



OFFICE OF THE NATIONAL PUBLIC AUDITOR

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ONPA Releases Its Final Report on the Inspection of FSM Social Security Benefits for Calendar Year 2020

This is to announce the issuance of our new inspection report on the FSM Social Security Benefits for calendar year 2020, January through December. This inspection was initiated through an anonymous complaint that was received at our Compliance Investigation Division (CID) hotline. The complaint contained allegations of “mismanagement of the Social Security Administration (SSA) funds.” The complainant alleged that “there are some beneficiaries over 65 years of age who are receiving 100% of social security benefits even while they are gainfully employed.” We conducted this inspection in accordance with the Quality Standards for Inspections and Evaluations (QSIE) issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Based on our inspection, we found instances of overpaid benefits that were not recovered for 5-7 years. Our findings reflect the need to strengthen the management and operations capacity of the FSMSSA, including the need to improve internal controls and mechanisms that affect the processing of application for benefits, the monitoring of active beneficiaries and detection of ineligible beneficiaries.

The inspection disclosed the following findings:

- a) Uncollected debt of over \$27,000 is linked to overpaid retirement benefits to members that were reported to have continued to receive 100% benefits even after returning to active employment;
- b) FSM SSA does not have sufficient measures in place to effectively monitor and adjust payments to beneficiaries who have passed; and
- c) Unaccounted contributions indicate lack of reconciliation and untimely posting to members’ accounts.

To view the full report, click on the link here [Inspection Report](#). Printed copies are also available at the ONPA located in Palikir, Pohnpei.

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