY 2022, we will need funding to expand our knowledge of these critical technologies.

Data Analytics: The OIG collects a significant amount of management information related to Social Security’s programs and operations, and data analytics tools would help us leverage that information to support and enhance investigative, audit, and strategic initiatives. Powered by artificial intelligence algorithms that can quickly analyze large data sets, these tools would help us proactively identify potential targets of suspected large-scale Social Security fraud, and flag potential vulnerabilities in Social Security’s systems for audit review. For example, analytics could improve the fraud-allegation triage process, reducing our reliance on human capital to conduct this workload, and expediting and enhancing the organization’s ability to detect and prevent Social Security fraud, waste, and abuse.

The OIG requires additional IT staff, including specialized data architects and scientists, and additional funding to procure, implement, and store state-of-the-art data analytics tools. Additionally, we require funding to train and develop a formal data analytics group that would focus on developing capabilities to support an array of OIG investigative, audit, and strategic efforts. We have met with several other agencies, including the Department of Health and Human Services’ OIG, to understand other organizations’ current data analytics capabilities and assess the resources needed to establish our own analytics operation.

Enhancing Cybersecurity Oversight and Increasing Cyber Investigative Casework

Enhancing Cybersecurity Oversight: Federal information systems—and the information they hold—are targets of cyber-attacks. Breaches at Federal agencies have underscored the importance of securing government systems and protecting sensitive information. It is imperative that Federal agencies have robust vulnerability management and intrusion-detection programs. SSA must implement a strong information security program to detect and prevent intrusions. Our prior audit and investigative work has revealed serious concerns with the security of SSA’s information systems.

SSA is also developing systems in the cloud, which creates security concerns with housing sensitive agency information in public clouds. As SSA expands its services and systems, it is important that it implement security during the development process. In addition, SSA faces challenges in executing and implementing major IT projects and delivering expected functions on schedule and within budget.

To augment our audit staff and fill critical skill gaps, the OIG seeks to contract with cybersecurity experts to take an in-depth look at SSA’s cybersecurity and systems development efforts. We plan to conduct the following contractor audits.

- **Federal Information Security Modernization Act of 2014 (FISMA) Oversight** – FISMA requires that the OIG, or an independent external organization as determined by the OIG, annually assess the effectiveness of SSA’s information security policies, procedures, and practices on a representative subset of SSA’s information systems. We plan to work with a contractor to conduct the FISMA evaluation.
- **Data Exchanges** – Data exchange is primarily the one- or two-way electronic sharing of individual or aggregated personally identifiable information (and/or other information with a government or private entity. SSA is a government leader in data exchange, with many computer matches and real-time exchanges. We plan to ask the contractor to determine the security of SSA’s data exchanges with third parties.
- **Ransomware Response and Prevention** – Ransomware is a type of malicious software, or malware, designed to deny access to a computer system or data until a ransom is paid. It typically spreads through phishing emails or by unknowingly visiting an infected website and can be devastating to an individual or an organization. We plan to ask the contractor to assess SSA’s overall ransomware prevention and response strategy.
- **Workforce Planning** – We plan to ask the contractor to determine the effectiveness of SSA’s workforce planning, both strategic and operational, specifically related to maintaining an IT workforce.

Increasing Cyber and Electronic Investigative Casework: The OIG’s Digital Forensics Division (DiFD) provides computer forensic support to OIG components. The DiFD also conducts computer intrusion and cyber-crime investigations into abuses of SSA systems, programs, and resources. The DiFD is comprised of highly skilled personnel who receive extensive training in cyber investigations, computer forensics, and mobile device extractions. In FY 2020, the DiFD has provided forensic and online investigative support for nearly 82 investigations and processed more than 23 terabytes of data.

In FY 2020, the DiFD launched initiatives focused on increasing its capacity to evaluate and investigate cyber intrusions and other cybercrimes committed against SSA. SSA’s cybersecurity modernization efforts and use of advanced analytics has bolstered its ability to pick out patterns of anomalous behavior in agency networks, applications, and users across the enterprise. Along with SSA, the OIG is a participant on the Insider Threat Hub. During FY 2020, these efforts have resulted in the DiFD receiving five referrals, two of which the DiFD and SSA’s Insider Threat Hub evaluated jointly. The DiFD provides technical information to enhance security awareness training and information security controls. As SSA continues to develop its Insider Threat Program and cyber-threat detection capabilities, referrals to the DiFD are expected to increase through FY 2022.

We continue to see a notable shift toward cases involving electronic communications. As a result, we have invested in technical examination platforms that encompass digital communications technologies - smart phones, tablets, and electronic personal assistance devices. In FY 2022, we anticipate the need for Offsite Data Disaster Recovery (ODDR) infrastructure hardware and security, as well as additional equipment for the forensics network to expand and grow a live offsite data store for data retention/recovery in the event of a natural or man-made disaster.

