

## Program Evaluations

The following are brief summaries of selected program evaluations we completed, or obtained results for, during fiscal year (FY) 2012. Program evaluations and surveys assess how well our programs are working. We list the evaluations under the Strategic Goal they support from our [Agency Strategic Plan for FY 2013 – FY 2016](http://www.socialsecurity.gov/asp/index.html) ([www.socialsecurity.gov/asp/index.html](http://www.socialsecurity.gov/asp/index.html)).

### STRATEGIC GOAL 1: DELIVER QUALITY DISABILITY DECISIONS AND SERVICES

#### DISABILITY SCORECARD SURVEYS

The Disability Scorecard Surveys measure customer satisfaction with the disability application process at the initial and hearing levels. We survey disability claimants – both Social Security and Supplemental Security Income (SSI) – in the following groups that reflect different stages of the process:

- Mid-process, after an initial disability application is filed but before a decision is made;
- Initial awards and denials, after the initial level decision on the application; and
- Hearing awards and denials, after the hearing level decision on the application.

We ask those surveyed for an overall rating of the service we provided during the disability application process. The chart below shows the percentage of respondents at each stage of the process rating our overall service as Excellent, Very Good, or Good for each year since the surveys were first conducted. The chart shows that respondent opinion is greatly influenced by the outcome of the application for disability benefits. In addition, the chart illustrates the extent of the decline in satisfaction as the application proceeds through the hearing level. However, the gap between initial and hearing level satisfaction is greater when the application is denied than when it is awarded.

Disability Scorecard Survey Results: Overall Opinion of Our Service					
Fiscal Year	Disability Initial Claims Report Card Surveys			Hearing Process Report Card Survey	
	Mid-Process	Award	Denial	Award	Denial
2011	83%	92%	54%*	83%*	40%
2010	83%	92%	51%	80%*	39%*
2009	84%	92%	51%	76%*	37%*
2008	84%	92%	53%	74%	34%

\*Indicates a statistically significant difference compared with the previous year.

#### DISABILITY CASE REVIEW OF ADMINISTRATIVE LAW JUDGE HEARING DECISIONS

The following discusses the results of our Disability Case Review of Administrative Law Judge (ALJ) Hearing Decisions for FY 2011, which were not available when we published our *FY 2011 Performance and Accountability*

*Report.* In FY 2011, we conducted a quality review of our ALJ decisions, known as the Disability Case Review. This review evaluates both favorable and unfavorable ALJ hearing decisions.

Our two year data comparison begins with the last six months of 2009 and ends with the first six months 2011. In the last 6 months of FY 2009 (April through September), we agreed with 90 percent of ALJ favorable decisions and 89 percent of their unfavorable decisions. For FY 2010, we agreed with 84 percent of the ALJ favorable decisions and 91 percent of the unfavorable decisions. The 6-percentage point change between FY 2009 and FY 2010 for favorable decisions is statistically significant. The 2-percentage point change between ALJ unfavorable decisions in FY 2009 and FY 2010 is not statistically significant.

For mid-year FY 2011, we agreed with 78 percent of the ALJ favorable decisions and 88 percent for ALJ unfavorable decisions. None of the differences from our prior FY 2010 findings are statistically significant when compared to the mid-year FY 2011 findings. However, when comparing FY 2009 to mid-year FY 2011 ALJ favorable decisions, the 12-percentage point decline is statistically significant, while the 1-percentage point change from FY 2009 to mid-year FY 2011 for ALJ unfavorable decisions is not.

For those cases that we did not agree, we found most needed additional documentation to support the correct disability decision.

We will discuss the results of our FY 2011 Disability Case Review of ALJ Hearing Decisions in our *FY 2013 Annual Performance Report*.

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## EVALUATION OF TICKET TO WORK PROGRAM

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We implemented the [Ticket to Work Evaluation \(www.socialsecurity.gov/disabilityresearch/research.htm#Ticket\)](http://www.socialsecurity.gov/disabilityresearch/research.htm#Ticket) to evaluate the progress of the program as required under the *Ticket to Work and Work Incentives Improvement Act of 1999*. In FY 2012, our independent evaluation contractor completed the sixth evaluation report and several papers of the seventh and final evaluation report. Each of these reports is comprised of a series of papers and summary of findings.

