

# United States Senate

WASHINGTON, DC 20510

October 6, 2010

## Via Electronic Transmission

The Honorable Michael J. Astrue  
Commissioner  
U.S. Social Security Administration  
Altmeyer Building  
6401 Security Boulevard  
Baltimore, MD 21235

Dear Commissioner Astrue:

As Ranking Members of the Senate Committee on Finance, and the Senate Committee on Homeland Security and Governmental Affairs, Permanent Subcommittee on Investigations, we sent a letter on April 8, 2010, to 69 Inspectors General, asking among other things, about any agency interference or resistance to the OIG's oversight work.

The OIGs replied, indicating varying degrees of cooperation with their agencies. We were disappointed to learn that the Social Security Administration is among those that have not fully cooperated with the OIG. A copy of the Inspector General's letter is attached for your reference. Specifically, the Inspector General reported that the OIG frequently encounters delays in audit and investigative work so significant that the delays led the OIG to abandon the projects.

- The OIG requested documents in the course of audit work concerning the replacement of the National Computer Center. The agency delayed the production of certain records, including a report prepared by a contractor, for several months.
- The nature of the OIG's work is such that computerized matches of data are critical to their mission. However, according to the Inspector General, the agency's implementation of the Computer Matching and Privacy Protection Act (CMPPA) has hindered their efforts and caused delays and obstacles in obtaining the agency's cooperation in executing computer matching agreements.

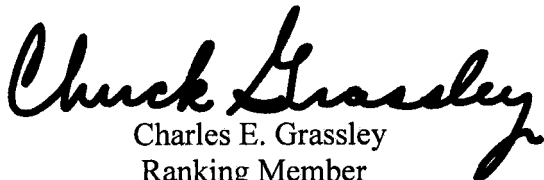
We are concerned that the OIG has to scrap investigations and audit work due to delays based on the agency implementation of the CMPPA, as well as delaying other work while waiting for requested material. In light of these problems, we have the following questions:

- 1) Prior to this letter, were you aware of these examples of interference with the OIG's oversight function?

- 2) If so, when and how did you become aware of these issues and what steps have you taken to correct the problems?
- 3) If not, what steps do you intend to take to correct the problems?
- 4) While the Counsel of Inspectors General on Integrity and Efficiency is seeking legislative exemptions for Inspectors General from many of the CMPPA's requirements, are there other options available that would assist the OIG in gathering the information they request?
- 5) What instructions have been provided the employees of the SSA informing them of their need to cooperate with the OIG? Please provide a copy of any such instructions.

Thank you for your cooperation and attention to this important matter. Please provide the request set forth in this letter no later than October 20, 2010. Should there be any questions, please contact Jason Foster on Senator Grassley's staff at (202) 224-4515, or Keith Ashdown on Senator Coburn's staff at (202) 224-3721. All formal correspondence should be sent electronically in PDF format to [Brian\\_Downey@finance-rep.senate.gov](mailto:Brian_Downey@finance-rep.senate.gov) or via facsimile to (202) 228-2131.

Sincerely,



Charles E. Grassley  
Ranking Member  
Committee on Finance



Tom Coburn  
Ranking Member  
Permanent Subcommittee on Investigations  
Homeland Security and Governmental Affairs Committee

Attachment



## SOCIAL SECURITY

June 15, 2010

The Honorable Charles E. Grassley  
United States Senator  
Washington, DC 20510

Dear Senator Grassley,

This is in response to your letter, signed jointly with Senator Coburn, dated April 8, 2010. In that letter, you made three requests of the Social Security Administration's Office of Inspector General (SSA-OIG). Our response to each of these three requests is below.

First, you asked that we identify all instances from October 1, 2008 to the present in which SSA has resisted and/or objected to our oversight activities and/or has restricted our access to information. While a degree of tension is inherent in the job of an Inspector General, I am pleased to report that my relationship with the Commissioner of Social Security and his staff is one of mutual respect and cooperation. The only incident in which information we requested from the agency was delayed was in the course of our audit work concerning the replacement of the National Computer Center. While the majority of the documents we requested were provided without delay, certain records, including a report prepared by a contractor, were not provided until after a delay of several months.