Detecting and Preventing Disability Fraud: Cooperative Disability Investigations

The CDI Program is a critical SSA anti-fraud initiative that combats fraud, waste, and abuse within SSA's disability programs. CDI units, consisting of personnel from SSA, the OIG, State DDS agencies, and local law enforcement, investigate initial and continuing disability claims when fraud is suspected. Stopping an improper payment before it occurs, or as soon as it is suspected, is in the best interest of the agency, the OIG, and the American public. From inception in FY 1998 through March 2020, CDI efforts nationwide resulted in \$4 billion in projected savings to SSA's Title II and Title XVI disability programs, and \$3 billion in projected savings to related Federal and State benefit programs.

As of October 2020, the CDI Program consisted of 49 units covering 45 States, the District of Columbia, and the Commonwealth of Puerto Rico, in addition to the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. The *Bipartisan Budget Act of 2015* (BBA) mandated nationwide coverage of the CDI Program by FY 2022 in areas where there is cooperation with local law enforcement agencies. The Budget supports the expansion to meet the deadline.

In support of this mandate, SSA opened one CDI unit during the first half of FY 2016, one unit in FY 2017, three units in FY 2018, and three units in FY 2019. We opened four units in FY 2020 and we are on track to continue expanding coverage by the end of FY 2021. As the CDI Program grows, we continue to strategically add OIG staff to support the organization's mission both in the field and at headquarters. The transfers from the SSA LAE account have been integral in allowing us to replace those resources diverted to the program.

The intent of the transfer from LAE is to support the OIG's CDI unit costs, similar to how dedicated PI funding covers SSA's CDI unit costs as well. As the OIG was ramping up the program, the OIG had been projecting CDI costs based only on OIG Team Leaders. Upon reflection, the cost of operating the OIG's Cooperative Disability Investigations Division (CDID), a headquarters division that provides dedicated strategic, operational, and administrative efforts to monitor and support the CDI Program and its expansion, fits within the scope as well. The CDID's increasingly important role to maintaining program uniformity and attracting and retaining local partners will continue to grow over time. The CDID's major functions include:

- recruiting potential local law enforcement partners,
- developing policies that promote consistency of operations and investigations,
- promoting compliance with Attorney General and CIGIE Quality Standards,
- facilitating Memoranda of Understandings between CDI partners, and
- overseeing the U.S. Marshals special deputation of law enforcement partners for expanded jurisdiction to investigate disability fraud.

Beginning in FY 2022, the OIG will begin using transfer funding to charge for CDID costs in addition to supporting CDI unit team leaders.

SSA'S SIGNIFICANT MANAGEMENT CHALLENGES

OIG annually identifies the most significant management challenges facing SSA based on congressional mandates and its audit and investigative work. These challenges are:

1. SSA's Response to the 2019 Novel Coronavirus Pandemic,
2. Improve Administration of the Disability Program,
3. Improve the Prevention, Detection, and Recovery of Improper Payments,
4. Improve Service Delivery,
5. Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data, and,
6. Modernize Information Technology (IT).

A summary of each management challenge is discussed below:

Challenge #1: *SSA's Response to the 2019 Novel Coronavirus Pandemic*

On March 13, 2020, the President declared the COVID-19 outbreak a national emergency. The Office of Management and Budget encouraged all Federal agencies to maximize telework to ensure employees' safety while serving the public and conducting mission-critical functions. In response to the declaration, and to ensure the safety of its customers and employees, SSA limited its field office operations to in-person service by appointment only for certain dire need situations and maximized telework. SSA had to ensure the vast majority of its approximately 62,000 employees had the resources needed to telework so it could help manage the increased customer traffic to its online services and 800-number. Similarly, SSA assisted State disability determination services (DDS) in shifting their staffs to telework and obtaining necessary resources so they could continue making disability determinations, but not all DDS employees were able to telework. The reduced staffing meant DDSs were processing fewer cases and SSA had over 160,000 more initial disability claims pending at the end of FY 2020 than it did at the beginning of the fiscal year. Before the release of Executive Order 13924, Regulatory Relief to Support Economic Recovery, SSA took actions that aligned with the intent of the Order. For example, SSA temporarily suspended processing and collecting overpayments. SSA also suspended processing medical CDRs that could result in benefit cessation as part of its response to COVID-19. Effective August 31, 2020, SSA resumed processing most workloads it had suspended in its initial response to the pandemic, including CDR cessations, redeterminations and other actions that may result in a reduction, suspension, or termination of benefits.

Challenge #2: *Improve Administration of the Disability Program*

To better serve its customers, SSA needs to address increasing pending initial disability claims and continuing disability reviews (CDR), reduce pending hearings, and develop better strategies to help disabled beneficiaries return to work. Before the COVID-19 pandemic began, SSA reduced the number of initial disability claims pending from almost 708,000 at the end of FY 2012 to almost 594,000 at the end of FY 2019, and eliminated the backlog of full medical CDRs in FY 2018. COVID-19 pandemic responses, such as DDS closures and delayed consultative examinations, posed challenges to the initial disability claims process. From February to September 2020, claims pending levels increased 21 percent to over 763,000. In March 2020,

SSA suspended processing medical CDRs that could result in benefit cessation. The number of full medical CDRs SSA processed monthly decreased from over 57,000 in February 2020 to under 19,000 in July 2020, before rising to nearly 41,000 in September 2020. While SSA has continued to reduce hearings pending levels, it still has a backlog of pending cases.