Key findings of particular interest from the reports are as follows:

**Can the Ticket to Work Program be Self-Financing?** In the third paper of the sixth evaluation report, we analyzed whether the Ticket to Work (TTW) Program generates sufficient savings to self-finance. We found a modest, but carefully targeted, expansion of TTW participation and exits would make it more likely that the program would be self-financing. However, the scenarios in the paper highlight the need for us to target TTW carefully and avoid drawing in beneficiaries who do not need assistance from an employment network to leave the rolls.

**Third WIPA Evaluation Report:** This two-part analysis is the first of six papers that will make up the seventh evaluation report in a series.

- Part 1 presents findings on the activities of the 103 organizations receiving grants under our Work Incentives Planning and Assistance (WIPA) program from April 1, 2010 to March 31, 2011. This paper documents: (1) the characteristics of those who use WIPA services; (2) the work incentives, benefits, and services that community work incentive coordinators discussed with beneficiaries and those that WIPA service providers suggested they use; and (3) WIPA output measures, such as the number of beneficiaries enrolled in WIPA and the amount of funding each WIPA project receives and evaluates providers' performance.
- Part 2 examines what happens to beneficiaries after they enroll for WIPA services. The paper documents the characteristics of beneficiaries who enrolled for WIPA services from October 2009 through March 2010 and the services they received. The paper evaluates the beneficiaries' employment, earnings, benefit reductions due to earnings, use of work supports, and exits from the disability rolls during the period following WIPA program entry through the end of December 2010.

**2010 National Beneficiary Survey: Methods and Statistics:** We analyzed information from the fourth National Beneficiary Survey (NBS). The NBS collects data from a national sample of working-age (age 18 to 64) disability beneficiaries and SSI recipients and a separate sample of TTW participants. The NBS provides a portrait of all working-age Social Security beneficiaries and SSI recipients with disabilities and TTW participants. We found the percentage of people interested in work or career advancement dropped from 34 percent in the 2006 NBS to 31 percent in the 2010 NBS. Those working at the time of the interview dropped from 9 percent to 7 percent over the same period. These findings are not surprising, given the economic downturn that occurred between these two survey periods.

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## QUALITY REVIEW ASSESSMENT OF SENIOR ATTORNEY ADVISOR DISABILITY DECISIONS

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The following presents the FY 2011 results of our Quality Review Assessment of Senior Attorney Advisor Disability Decisions, which were not available when we published our *FY 2011 Performance and Accountability Report*.

Some of our most experienced attorney adjudicators continue to help eliminate our hearings backlog by issuing fully favorable decisions when the decision can be made without a hearing in front of an ALJ. The FY 2011 accuracy rate for our senior attorney advisor process was 96 percent, based on a review of 960 decisions. The 2-percentage point change between FY 2008 (98 percent) and FY 2011 (96 percent) is statistically significant. We are focusing on training improvements to reduce the gap.

We will discuss the results of our FY 2012 Quality Review Assessment of Senior Attorney Advisor Disability Decisions in our *FY 2013 Annual Performance Report*.

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## OFFICE OF QUALITY PERFORMANCE DENIAL REVIEW

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In FY 2011, we conducted an internal control review of medically-denied disability applications adjudicated by the Disability Determination Services (DDS). We conducted this review to identify whether the DDSs' denial decisions were policy compliant and supported by the medical and vocational evidence in the case file.

We reviewed 51,608 cases from all 52 DDSs throughout the nation (all 50 States, the District of Columbia, and the Commonwealth of Puerto Rico). To select the cases, we used a statistical model to identify cases that matched the profile for highly error-prone medically-denied disability applications. Out of the 51,608 cases we reviewed, 4,488 (8.7 percent) contained a substantive error (i.e., an error that could result in a change in the determination of the case).

Our review of denials in FY 2011 resulted in the reversal of 3,179 DDS denial determinations to allowances. These reversals resulted in claimants receiving their benefits at an earlier stage in the process.