In addition, we have encountered delays in audit and investigative work, and have even rejected or abandoned audit and investigative projects due to delays occasioned by the Computer Matching and Privacy Protection Act (CMPPA) and the agency's implementation thereof. The nature of our program work is such that computerized matches of data are critical to our mission. The requirements of the CMPPA hinder these efforts, and delays and obstacles encountered in obtaining the agency's cooperation in executing computer matching agreements has on occasion made a difficult situation even more frustrating. It is my understanding that the Council of Inspectors General on Integrity and Efficiency is seeking a legislative exemption from many of the CMPPA's requirements for Inspectors General, and I strongly support that effort.

Second, you requested that I provide you with information pertaining to closed audits, evaluations, and investigations that were not made available to the public for the period January 1, 2009 through April 30, 2010. With respect to audits and evaluations, the following reviews were issued as "limited distribution" reports during this timeframe. I would note that while the reports themselves were not made available, the titles, issue dates, and summaries are posted on our website in an effort to be as transparent as possible:

CIN	Report Title	Report Issued
A-15-09-29064	Costs Claimed by the Virginia Commonwealth University Contract Number SS00-04-60097	1/5/2009
A-44-09-19098	The Social Security Administration's Ability to Address Future Processing Requirements	3/16/2009
A-12-08-18072	Physical Security at the Office of Disability Adjudication and Review's Headquarters Building	3/26/2009
A-07-09-19059	Access to Personally Identifiable Information Available in the LexisNexis Total Research System	5/29/2009
A-14-09-29139	Social Security Administration's Disaster Recovery Process	6/5/2009
A-08-09-19107	Myers Investigative and Security Services Contract	8/17/2009
A-15-09-29121	Costs Claimed by the Association of University Centers on Disabilities' Termination and Final Closeout of Contract Number SS00-06-60074	9/2/2009
A-15-09-29176	Management Advisory Report: Defense Contract Audit Agency Report on Mathematica Policy Research, Incorporated's Termination Settlement Proposal for Contract Number SS00-06-60084	9/23/2009
A-14-10-21043	The Social Security Administration's Use of Site Selection Industry Best Practices for its New Data Center	4/12/2010
A-14-10-21095	Congressional Response Report: The Social Security Administration's Data Center Alternatives	4/12/2010

With respect to investigations, the SSA-OIG closed 3,740 criminal investigations during the last semiannual reporting period (10/1/09 – 3/31/10). Approximately half of these resulted in no public-record event, such as a criminal conviction. Although we would be pleased to provide you with information about all non-public-record cases, discussions with your staff suggested that you are interested primarily in meritorious cases that were declined for Federal prosecution.

The SSA-OIG is unique in the IG community in several respects. Among these is that the nature of individual Social Security benefits is such that we complete many criminal investigations that do not meet the monetary thresholds of Offices of U.S. Attorneys. This apparent negative, however, becomes a positive due to a second unique aspect of this OIG; the availability of many remedies beyond Federal criminal prosecution. Many of our investigations that are declined federally are instead prosecuted at the State level, where we enjoy an outstanding working relationship with prosecutors across the country. When this remedy is not available, cases can be referred to our own Office of Counsel, which administers SSA's Civil Monetary Penalty program, imposing substantial financial penalties on those proven through our investigations to have defrauded SSA. Finally, when even this remedy is unavailable, SSA administers an administrative sanctions program, through which those who defraud the Agency's benefit programs are declared ineligible for benefits for a set period of time.

Through these myriad approaches, the SSA-OIG has, in its short history, learned to work with the limitations inherent in a Federal criminal system that has limited resources. We would be happy to provide additional information on our federally declined cases upon your request. I wanted, however, to first make you aware that while we would be pleased to see all of our cases go to Federal prosecution, we have many viable alternatives that render Federal declination less problematic than it may be for other Offices of Inspector General.

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Third, you asked whether any Federal official has ever interfered with this office's ability to communicate with Congress about our budget or any other issue. This has never occurred.

Finally, you requested a copy of my earlier correspondence to Representative Issa. A copy of that correspondence is enclosed.

I trust this is responsive to your concerns, but should you have any questions, please feel free to contact me, or your staff may contact Jonathan L. Lasher, Assistant Inspector General for External Relations, at (410) 965-7178. An identical copy of this letter is being provided to Senator Tom Coburn.

Sincerely,

**S**

Patrick P. O'Carroll, Jr.  
Inspector General

Enclosure