Congress directed SSA to implement employment support programs to help disabled individuals return to work. To date, these programs have helped only a small percentage of disabled individuals return to work. While SSA has set goals to increase the number of participating beneficiaries, few eligible beneficiaries used their Tickets for vocational or employment services. Specifically, approximately 3 percent of Ticket-eligible beneficiaries assigned their Tickets or placed them in-use in FY 2020, similar to the percent of individuals who assigned their Tickets in recent years. When we reviewed another employment support program, the Plan to Achieve Self-Support, SSA could not provide costs incurred, savings, or return-to-work participant outcomes even though SSA implemented the program in 1972. SSA needs to 1) renew its focus on reducing and eliminating the initial disability claims and CDR backlogs; 2) implement and monitor initiatives designed to improve timeliness and reduce the hearings backlog; 3) focus resources on capacity issues to better balance processing times and hearing office workloads; and 4) continue creating new opportunities for returning beneficiaries to work and ensure measurement of costs, savings, and effectiveness are part of the design of such initiatives.

Challenge #3: *Improve the Prevention, Detection, and Recovery of Improper Payments*

SSA is responsible for issuing approximately \$1 trillion in benefit payments, annually. Given the amounts involved, even the slightest error in the overall payment process can result in millions of dollars in over- or underpayments. In its FY 2020 Agency Financial Report, SSA estimated it had made approximately \$7.9 billion in improper payments in FY 2019. Preventing improper payments is more advantageous than detecting them after they are made since additional resources are not spent recovering the overpayments or processing additional payments to rectify underpayments. Beneficiaries and recipients are required to report to SSA any change in circumstances that may affect their benefits; however, they do not always comply. Therefore, obtaining data from external sources, such as other Federal agencies, State agencies, and financial institutions, is critical to prevent and detect improper payments. We believe SSA needs to 1) identify and prevent improper payments through automation and data analytics; 2) expand efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries or recipients self-report information; and 3) address the root causes of improper payments to prevent their occurrence.

Challenge #4: *Improve Service Delivery*

The COVID-19 pandemic greatly curtailed field office service, placing greater stress on other service methods. In a July 2020 audit, we noted that wait times at 9 of SSA's 10 regions increased between FYs 2010 and 2019. Moreover, the number of field office visitors who waited for longer than 1 hour for service increased from 2.3 to 4.2 million. In a May 2020 audit, we concluded that, between FYs 2010 and 2019, calls to the National 800 Number resulted in more busy messages and hang-ups without the caller receiving service, the number of calls employees answered decreased, and callers waited longer for service. Additionally, effective

March 31, 2020, SSA temporarily changed its telephone services, including decreased hours for its 800-number, in response to the COVID-19 outbreak. SSA continues to explore ways to improve the customer service experience by providing convenient and secure online self-service options, many of which are accessed through beneficiaries' my Social Security accounts. However, our audit work found SSA's controls for the my Social Security portal had not prevented some individuals from fraudulently establishing accounts or submitting direct deposit transactions. SSA also faces a challenge to its ability to provide service because of an expected retirement of experienced staff. SSA expects that more than 21,000 of its 62,000 employees will retire within the next 5 years. These retirements, along with regular attrition, will cause a loss of institutional knowledge and potentially impair succession management and knowledge transfer.

Challenge #5: *Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data*

SSA must ensure its information systems are secure and sensitive data are protected. Disruptions to the integrity or availability of its information systems would dramatically affect SSA's ability to serve the public and meet its mission. Also, SSA's systems contain personally identifiable information, such as the Social Security number (SSN), which if not protected, could be misused by identity thieves. In its most recent report for the *Federal Information Security Modernization Act of 2014* (Pub. L. No. 113-283), Grant Thornton LLP identified a number of deficiencies in SSA's information security program, potentially limiting its ability to protect the confidentiality, integrity, and availability of SSA's information systems and data. Furthermore, for systems that promote public access, such as SSA's my Social Security, agencies must ensure that identity proofing, registration, and authentication processes provide assurance of identity consistent with security and privacy requirements, in accordance with Federal standards and guidelines. However, SSA relies on companies that have had breaches, such as Equifax, and there have been several breaches of personal data across the globe and continuous misuse of SSNs across industries. SSA needs to address the deficiencies identified by the independent auditor and ensure the electronic services it provides are secure, and comply with Federal security requirements.

Protecting the SSN and properly posting the wages reported under it are critical to ensuring SSN integrity and eligible individuals receive the full benefits due them. Accuracy in recording number-holder information is critical because SSA and other agencies rely on information to verify employment eligibility, ensure successful processing of wage reports, and terminate payments to deceased beneficiaries. Accuracy in recording workers' earnings is critical because SSA calculates benefit payments based on an individual's earnings over his/her lifetime. As such, properly assigning SSNs only to those individuals authorized to obtain them, protecting SSN information once SSA assigns the numbers, ensuring number-holder information is complete in its systems, and accurately posting the earnings reported under SSNs are critical responsibilities.

