

FINANCIAL MANAGEMENT INITIATIVES ADVANCING OUR MISSION

Our Chief Financial Officer also serves as the Performance Improvement Officer. This dual role provides oversight to the full life cycle of agency initiatives and goals – from the development of the *Agency Strategic Plan*, which drives budget decisions and annual performance plans, to the financial management of resources and performance reporting. The mission of the Office of the Chief Financial Officer (OCFO) is financial management excellence. The following are key financial management initiatives that advance this mission and the agency’s mission, Strategic Goals, and Objectives:

DEBT MANAGEMENT

- **REMITTANCE MODERNIZATION TO IMPROVE SERVICE DELIVERY:** OCFO is leading our remittance modernization efforts. Historically, our remittance process was a largely manual paper workload handled by our Mid-Atlantic Program Service Center (MATPSC). The MATPSC remittance process requires a method of payment (check, money order, or debit or credit card) and a corresponding payment coupon necessary to update a debtor’s record. In fiscal year (FY) 2021, as part of the Debt Management Product, we implemented several improvements to our remittance process.
 - **PAY.GOV:** In January 2021, we partnered with the Department of the Treasury’s (Treasury) Pay.gov team to implement our first online repayment option for Old-Age, Survivors, and Disability Insurance beneficiaries and Supplemental Security Income (SSI) recipients to repay benefit overpayments via credit or debit card and an automated clearing house (ACH) (i.e., a checking or savings account). In FY 2022, we processed 456,000 remittances and collected \$92 million through Pay.gov.
 - **LOCKBOX SERVICE:** Also, in January 2021, we partnered with Treasury to use U.S. Bank, a financial agent for Treasury, to implement a lockbox service to assist with our paper remittance processing efforts. In February 2021, we began routing paper remittances to the lockbox for processing, which relieved our Remittance Accounting Unit, and allowed them to focus on other workloads. In FY 2022, we processed 264,000 remittances and collected \$69 million through the lockbox service.
 - **ONLINE BILL PAY:** In July 2021, we implemented Online Bill Pay (OLBP), allowing overpaid individuals to make a one-time or recurring ACH draft from a bank account using a personal computer or mobile phone. Prior to this implementation, OLBP remittances defaulted to paper checks. In FY 2022, we processed 18,000 remittances and collected \$2.5 million through OLBP.

These new remittance channels, combined with our previously implemented Social Security Electronic Remittance System, now process over 60 percent of our remittances.

PUBLIC SERVICE

- **OFFICE REENTRY AND KEEPING EMPLOYEES AND THE PUBLIC SAFE:** Our highest priority has been to provide mission-critical service while safeguarding the health of the public and our employees. At the beginning of FY 2022, we were conducting most workloads through online, telephone, and video services, with limited in-office service for critical situations. Last April, we expanded in-person services and prepared for pent-up demand that grew during the pandemic. Throughout FY 2022, OCFO partnered with the General Services Administration (GSA) and our operational components to provide agency-wide leadership, guidance, and support on Coronavirus Disease 2019 issues related to reentry to the workplace, including the acquisition of KN95 masks for employees, the installation of permanent and temporary barriers to protect the public and our employees, and the purchase of air purifiers to improve ventilation in public and employee spaces. Our



guidance aligned with the Centers for Disease Control and Prevention (CDC) guidance to ensure we provide a safe and healthy work environment for our employees and the public. We also assisted in the procurement, design, production, and distribution of approximately 8,000 reentry signage products to the field, including window posters, A-frame signs, and over 31.7 million educational materials, including fact sheets and business cards. These signage products align with CDC guidance, educate the public on available online services, and keep essential in-person operations functioning smoothly. As necessary in support of reentry, we continue to promptly issue micro-purchase policy to agency purchase cardholders through our acquisition alert method.