## STRATEGIC GOAL 2: PROVIDE QUALITY SERVICES TO THE PUBLIC

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### FIELD OFFICE TELEPHONE SERVICE EVALUATION

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We conduct an annual evaluation of the telephone service in our field offices. Each year we select a random sample of over 100 field offices across the country for the evaluation. We monitor about 2,000 randomly selected calls over the course of the year to assess the accuracy of the information representatives provide and the actions they take. The representatives do not know when we monitor their calls. We use the results of our Field Office Telephone Service Evaluation, which we have conducted since 1999, to identify training needs and clarify operating instructions for our representatives.

We assess the accuracy of the information representatives provide and the actions they take based on our program policies and operating guidelines. We use two measures of accuracy in our Field Office Telephone Service Evaluation. The first measure we use is payment accuracy, which indicates the percentage of calls free of payment error. A payment error occurs when a representative's information or action (or failure to give information or take action) has the potential to affect a caller's payment or eligibility for benefits adversely. The second accuracy measure we use is service accuracy, which reflects the percentage of calls free of service error. A service error occurs when a representative does not meet the caller's need for information, causes the caller inconvenience, or creates an unnecessary additional workload.

Our latest published accuracy rates for field office telephone service are for FY 2011. Payment accuracy was 97 percent, statistically the same as the FY 2010 rate of 95.6 percent. Service accuracy improved significantly, up by almost 6-percentage points from 76.2 percent in FY 2010 to 81.9 percent in FY 2011.

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## **NATIONAL 800 NUMBER TELEPHONE SERVICE EVALUATION**

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We monitor calls to our National 800 Number to evaluate both the accuracy of the information our telephone agents provide and the actions they take. Each year we monitor about 3,000 calls handled by agents in our 38 call centers nationwide. We randomly select and monitor calls throughout the year based on a statistical sampling methodology. Our agents do not know when we monitor their calls. We use the results of our annual National 800 Number Service Evaluation, which we have conducted on an ongoing basis since 1989, to identify training needs and improve operating instructions for our agents.

This evaluation identifies the specific causes of error and the operating policies that were not followed. It uses the same standards of payment and service accuracy as our Field Office Telephone Service Evaluation discussed above. Our latest published accuracy rates are for FY 2011. The FY 2011 payment accuracy rate of 97.8 percent was comparable to the FY 2010 payment accuracy rate of 97.4 percent. The FY 2011 service accuracy rate of 89.4 percent reflects a statistically significant improvement over the FY 2010 service accuracy rate of 87.3 percent.

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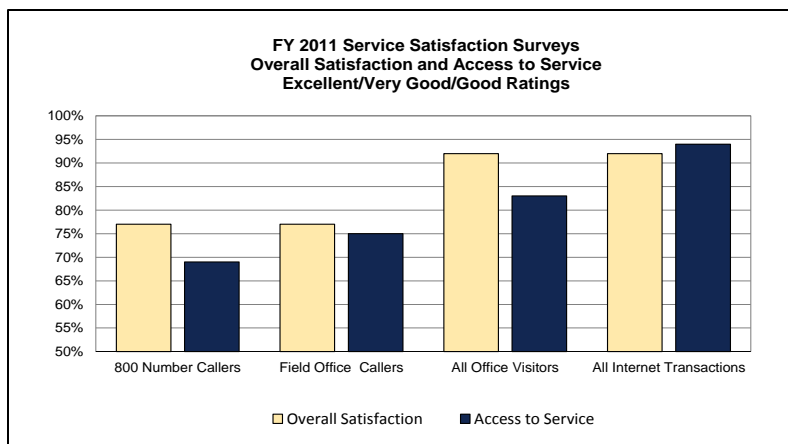
## **OVERALL SERVICE SATISFACTION SURVEYS**

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We measure satisfaction with our services by surveying people who use them. The surveys we conduct reflect the public's perception of the services we provide in person, on the Internet, or by telephone at our National 800 Number and in our field offices. The feedback helps us identify strengths and weaknesses in our service delivery so we can make necessary improvements. We combine the survey results for our different types of services to produce a single customer satisfaction measure. In FY 2011, our service received a combined overall satisfaction rating of 81.4 percent for Excellent, Very Good, or Good.