Challenge #6: *Modernize Information Technology (IT)*

SSA's aging infrastructure is increasingly difficult and expensive to maintain. SSA continues relying on outdated applications and technologies to process its core workloads, and knowledge of its dated applications and legacy infrastructure will diminish as developers retire. While SSA has taken an incremental approach to IT modernization by replacing systems' components rather than whole systems, this approach is no longer viable. Technology is advancing faster than SSA can incrementally modernize. SSA developed a roadmap to spend \$863 million through FY 2022 to modernize some of its systems, but budget constraints have forced it to use much of its IT funding—\$2 billion in FY 2020—to operate and maintain existing systems. SSA's Chief Information Officer has acknowledged the Agency must undertake a larger, multi-year effort. In October 2017, SSA published and began implementing its IT Modernization Plan. This multi-year modernization effort is fundamental to the overall ability to improve service to the public. SSA also developed a new IT Investment Process that it expects will improve how it manages and invests in IT. SSA needs to prioritize IT modernization activities to ensure available resources lead to improvements with the greatest impact on SSA's operations and the service it provides the public. SSA also needs to ensure its IT planning and investment control processes are effective.

MONETARY BENEFITS

In FY 2020, OIG issued 46 audit reports with recommendations, identifying nearly \$2.3 billion in questioned costs and over \$700 million in Federal funds that could be put to better use. OIG also effected 725 criminal convictions, and obtained a return of over \$259 million in monetary accomplishments, comprising over \$109 million in SSA recoveries, restitutions, fines, settlements, and judgments, and over \$150 million in projected SSA savings. Additionally, OIG successfully resolved 48 civil monetary penalty actions against individuals who made false statements, representations, or omissions to obtain, retain, or convert Social Security benefits (violating Section 1129 of the Social Security Act), imposing more than \$2.7 million in penalties and assessments. Overall, in FY 2020, the OIG identified \$29 in returns to the government for every \$1 it received through its appropriation.

TRANSFER AUTHORITY

The budget request includes language providing authority to transfer an amount of up to 3 percent of the total OIG appropriation from SSA's LAE appropriation. This language provides the flexibility to meet unanticipated funding requirements and to ensure that adequate resources are available to meet program objectives. The request is consistent with similar authority to transfer funds between appropriations provided to other departments and agencies in appropriation language.

In addition, the Budget includes language to transfer up to \$12.1 million in program integrity allocation funds to the SSA OIG from SSA's LAE account to fund the cost of jointly operated cooperative disability investigations (CDI) units. This anti-fraud activity is an authorized use of the allocation.

BUDGETARY RESOURCES

The OIG annual appropriation consists of appropriations from both the general fund and the trust funds. The President’s Budget request for FY 2022 consists of \$32,000,000 appropriated from the general fund, and \$80,000,000, which will be transferred and expended as authorized by Section 201(g) (1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

Table 4.2—Amounts Available for Obligation
(In thousands)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Budget
General Funds Annual Appropriation	\$30,000	30,000	\$32,000
Trust Funds Annual Transfer	\$75,500	\$75,500	\$80,000
Total Base Appropriation	\$105,500	\$105,500	\$112,000
Transfer Authority ¹	\$ 176	-	-
Reimbursable Authority ²	\$10,000	\$11,200	\$12,100
Reimbursable Authority Carryover ³	\$660	\$609 ⁴	\$1,386 ⁵
Total Budgetary Resources	\$116,336	\$117,309	\$125,486
Total Obligations ⁶	\$115,309	\$115,923	\$125,486
Unobligated balance lapsing	\$ 418	-	-

¹ Beginning in FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget includes language allowing the transfer of \$10 million to the SSA-OIG from SSA’s LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG’s PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA-OIG does not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover assumptions and does not match Budget Appendix.

ANALYSIS OF CHANGES

The FY 2022 budget represents an increase of \$6.5 million to the Total Appropriation and \$0.9 million to the Reimbursable Obligation for a total increase of \$7.5 million from the FY 2021 Budget. Increases in base expenses for employee salaries and benefits will be offset by reductions in other objects.

Table 4.3—Summary of Changes (in thousands)

	FY 2021 Estimate	FY 2022 Budget	FY21 to FY22 Change
General Fund Appropriation	\$30,000	\$32,000	\$2,000
Trust Fund Appropriation	\$75,500	\$80,000	\$4,500
Total Appropriation	\$105,500	\$112,000	\$6,500
Reimbursable Obligation ¹	\$9,814	\$12,100	\$2,286
Reimbursable Carryover ²	\$609 ³	\$1,386 ⁴	\$777
Total Obligations	\$115,923	\$125,486	\$9,563

¹ For FY 2021, the Budget includes language allowing the transfer of \$11.2 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$12.1 million in FY 2022. Updated for unobligated balance carryover assumptions and does not match Budget Appendix.

² SSA-OIG's PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. Updated for unobligated balance carryover assumptions and does not match Budget Appendix. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs. FY 2022 planned obligations have been updated to reflect current assumptions and do not match Budget Appendix.

³ Updated carryover due to technical adjustments.