EFFICIENCY

- **COMPASSIONATE AND RESPONSIVE SERVICE PLAN:** In FY 2022, as a result of our Compassionate And Responsive Service plan, we reduced the hearings backlog to the lowest level in over 20 years. In FY 2022, we received \$55 million in dedicated funding to reduce the hearings backlog. Over the last six years, Congress has provided \$495 million in special funding dedicated to address the hearings backlog. From budget planning, execution, and reporting, to providing ongoing medical and vocational contractual support for hearings cases, OCFO remains engaged to improve the hearings process.
- **NON-PUBLIC FACING FACILITIES:** OCFO continues to identify opportunities to improve the use of space at our non-public facing facilities, while simultaneously reducing costs. In FY 2022, we continued to move employees from our Security West (SW) building onto our Headquarters campus in order to vacate the SW building at the end of FY 2023 – one year ahead of schedule. Once complete, this project will yield \$17 million in annual lease cost savings. Additionally, we collaborated with GSA and our regional staff to return space at the Columbia Center in Seattle, Washington, resulting in \$900,000 in annual rent savings. We continue to work with GSA and our regional staff to evaluate our space needs.
- **ROBOTIC PROCESS AUTOMATION:** Over the last few years, OCFO has implemented several robotic process automations (RPA) that have resulted in significant time savings. In FY 2020, OCFO implemented an RPA that allowed for the automated posting of returned SSI payments, made after death, to the SSI Record. In FY 2022, this RPA automatically posted over 39,000 transactions, averaging 3 seconds per transaction, versus the 3 minutes per transaction required in the previous manual process. OCFO also added an RPA that verifies the automated posting of returned SSI payments, made after death, to the SSI Record. Under the manual verification process, we processed an average of 20,000 returned payments annually, spending approximately 5 minutes per transaction. In FY 2022, the RPA processed over 35,000 verifications, averaging about 20 seconds per transaction.

In addition, OCFO implemented another RPA effort in FY 2022 to automate data entry for accounting entries into our agency's accounting system based on approved journal vouchers. Journal vouchers are used to record 500 accounting transactions that are necessary for financial reporting. We have to create each journal voucher for review and approval and then key it into the accounting system. To reduce the duplicative data entry of the journal voucher review and approval form and subsequent keying in the accounting system, OCFO created an RPA to load the approved data into the accounting system. We implemented this RPA in April 2022, which resulted in RPA automatically processing over 1,100 journal vouchers, or around 4,500 unique accounting entries. The RPA saves a little over one minute and thirty seconds; therefore, the overall time savings as a result of the RPA was roughly 113 hours for half a year's worth of transactions. Next year, we expect to double this time savings as the process runs for the full year. With this time savings, OCFO has seen much more detailed transactions being created on the front end of the journal voucher process as the accountants have more time on the front end to do research and analysis because they do not have to key transactions twice. This has also sped up our monthly financial reporting timeline.

- **CLIMATE CHANGE:** In support of the Administration’s goal to combat the climate crisis, OCFO developed the Climate Action Plan (CAP) Progress Report, published in August 2022. Our CAP Progress Report documents the agency’s progress on our planned efforts and initiatives to address climate change. Specifically, our CAP Progress Report provides an update on developments from our initial 2021 CAP, which encourages employees and contractors to reduce energy consumption, water usage, and the amount of waste produced. We also have an internal working group consisting of key stakeholders working to meet the clean and zero-emission vehicles mandate in Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, and continue improving our understanding of climate change risks through interagency initiatives and the National Climate Task Force.
- **CENTRAL PRINT:** The OCFO is leading the agency’s Central Print of Notices (CPN) initiative, an agency priority that decreases notices printed and mailed by front-line employees in our offices nationwide. CPN is a multi-year effort that supports the agency’s future business delivery model and improves our stewardship of taxpayer funds. Specifically, CPN decreases front-line employee task time spent on handling notices, enabling these employees to focus on other mission critical services that support the public. In FY 2022, we moved two major notice workloads to CPN, resulting in approximately 8 million notices moved to a Government Publishing Office print vendor annually and yielding an annual estimated savings of \$13 million that the agency can reinvest towards other agency priorities that support our front lines.

INTERNAL CONTROLS

- **ENTERPRISE RISK MANAGEMENT:** During FY 2022, OCFO continued to mature our Enterprise Risk Management program in accordance with OMB Circular No. A-123, *Management’s Responsibility for Enterprise Risk Management and Internal Control*. We have implemented a multi-year strategy that will further integrate our existing internal control and risk management frameworks with our strategic planning and review processes. Additionally, we are having more robust risk discussions at all levels of the organization, including roundtable discussions at the executive and staff levels. We have improved documentation surrounding risk discussions and have identified gaps within our risk hierarchy that we are working to correct.



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