The following chart shows the overall satisfaction ratings for each type of service included in our combined measure. Since people use the telephone to conduct Social Security business more than any other method (in FY 2011, over 70 percent of contacts were by telephone), satisfaction with our telephone service has a strong influence on the combined measure. The chart shows that, while the majority of callers were satisfied with our telephone service, their overall ratings did not reach the same very high level as ratings from people who conducted their business with us in person or on the Internet.

Our surveys have found that access to service – getting through on the telephone, waiting to be served in the office, or locating the desired service online – is an important factor that affects satisfaction with our service overall. The chart also displays ratings of access for each of our various types of service, and illustrates callers' lower levels of satisfaction with how quickly they were served on the telephone.



Satisfaction with the service our employees provide is also a very important factor in the overall satisfaction of our service. Our surveys find that our employees receive high marks for their courtesy, helpfulness, job knowledge, and the clarity of their explanations, whether they provide service on the telephone or in person. Ratings of these employee attributes were close to 90 percent Excellent, Very Good, Good, or above for all types of service.

## PROSPECTIVE CLIENT SURVEY

We conducted the Prospective Client Survey in FY 2011 to improve our understanding of the service delivery preferences and expectations of members of the public as they approach retirement age. Our two previous Prospective Client Surveys were conducted in FY 2005 and FY 2008.

We surveyed a sample of people age 50 to 64 throughout the U.S. We targeted people in this age range because they were close enough to retirement to have considered the subject. Survey results reflected the opinions of 4,316 respondents.

The survey addressed preferred methods for handling various types of business with us and identified service attributes most important to future customers. The FY 2011 survey preserved the core questions from the previous surveys to allow us to track trends in service preferences. Other survey questions identified the nature and extent of Internet use and explored attitudes about filing online for retirement benefits. Security concerns when conducting business electronically and retirement planning were also covered.

We found that the first choice for a particular contact method appeared to be linked to the stage in the respondent’s relationship with us. For all pre-claim business activities, speaking to an agent on the phone was by far the first choice of respondents. Visiting an office was favored more for activities closely associated with retiring – gathering retirement information and actually filing an application – than for other types of business. Filing a claim in person was actually preferred by respondents over either agent phone service or the Internet/email.

The Internet was preferred by about one in four respondents for most pre-claim and claim-related activities. This proportion increased to one out of three for checking the status of an application and for post-entitlement activities such as changing or obtaining personal information contained in our records. In fact, Internet/email was equally popular as agent phone service for both types of post-entitlement contacts.

## SPECIAL NOTICE OPTION SURVEY

We conducted the Special Notice Option (SNO) Survey to measure satisfaction with our notices sent to blind or visually impaired individuals. The survey measured satisfaction with the following SNO formats: large print, data CD, Braille, follow-up telephone call, certified mail, and audio CD.

In FY 2011, we surveyed people who received a notice in their chosen SNO format to assess their satisfaction with their selection. The survey sampled individuals who received a notice in one of the SNO formats during the period May through September 2011. A contractor completed survey interviews by telephone. Survey results reflect the opinions of a total of 1,609 responders who confirmed the SNO choice used for the sampled notice.

The survey addressed issues common to all SNO formats, such as whether the notice arrived in good condition, as well as unique characteristics of each format. The key satisfaction measure for all formats was the response to the question, “Overall, how well did the notice meet your needs?” The survey measured satisfaction using our standard 6-point satisfaction scale: Excellent, Very Good, Good, Fair, Poor, and Very Poor.

Survey results demonstrated that overall, the SNO formats were effective in meeting customer needs, with few problems identified. The overall satisfaction rate for all formats combined was 92 percent Excellent, Very Good, and Good. Among the individual formats, ratings ranged from a low of 88 percent Excellent, Very Good, and Good for a follow-up telephone call to a high of 95 percent for both Braille and audio CDs. Open-ended comments, offered by about one-third of responders, were also largely positive with many expressing appreciation that the options are available.