⁴ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA-OIG does not estimate any carryover from FY 2022 to FY 2023.

Table 4.4—Explanation of OIG Budget Changes¹

	FY 2021 Base		Change from Base	
	WYs (FTEs)	Budgetary Resources	WYs (FTEs)	Budgetary Resources
<u>BUILT-IN INCREASES</u>				
Base Payroll Expenses	518		+24	
	(513)		(+24)	
<ul style="list-style-type: none"> • <i>Change in base payroll expenses related to career ladder promotions and within-grade increases</i> 	---	\$71,659,000	---	+ \$5,437,000
<ul style="list-style-type: none"> • <i>Change in base expenses for employee benefits including health benefits and new employees hired under the Federal Retirement Employees System</i> 	---	\$31,491,000	---	+ \$2,425,000
<ul style="list-style-type: none"> • <i>All other payroll changes, including overtime and awards</i> 				
Non-Payroll Costs - All other built-in non-payroll changes, travel management support and equipment	---	\$7,933,000	---	+ \$309,000
* Rent	---	\$4,730,000	---	+ \$116,000
Subtotal, Built-in increases	518	\$115,813,000	+24	+\$8,287,000
	(513)		(+24)	
<u>PROGRAM INCREASES</u>				
Subtotal, Program Increases	---	---	---	\$ 0
Total Increases	518	\$115,813,000	+24	+\$8,287,000
	(513)		(+24)	

Table Continues on the Next Page

¹ Totals may not add due to rounding. The table does not include the estimated transfer authority.

	FY 2021 Base		Change from Base	
	WYs (FTEs)	Budgetary Resources	WYs (FTEs)	Budgetary Resources
<u>BUILT-IN DECREASES</u>				
Base Payroll Expenses —Decrease in all other payroll costs	518 (513)	<i>\$103,150,000</i>	+24 (+24)	
Non-Payroll Costs	---	<i>\$7,933,000</i>		
Rent	---	<i>\$4,730,000</i>		
Subtotal, Built-in decreases	---	<i>\$115,813,000</i>	---	<i>\$0</i>
<u>PROGRAM DECREASES</u>				
Decrease in costs for training, other support, services, and supplies	---	---	---	---
Subtotal, Program Decreases	---	---	---	<i>\$0</i>
Total Decreases	---	<i>\$115,813,000</i>	---	<i>\$0</i>
Net Change	518 (513)	<i>\$115,813,000</i>	+24 (+24)	<i>\$0</i>

BUDGET AUTHORITY BY ACTIVITY

The table below displays budget authority, split by type of funding, and obligations. This table also includes FTEs.

**Table 4.5—Budget Authority by Activity
(In thousands)**

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Budget
General Funds	\$30,000	\$30,000	\$32,000
OASDI Trust Fund Transfers	\$75,500	\$75,500	\$80,000
Total Appropriation	\$105,500	\$105,500	\$112,000
Transfer Authority ¹	\$176	-	-
Reimbursable Authority ²	\$10,000	\$11,200	\$12,100
Reimbursable Authority Carryover ³	\$660	\$609 ⁴	\$1,386 ⁵
Total Budgetary Authority	\$116,336	\$117,309	\$125,486
Total Obligations ⁶	\$115,309	\$115,923	\$125,486
Unobligated balance lapsing	\$418	\$0	\$0
FTEs	519	513	537

¹ Beginning in FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget includes language allowing the transfer of \$10 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG's PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. Do not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover and transfer assumptions and does not match Budget Appendix.

BUDGET RESOURCES BY OBJECT

The table below displays the breakdown of budget resources by object class.

Table 4.6—Budget Resources by Object¹

	FY 2020	FY 2021	FY 2022	<i>FY21 to FY22 Change</i>
Full-time permanent	\$68,389,000	\$69,818,000	\$75,194,000	+ \$5,376,000
Other than full-time permanent	\$673,000	\$681,000	\$730,000	+ \$49,000
Other compensation	\$1,096,000	\$1,160,000	\$1,172,000	+ \$12,000
Subtotal, Personnel Compensation	\$70,158,000	\$71,659,000	\$77,096,000	+ \$5,437,000
Civilian personnel benefits	\$30,404,000	\$31,491,000	\$33,916,000	+ \$2,425,000
Total, Compensation and Benefits	\$100,562,000	\$103,150,000	\$111,012,000	+ \$7,862,000
Travel	\$1,743,000	\$1,696,000	\$1,838,000	+ \$142,000
Transportation of things	\$34,000	\$43,000	\$43,000	\$0
Rental payments to GSA	\$4,251,000	\$4,250,000	\$4,354,000	+ \$104,000
Rental payments to others	\$102,000	\$0	\$0	\$0
Communications, utilities, and others	\$589,000	\$507,000	\$512,000	+ \$5,000
Printing and reproduction	\$1,000	\$10,000	\$10,000	\$0
Other services	\$4,104,000	\$3,536,000	\$3,577,000	+ \$41,000
Supplies and materials	\$160,000	\$135,000	\$136,000	+ \$1,000
Equipment	\$3,764,000	\$2,591,000	\$2,665,000	+ \$74,000
Insurance Claims	\$ -	\$2	\$2	\$0
Adjustments	-\$384,000	-\$107,000	-\$49,000	\$58,000
Total Budgetary Resources	\$114,926,000	\$115,813,000	\$124,100,000	\$8,287,000

¹ Totals may not add due to rounding.

