A MESSAGE FROM THE
ACTING COMMISSIONER

I am pleased to present the Social Security Administration’s fiscal year (FY) 2021 Agency Financial Report, which details how we managed our resources and delivered services to the public.

Our mission is to deliver quality Social Security services to the public. We have focused our efforts around three overarching Strategic Goals:

- Deliver Services Effectively
- Improve the Way We Do Business
- Ensure Stewardship

We discuss our progress towards meeting these goals in the Overview of Our Fiscal Year 2021 Goals and Results section.

Last year, despite the challenges of operating under pandemic conditions, we made significant progress in addressing some key challenges. We continued to reduce the hearings backlog, which is now at its lowest level in over 20 years. We also lowered the number of customers experiencing a busy signal on our National 800 Number, increased the number of registered my Social Security users, continued growing the number of customers successfully using our online services, and established liaisons in our field offices to work with community-based groups to help us reach people who face barriers to our services.

As good stewards of our programs and as required by law, we must continue our quality reviews, cost-effective program integrity work, and payment accuracy efforts to ensure eligible individuals receive the benefits to which they are entitled by reducing both overpayments and underpayments. We will expand the use of data analytics and predictive modeling, and increase the number and scope of strategic partnerships, to effectively administer benefits and protect our programs from waste, fraud, and abuse.

I am pleased to share that for the 28th consecutive year, we received an unmodified opinion on our financial statements. Based on the results of our internal evaluations, I can provide reasonable assurance that the financial and performance information contained in this report is complete, reliable, and accurate. We also have no material weaknesses in our internal controls.

Respectfully,

Kilolo Kijakazi

Baltimore, Maryland
November 10, 2021
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INTRODUCTION

Our Agency Financial Report (AFR) provides financial management and high-level performance information that enables the President, Congress, and the public to assess how well we accomplished our mission, achieved our goals, and managed the financial resources entrusted to us. We organize our AFR into the following major sections:

**Management’s Discussion and Analysis:** The Management’s Discussion and Analysis section provides an overview of our mission, organization, Strategic Goals and Objectives (as defined in our Fiscal Years (FY) 2018-2022 Agency Strategic Plan), Priority Goals, and FY 2021 performance measures. We highlight our progress toward accomplishing our Strategic Goals and Objectives and discuss our plans to achieve our mission. We provide a summary of the financial information contained in subsequent sections of the AFR. We also include analysis of our systems, controls, and legal compliance.

**Financial Section:** The Financial Section contains A Message from the Chief Financial Officer and a summary of financial management initiatives that advanced the agency’s mission. We also include our audited financial statements, the accompanying notes to those statements, and required supplementary information, including the Combining Schedule of Budgetary Resources and information on Social Insurance. This section concludes with the Report of Independent Certified Public Accountants section.

**Other Information:** The Other Information section includes the Fiscal Year 2021 Inspector General Statement on the Social Security Administration’s Major Management and Performance Challenges, as well as our Summary of Financial Statement Audit and Management Assurances tables. We also provide information on our entitlement reviews and Office of the Inspector General anti-fraud activities, civil monetary penalties, biennial review of user fee charges, grant programs, debt collection and management activities, and payment integrity.

**Appendix:** The Appendix includes a glossary of acronyms, a list of our agency’s top management officials, the members of the Board of Trustees, and the members of the Social Security Advisory Board.

For the 23rd year in a row, we received the Association of Government Accountants’ Certificate of Excellence in Accountability Reporting (CEAR) award. Receiving the CEAR award for our FY 2020 AFR is a significant accomplishment for a Federal agency. In addition, we received a CEAR Best-in-Class award for exceptional reporting on our Coronavirus Disease 2019 pandemic response in our FY 2020 AFR.