### **STRATEGIC GOAL 3: PRESERVE THE PUBLIC’S TRUST IN OUR PROGRAMS**

#### **ANNUAL REPORT OF THE BOARD OF TRUSTEES OF THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE AND FEDERAL DISABILITY INSURANCE TRUST FUNDS**

The *Social Security Act* requires the Board of Trustees of the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Funds to report annually to Congress on the actuarial status and financial operations of the OASI and DI Trust Funds. The [2012 OASDI Trustees Report \(www.socialsecurity.gov/OACT/TR/2012\)](http://www.socialsecurity.gov/OACT/TR/2012), issued in April 2012, showed a decline in the projected long-term financial status of the Social Security program compared to the Trustees’ 2011 report. The primary reasons for this decline were changes in economic projections due to changes in a number of factors and assumptions, such as birth and death rates, size and characteristics of the population receiving benefits, the level of monthly benefit amounts, the size of the workforce, and the level of covered workers’ earnings.

Highlights in the report included:

- Non-interest income permanently fell below program costs in 2010;
- The projected point at which the combined OASI and DI Trust Funds will be exhausted is 2033 – three years earlier than the estimate in last year’s report;
- The projected point at which the DI Trust Fund will be exhausted is 2016 – two years earlier than the estimate in last year’s report;
- The projected actuarial deficit over the 75-year long-range period is 2.67 percent of taxable payroll – up from 2.22 percent in last year’s report; and
- Over the 75-year period, the OASI and DI Trust Funds would require additional revenue equivalent to \$8.6 trillion in present value as of January 1, 2012 to pay all scheduled benefits.

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## ANNUAL REPORT OF THE SUPPLEMENTAL SECURITY INCOME PROGRAM

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We report annually to the President and to Congress the status of the SSI program. The report's purpose is to provide the necessary data to effectively manage the SSI program. The [2012 Annual Report of the Supplemental Security Income Program \(www.socialsecurity.gov/OACT/ssir/SSI12/index.html\)](http://www.socialsecurity.gov/OACT/ssir/SSI12/index.html) issued in May 2012, includes projections for years 2012 to 2036.

Significant findings stemming from our evaluation included:

- By 2036, the end of the 25-year projection period, we estimate that the Federal SSI recipient population will reach 10.1 million. The projected growth in the SSI program over the 25-year period is largely due to the overall growth in the U.S. population, although we expect the recent economic slowdown to continue to generate some additional growth over the next few years beyond what we might expect from historical trends;
- We project that the percentage of the population receiving SSI will vary somewhat by age group, with the percentage for those age 65 or older declining throughout the projection period, and the percentage for those under age 65 continuing to increase over the next 3 years, but declining thereafter to a level slightly higher than the current percentage;
- As a percentage of the total U.S. population, the number of Federal SSI recipients increased slightly from 2.42 percent in 2010 to 2.47 percent in 2011. We project this percentage to increase gradually to 2.62 percent of the population by 2036 due largely to the changing age distribution of the population;
- We estimate that Federal expenditures for SSI payments in calendar year 2012 will increase by \$3 billion to \$52 billion, an increase of 6.1 percent from 2011 levels;
- In constant 2012 dollars, we project that Federal expenditures for SSI payments will increase to \$64.6 billion in 2036, a real increase of 1.0 percent per year; and
- Federal SSI expenditures expressed as a percentage of Gross Domestic Product (GDP) were 0.32 percent in 2011. We project expenditures as a percentage of GDP will increase to 0.33 percent in 2012, remain essentially level through 2014, and decline thereafter to 0.25 percent of GDP by 2036.

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## ENUMERATION QUALITY REVIEW

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The following presents results from our Enumeration Quality Review. These results were not available when we published our *FY 2011 Performance and Accountability Report*. Each year we process more than 5.4 million original and 11 million replacement Social Security card applications. We also verify Social Security numbers (SSNs) more than one billion times a year through a variety of electronic data exchanges with public and private organizations. We refer to the process of assigning and issuing SSNs as enumeration.

To assess the accuracy of our enumeration process, we conduct annual reviews using a random sample of original SSNs assigned during the fiscal year by one of the following process:

- **Enumeration-at-Birth:** Parents can apply for an SSN for their newborn child at the same time they apply for their newborn's birth certificate. The State agency that issues the birth certificate shares the information with us and we assign an SSN and issue a Social Security card;
- **Enumeration-at-Entry:** Prospective immigrants can apply for an SSN as part of the Department of State's immigration process. When the immigrant enters the U.S., the Department of Homeland Security electronically transmits enumeration information to us. If the immigrant qualifies, we assign an SSN and issue a Social Security card; and
- **SSN Applications:** A person can apply for an SSN by completing Form SS-5, *Application for a Social Security Card*, and submitting it to a local field office or card center; or by having one of our

representatives file an application electronically through the SSN Application Process (SSNAP) tool during an in-office interview. If the person is qualified, we assign an SSN and issue a Social Security card.