BACKGROUND

AUTHORIZING LEGISLATION

The Office of the Inspector General is authorized necessary expenses to carry out the provisions of the Inspector General Act of 1978, as amended.

Table 4.7—Authorizing Legislation

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Authorized	FY 2022 Estimate
Office of the Inspector General (P.L. 116-260)	\$105,500,000	\$105,500,000	Indefinite	\$112,000,000

APPROPRIATION HISTORY

The table below displays the President's budget request, amounts passed by the House and Senate, and the actual amount appropriated for the period FY 2004 to FY 2021.

Table 4.8—Appropriation History Table

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
General Funds	\$25,000,000	\$24,500,000	\$20,863,000	\$24,355,400
Trust Funds	\$65,000,000	\$63,700,000	\$61,597,000	\$63,324,200
2004 Total	\$90,000,000	\$88,200,000 ¹	\$82,460,000 ²	\$87,679,600³
General Funds	\$26,000,000	\$25,748,000	\$26,000,000	\$25,542,000
Trust Funds	\$66,000,000	\$65,359,000	\$66,000,000	\$64,836,100
2005 Total	\$92,000,000	\$91,107,000 ⁴	\$92,000,000 ⁵	\$90,378,100⁶
General Funds	\$26,000,000	\$26,000,000	\$26,000,000	\$25,740,000
Trust Funds	\$67,000,000	\$66,805,000	\$67,000,000	\$65,736,000
2006 Total	\$93,000,000	\$92,805,000 ⁷	\$93,000,000 ⁸	\$91,476,000⁹
General Funds	\$27,000,000	\$26,435,000	\$25,740,000	\$25,902,000
Trust Funds	\$69,000,000	\$67,976,000	\$65,736,000	\$66,149,000
2007 Total	\$96,000,000	\$94,411,000 ¹⁰	\$91,476,000 ¹¹	\$92,051,000¹²
General Funds	\$27,000,000	\$27,000,000	\$28,000,000	\$25,988,901
Trust Funds	\$68,047,000	\$68,047,000	\$68,047,000	\$65,926,000
2008 Total	\$95,047,000	\$95,047,000 ¹³	\$96,047,000 ¹⁴	\$91,914,901¹⁵
General Funds	\$28,000,000	--	\$28,000,000	\$28,000,000
Trust Funds	\$70,127,000	---	\$70,127,000	\$70,127,000
2009 Total	\$98,127,000	--- ¹⁶	\$98,127,000 ¹⁷	\$98,127,000¹⁸
ARRA ¹⁹	N/A	N/A	N/A	\$2,000,000
General Funds	\$29,000,000	\$29,000,000	\$29,000,000	\$29,000,000
Trust Funds	\$73,682,000	\$73,682,000	\$73,682,000	\$73,682,000
2010 Total	\$102,682,000	\$102,682,000 ²⁰	\$102,682,000 ²¹	\$102,682,000²²
General Funds	\$30,000,000	---	\$30,000,000	\$28,942,000
Trust Funds	\$ 6,122,000	---	\$76,122,000	\$73,535,000
2011 Total	\$106,122,000	--- ²³	\$106,122,000 ²⁴	\$102,477,000²⁵
General Funds	\$30,000,000	---	\$28,942,000	\$28,887,000
Trust Funds	\$ 7,113,000	---	\$73,535,000	\$73,396,000
2012 Total	\$107,113,000	--- ²⁶	\$102,477,000 ²⁷	\$102,283,000²⁸
General Funds	\$30,000,000	---	\$28,887,000	\$27,376,000
Trust Funds	\$77,600,000	---	\$73,396,000	\$72,557,000
2013 Total	\$107,600,000	--- ²⁹	\$102,283,000 ³⁰	\$99,933,000³¹
General Funds	\$30,000,000	---	\$29,689,000	\$28,829,000
Trust Funds	\$75,733,000	---	\$74,972,000	\$73,249,000
2014 Total	\$105,733,000	---	\$104,670,000 ³²	\$102,078,000³³

Table Continues on the Next Page

Office of the Inspector General

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
General Funds	\$29,000,000	\$28,829,000		\$29,000,000
Trust Funds	\$75,622,000	\$74,249,000		\$74,350,000
2015 Total	\$104,622,000	\$103,078,000 ³⁴		\$103,350,000³⁵
General Funds	\$31,000,000	\$30,000,000	\$28,829,000	\$29,787,000
Trust Funds	\$78,795,000	\$78,795,000	\$74,521,000	\$75,713,000
2016 Total	\$109,795,000	\$108,795,000 ³⁶	\$103,350,000 ³⁷	\$105,500,000³⁸
General Funds	\$31,000,000	\$29,787,000	\$29,787,000	\$29,787,000
Trust Funds	\$81,000,000	\$75,713,000	\$75,713,000	\$75,713,000
2017 Total	\$112,000,000	\$105,500,000 ³⁹	\$105,500,000 ⁴⁰	\$105,500,000⁴¹
General Funds	\$30,000,000	\$29,796,270	\$29,796,270	\$30,000,000
Trust Funds	\$75,500,000	\$74,987,280	\$74,987,280	\$75,500,000
2018 Total	\$105,500,000	\$104,783,550 ⁴²	\$104,783,550 ⁴³	\$105,500,000⁴⁴
General Funds	\$30,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$75,500,000	\$77,500,000	\$75,500,000	\$75,500,000
2019 Total	\$105,500,000	\$108,500,000 ⁴⁵	\$105,500,000 ⁴⁶	\$105,500,000⁴⁷
General Funds	\$30,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$75,500,000	\$77,500,000	\$75,500,000	\$75,500,000
2020 Total	\$105,500,000	\$108,500,000 ⁴⁸	\$105,500,000 ⁴⁹	\$105,500,000⁵⁰
General Funds	\$33,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$83,000,000	\$77,500,000	\$75,500,000	\$75,500,000
2021 Total	\$116,000,000	\$108,500,000 ⁵¹	\$105,500,000 ⁵²	\$105,500,000⁵³

¹ H.R. 2660.

² S. 1356.

³ Consolidated Appropriations Act, 2004 (P.L. 108-199). The \$24,500,000 in general funds and \$63,700,000 in trust funds included in the language for this account for FY 2004 were reduced by \$144,600 and \$375,800, respectively, in accordance with P.L. 108-199.

⁴ H.R. 5006.

⁵ S. 2810.

-
- ⁶ Consolidated Appropriations Act, 2005 (P.L. 108-447). The \$25,748,000 in general funds and \$65,359,000 in trust funds included in the language for this account for FY 2005 were reduced by \$206,000 and \$522,900, respectively, in accordance with P.L. 108-447.
- ⁷ H.R. 3010.
- ⁸ H.R. 3010, reported from Committee with an amendment.
- ⁹ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (P.L. 109-149). The \$26,000,000 in general funds and \$66,400,000 in trust funds included in the language for this account for FY 2006 were reduced by \$260,000 and \$664,000, respectively, in accordance with the Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006 (P.L. 109-148).
- ¹⁰ H.R. 5647.
- ¹¹ S. 3708.
- ¹² Revised Continuing Appropriations Resolution, 2007 (P.L. 110-5).
- ¹³ H.R. 3043.
- ¹⁴ S. 1710.
- ¹⁵ Consolidated Appropriations Act, 2008 (P.L. 110-161). The \$26,451,000 in general funds and \$67,098,000 in trust funds included in the language for this account for FY 2008 were reduced by \$462,099 and \$1,172,000 respectively, in accordance with P.L. 110-161.
- ¹⁶ The House Committee on Appropriations did not report a bill.
- ¹⁷ S. 3230.
- ¹⁸ Omnibus Appropriations Act, 2009 (P.L. 111-8).
- ¹⁹ OIG received \$2,000,000 through the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). OIG will conduct necessary oversight and audit of SSA programs, projects, and activities, assessing whether SSA used the resources as intended by the Act, and will identify any instances of fraud, waste, error, and abuse.
- ²⁰ H.R. 3293.
- ²¹ H.R. 3293, reported from Committee with an amendment.
- ²² Consolidated Appropriations Act, 2010 (P.L. 111-117).
- ²³ The House Committee on Appropriations did not report a bill.
- ²⁴ S. 3686.
- ²⁵ Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10). The \$29,000,000 in general funds and \$73,682,000 in trust funds included in the language for this account for FY 2011 were reduced by \$58,000 and \$147,000 respectively, in accordance with P.L. 112-10.
- ²⁶ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$30,000,000 from general funds and \$77,113,000 from trust funds, totaling \$107,113,000.
- ²⁷ S. 1599.
- ²⁸ Consolidated Appropriations Act, 2012 (P.L. 112-74). The \$28,942,000 in general funds and \$73,535,000 in trust funds included in the language for this account for FY 2012 were reduced by \$55,000 and \$139,000 respectively, in accordance with P.L. 112-74.
- ²⁹ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$28,887,000 from general funds and \$77,600,000 from trust funds, totaling \$106,487,000.
- ³⁰ S. 3295.
- ³¹ Consolidated Appropriations Act, 2013 (P.L. 113-6). The \$69,557,000 in trust funds included in the language for this account for FY 2013 were increased by \$3,000,000 to \$72,557,000 as a transfer from SSA to OIG.
- ³² S. 1284.
- ³³ Consolidated Appropriations Act, 2014 (P.L. 113-76).

³⁴ H.R. 5464.

³⁵ Consolidated Appropriations Act, 2015 (P.L. 113-235).

³⁶ H.R. 3020

³⁷ S. 1695.

³⁸ Consolidated Appropriations Act, 2016 (P.L. 114-113).

³⁹ H.R. 5926.

⁴⁰ S. 3040.

⁴¹ Consolidated Appropriations Act, 2017 (P.L. 115-31).