In FY 2011, we correctly assigned 99.9 percent of SSNs exceeding our FY 2011 target of 99 percent. The most commonly cited error occurred when applicants received two different SSNs: one through Enumeration-at-Entry and one through SSNAP. To help us meet and exceed this goal, we completed SSN specialized work in our card centers nationwide. We continue making improvements to the SSNAP tool, a web-based Intranet application that assigns original SSNs and issues original and replacement SSN cards.

We derive the percentage of correctly assigned SSNs using a statistically valid sample of original SSNs assigned in the fiscal year. We divide the number of correctly assigned SSNs by the total number sampled. We consider the SSN assigned correctly when: (1) the individual did not receive a SSN that belongs to someone else; (2) the individual did not receive more than one SSN, except where permitted; and (3) the individual is eligible to receive a SSN based on supporting documentation.

We will discuss the FY 2012 Enumeration Quality Review results in our *FY 2013 Annual Performance Report*.

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## **PREEFFECTUATION REVIEW OF DISABILITY DETERMINATIONS**

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Public Law 96-265, *Public Health and Welfare*, Section 221-c, requires us to review at least 50 percent of all Social Security Disability Insurance (DI) and concurrent DI/SSI Disability (SSI/DI) favorable initial and reconsideration determinations made by the DDS. In addition, Public Law 109-171, *Deficit Reduction Act*, requires we review at least 50 percent of all SSI adult initial and reconsideration favorable determinations made by the State DDS.

We select Preeffectuation Review (PER) cases from all 52 DDSs (the 50 States, District of Columbia, and DI cases from the Commonwealth of Puerto Rico) using a statistical model to identify allowances with a high probability of containing substantive errors (i.e., potential to ultimately reverse the determination from allowance to denial). In FY 2011, we conducted 383,826 DI and 119,383 SSI/DI preeffectuation reviews. The reviews resulted in 6,261 DDS determinations reversed from an allowance to a denial.

Three agency components work in conjunction with the Centers for Medicare and Medicaid Services to produce a report to Congress on the lifetime savings resulting from PER. The FY 2011 results will not be available until later this calendar year. The most recent PER Report to Congress for FY 2010 shows estimated lifetime savings of \$627 million (which also includes Medicare and Medicaid savings).

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## **RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE STEWARDSHIP REVIEW**

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Stewardship findings provide the basic measure we use to report on the accuracy of OASDI payments. We base the FY 2011 report findings on non-medical reviews of monthly samples of OASDI payments issued from October 2010 through September 2011. We also provide payment accuracy rates for the current and previous reporting periods.

Overall, the OASDI accuracy rate was 99.7 percent for overpayments in FY 2011, based on improper payments totaling a projected \$2.3 billion (i.e., 99.7 percent of all dollars paid were free of overpayment errors).

Accuracy for OASDI underpayments was 99.9 percent in FY 2011, based on unpaid dollars projected at \$0.9 billion (i.e., underpayment dollar errors, as a percentage of total dollars paid, were slightly more than 0.1 percent).

Comparable accuracy rates for FY 2010 were 99.6 percent for overpayments and 99.8 percent for underpayments. The changes in the overall OASDI overpayment and underpayment accuracy rates are not statistically significant.

We will report the results of our FY 2012 Retirement, Survivors and Disability Insurance Stewardship Review in our *FY 2013 Annual Performance Report*.



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## **SAFEGUARD REPORTS**

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Pursuant to Internal Revenue Code section 6103(p)(4), we are required to properly protect Federal Tax Information (FTI) handled in its various business processes.