⁴² Further Additional Continuing Appropriations Act, 2018 (P.L. 115-56). Funding includes a rescission of 0.6791% of FY 2017 appropriation. The \$30,000,000 in general funds and \$75,500,000 in trust funds included in the language for this account for FY 2018 were reduced by \$415,284 and \$301,166 respectively, in accordance with P.L. 115-56.

⁴³ Further Additional Continuing Appropriations Act, 2018 (P.L. 115-56). Funding includes a rescission of 0.6791% of FY 2017 appropriation. The \$30,000,000 in general funds and \$75,500,000 in trust funds included in the language for this account for FY 2018 were reduced by \$415,284 and \$301,166 respectively, in accordance with P.L. 115-56.

⁴⁴ Consolidated Appropriations Act, 2017 (P.L. 115-56).

⁴⁵ H.R. 6157.

⁴⁶ H.R. 6157.

⁴⁷ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245).

⁴⁸ H.R. 1865.

⁴⁹ H.R. 1865.

⁵⁰ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2020 (P.L. 116-94).

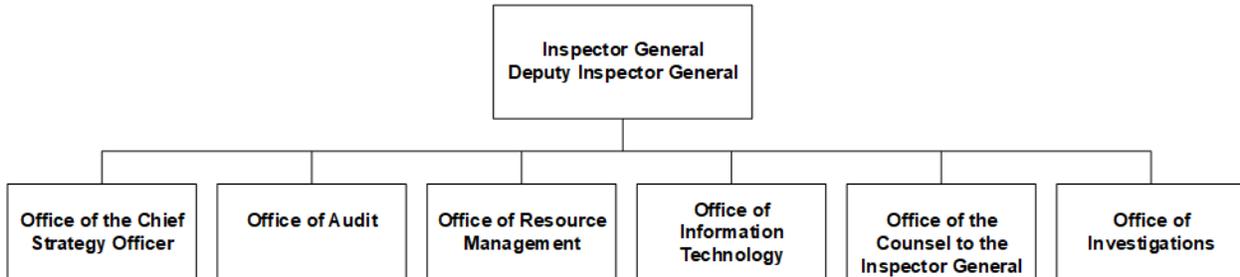
⁵¹ H.R. 133.

⁵² H.R. 133.

⁵³ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021 (P.L. 116-260).

OIG'S ORGANIZATIONAL STRUCTURE AND MISSION

GENERAL PURPOSE



As mandated by the *Inspector General Act of 1978*, as amended, OIG's mission is to protect the integrity of SSA's programs. By conducting independent and objective audits, evaluations, and investigations, OIG works to ensure public confidence in the integrity and security of SSA's programs and operations, and works to protect them against fraud, waste, abuse, and mismanagement. OIG provides timely, useful, and reliable information and advice to Administration officials, Congress, and the public.

OIG is composed of six components: The Office of the Chief Strategy Officer, the Office of Audit, the Office of Investigations, the Office of Information Technology, the Office of Counsel to the Inspector General, and the Office of Resource Management.

Office of the Chief Strategy Officer

Directs OIG internal and external communications, leads strategic planning efforts, develops and directs OIG's enterprise risk management program, and coordinates with SSA, Congress, and other stakeholders.

Office of Audit

Conducts comprehensive financial, information technology, and performance audits and evaluations of SSA's programs and operations, and makes recommendations for improvement.

Office of Resource Management

Provides administrative and management support across the organization, including formulating and executing the OIG budget, overseeing facility and property management, performing quality and compliance reviews, and performing human resource support activities.

Office of Information Technology

Manages OIG’s technology and data analytics functions, and coordinates multiple cybersecurity oversight responsibilities

Office of the Counsel to the Inspector General

Provides independent legal advice and counsel to the IG and all components; develops training for OIG employees; assists OIG managers with adverse personnel actions; represents OIG in litigation; oversees and administers SSA’s Civil Monetary Penalty program, and serves as SSA’s Whistleblower Coordinator.

Office of Investigations

Conducts investigations on allegations of fraud and misconduct related to SSA programs, operations, and employees. Operates the OIG fraud hotline and oversees the Cooperative Disability Investigations program.

RATIONALE FOR THE BUDGET REQUEST

The budget request for FY 2022 is \$112,000,000, an increase of \$6.5 million from the FY 2021 appropriations. Moreover, the FY 2022 budget request will provide funding for a 542 FTE staffing level, payroll increases (e.g., within-grade increases, scheduled promotions, health benefits, etc.), and other related support costs.

For FY 2022, the Budget proposes for the transfer of \$12.1 million to the Office of the Inspector General from SSA’s LAE program integrity allocation funds to support OIG’s CDI unit costs. This is an increase of \$0.9 million from FY 2021 and will provide funding for CDI unit team leaders, payroll increases, and other related support costs, including CDID costs.

Table 4.9—Detail of Full-Time Equivalent Employment and Workyears

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
FTEs	519	513	537
Overtime/Lump Sum Leave	4	5	5
Total	523	518	542

Table 4.10—Average Grade and Salary

	FY 2020 Actual
Average ES	\$181,112
Average GS	13
Average GS	\$118,907
Salary	