We participate in three recurring activities with Internal Revenue Service (IRS) to ensure Code compliance:

1. The Safeguard Activity Report (SAR) we submit to the IRS for evaluation annually. A SAR describes controls agency components use to protect FTI in business processes and, when appropriate, provides a Plan of Action and Milestones to bring inadequate controls to full conformance with IRS' safeguard requirements. We successfully submitted the SAR in FY 2012.
2. The Safeguard Procedure Report (SPR) we submit to the IRS at least every six years. The SPR identifies significant changes to our FTI safeguard program. We successfully submitted the SPR in FY 2012.
3. The Safeguard Review we receive, when IRS conducts an onsite evaluation of our FTI safeguard program, every three years. IRS did not schedule a review for FY 2012.

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## **SUPPLEMENTAL SECURITY INCOME STEWARDSHIP REVIEW**

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The review evaluates non-medical factors of eligibility and measures the accuracy of payments made to persons receiving SSI benefits. The primary objective is to measure the accuracy of payments we issued and to report these accuracy rates as required by the *Improper Payments Information Act of 2002*.

We reviewed 4,252 SSI cases in FY 2011. Accuracy rates are derived using data from the review of SSI cases with a payment made in at least one month of the fiscal year under review. Any difference between what was actually paid, and what the quality review determines should have been paid, is expressed as an overpayment (O/P) or underpayment (U/P) error. The O/P accuracy rate is the percentage of all dollars paid that are free of O/P errors. The U/P accuracy rate is the projected dollar value of U/P errors represented as a ratio of all dollars paid. The O/P and U/P accuracy rates are calculated and reported separately.

In FY 2011, the O/P accuracy rate was 92.7 percent based on overpaid dollars totaling a projected \$3.8 billion. This represents a decrease of 0.6-percentage points from the FY 2010 O/P accuracy rate of 93.3 percent. This decrease is not statistically significant.

In FY 2011, the U/P accuracy rate was 98.2 percent based on underpaid dollars totaling a projected \$0.95 billion. This represents an increase of 0.6-percentage points from the FY 2010 U/P accuracy rate of 97.6 percent. This increase is not statistically significant.

### **STRATEGIC GOAL 4: STRENGTHEN OUR WORKFORCE AND INFRASTRUCTURE**

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#### **FEDERAL EMPLOYEE VIEWPOINT SURVEY (FORMERLY THE ANNUAL EMPLOYEE SURVEY/FEDERAL HUMAN CAPITAL SURVEY)**

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The U.S. Office of Personnel Management (OPM) sent the 2012 Federal Employee Viewpoint Survey to about 65,000 of our employees. Our employees had from April 17, 2012 through May 25, 2012 to take the survey. Over half of our permanent employees completed the survey.

We use the Federal Employee Viewpoint Survey results as a tool for measuring employee satisfaction and engagement throughout our agency. Traditionally, our employees show high levels of satisfaction working for us. We rank high in the categories of Job Satisfaction, Leadership, and Knowledge Management.

For more information about survey results refer to this link, [Federal Employee Viewpoint Survey \(www.fedview.opm.gov/\)](http://www.fedview.opm.gov/).

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## FEDERAL INFORMATION SECURITY MANAGEMENT ACT REPORT

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The *Federal Information Security Management Act* (FISMA) is part of the *eGovernment Act of 2002*. FISMA is a security framework requiring Federal agencies to ensure they provide adequate protections for Federal information systems and information. We must submit an annual FISMA status report to the Office of Management and Budget (OMB) by November 15, 2012. Our report summarizes the results from security reviews conducted of our major information systems and programs, progress on correcting identified weaknesses, and the results of other work performed during the reporting period using OMB's performance measures. There are currently several bills pending in Congress intended to strengthen FISMA. As Congress considers new cyber security legislation, we will continue our efforts to meet and exceed existing information security requirements for protecting Federal information systems and personally identifiable information.

For more information refer to the complete report, [FY 2011 Report to Congress on the Implementation of the Federal Information Security Management Act of 2002 \(www.whitehouse.gov/sites/default/files/omb/assets/egov\\_docs/fy11\\_fisma.pdf\)](http://www.whitehouse.gov/sites/default/files/omb/assets/egov_docs/fy11_fisma.pdf).

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## HUMAN CAPITAL ACCOUNTABILITY SYSTEM

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We monitor and evaluate the results of our human capital strategies, policies, and programs, as well as our adherence to merit system principles; it includes cyclical Human Resources Management and Delegated Examining Unit Assessments of components across the agency and our annual Human Capital Management Report.

We regularly review all aspects of the Human Capital Accountability System to determine efficiency, effectiveness, mission alignment, and compliance with the [Human Capital Assessment and Accountability Framework \(www.opm.gov/hcaaf\\_resource\\_center/2-2.asp\)](http://www.opm.gov/hcaaf_resource_center/2-2.asp). If changes are necessary, human resources consults and includes the appropriate staff and component in the adjustment process. The evaluation phase of the system is critical.

Results of these human capital reviews show that our human capital strategies, policies, and programs are sound and that we adhere to merit system principles. We took all required corrective actions identified through these reviews. In addition, we issued policy reminders, and provided refresher training, where needed, to ensure that we remain compliant with laws, regulations, and agency policies.

Many improvements in our accountability programs have been, and will continue to be, made through this process.

Some examples include:

- Completion of the Human Resources Management Assessment evaluation template. Through evaluation of feedback, our human resources staff will make necessary changes;
- Implementation of a remote Human Resources Management Assessment process to cut costs and improve efficiency; and
- Enhancement of the Delegated Examining Unit Audit process to increase audit effectiveness.

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## MANAGEMENT DIRECTIVE-715

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The directive provides policy guidance and standards for establishing and maintaining effective affirmative action programs.

The Equal Employment Opportunity Commission (EEOC) Management Directive 715 (MD-715) requires Federal agencies to conduct an annual self-assessment of their Equal Employment Opportunity (EEO) program to ensure it

meets the requirements for each of the six essential elements of a model program. The assessment occurs in the first quarter of a fiscal year, with the report due to the EEOC in the second quarter of the fiscal year.

Below, we present our FY 2011 results, which were not available when we published our *FY 2011 Performance and Accountability Report*.

Our FY 2011 MD-715 self-assessment showed that of the 117 measures of the essential elements of a model EEO program that are applicable to us, we met 103 measures and were deficient in only 14 measures.

Our strengths included:

- Issuing EEO policy statements and communicating EEO policies to all employees;
- Communicating effectively on structures to report to the Commissioner and other executives on the effectiveness, efficiency, and legal compliance of our EEO program;
- Staffing and funding our EEO program sufficiently; and
- Collaborating and coordinating effectively between EEO and Human Resources.

For the 14 identified deficiencies, we described our plans to correct them, to the extent possible.

Examples of identified deficiencies included:

- Lack of timely compliance with EEOC orders;
- Not requiring managers to participate in Alternative Dispute Resolution; and
- Not timely completing EEO pre-complaint counseling.

We will discuss the results of our FY 2012 assessment in our *FY 2013 Annual Performance Report*.

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## NEW HIRE SURVEY

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The New Hire Survey helps us to gauge our progress on recruiting, hiring, and engaging our newest employees. We complete the process of surveying our new employees hired throughout the fiscal year by the second quarter of the following fiscal year. Our 2012 New Hire Survey Report contains the survey results for our FY 2011 new hires.

We invited 639 newly hired employees in FY 2011 to complete the New Hire Survey, and 486 employees, or 76 percent, completed the survey. Survey results show that the majority (90 percent or more) of newly hired employees are satisfied with the application and hiring processes. Over 80 percent of newly hired employees indicate that they are satisfied with their overall orientation and training. Our efforts to make new employees feel welcome at their earliest points of interaction with us help retain a high-performing and diverse workforce.

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## OFFICE OF CIVIL RIGHTS AND EQUAL OPPORTUNITY QUALITY ASSURANCE PROGRAM

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We assess the effectiveness of our EEO programs and our compliance with regulatory requirements, policy, and directives.

Between FY 2010 and FY 2012, we conducted 12 Office of Civil Rights and Equal Opportunity (OCREO) Quality Assurance Reviews and drafted reports from these reviews. We found that 11 of the 12 offices met the legal requirements for an effective EEO program, continued to work toward efficiently managing EEO program resources, and met customer needs. We worked with 1 of the 12 offices to help them meet the legal requirements for an effective EEO program.