

# A MESSAGE FROM THE ACTING COMMISSIONER



As the Acting Commissioner of the Social Security Administration (SSA), I present our Fiscal Year (FY) 2023 *Agency Financial Report*, which details how we managed our resources and delivered services to the public in the past fiscal year.

Our mission is to ensure equity and accessibility in delivering Social Security services by improving the customer experience and addressing systemic barriers to participation in our programs. We are committed to ensuring that our programs and services are reaching underserved communities and people facing barriers, including individuals with low income, limited English proficiency, mental or intellectual disabilities, and facing homelessness.

Our efforts center around three overarching Strategic Goals established in our [Agency Strategic Plan](#): Optimize the Experience of SSA Customers; Build an Inclusive, Engaged, and Empowered Workforce; and Ensure Stewardship of SSA Programs. We discuss our progress in FY 2023 towards meeting these goals in the *Overview of Our Fiscal Year 2023 Goals and Results* section.

Our budget directly drives the level of service we can deliver, including systems improvements and staffing to stay current with our workloads. Our dedicated employees are doing their part to restore and improve service while working within our current funding levels. Each day, our employees serve field office visitors, answer questions, take claims on the phone, hold hearings, pay benefits, and complete countless other workloads. Building the capacity to meet the public's expectations for timely customer service requires sustained and sufficient funding and staffing levels.

In FY 2023, we began to rebuild our workforce after ending FY 2022 with the lowest staffing level in 25 years. We ended FY 2023 with about 3,100 more employees and the State disability determination services ended FY 2023 with about 700 more employees than at the end of FY 2022. We made progress toward eliminating our hearings backlog. We ended FY 2023 with 321,819 cases pending, the lowest level since 2000.

We are on track to eliminate the backlog and achieve an average wait for a hearing decision of 270 days by the end of FY 2024. It is our priority to reduce our record backlog in initial disability cases. In FY 2023, we successfully completed about 97 percent of all initial disability claims that began the fiscal year pending 180 days or more. While we did not achieve our plan to reduce the average wait time to 164 days for all initial claims, we are prioritizing these efforts. Our new employees will help us reduce backlogs and improve service. Technology has helped us serve more beneficiaries than ever before, but it cannot replace the staff we need. We must be able to maintain our workforce to eliminate our backlogs and provide timely service.

We continually improve organizational efficiency as new technologies emerge. As good stewards of our programs, we strive to reduce improper payments and combat waste, fraud, and abuse through our quality reviews, cost-effective program integrity work, and payment accuracy efforts. We fight against the persistent and increasingly sophisticated malicious cyber campaigns that threaten our security and privacy, placing cybersecurity at the forefront of our effort to protect the sensitive information entrusted to us.

I am pleased to share that for the 30<sup>th</sup> 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,

A handwritten signature in black ink that reads "Kilolo Kijakazi". The signature is written in a cursive, flowing style.

Kilolo Kijakazi, Ph.D., M.S.W.

Baltimore, Maryland  
November 14, 2023


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This report is available on our *Agency Financial Report* [website](#).



Did You Know? This is an Award-Winning Report

For the 25th 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 2022 AFR is a significant accomplishment for a Federal agency.

# 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) 2022-2026 *Agency Strategic Plan*), Priority Goals, and FY 2023 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 *Independent Auditor’s Report*.



**Other Information:** The *Other Information* section includes our *Summary of Financial Statement Audit and Management Assurances* tables and *Other Financial Information* as well as *The Social Security Administration’s Major Management and Performance Challenges During Fiscal Year 2023*. We also provide information on our payment integrity, entitlement reviews and Office of the Inspector General anti-fraud activities, civil monetary penalties, biennial review of user fee charges, grants programs, climate-related financial risk, and debt collection and management activities.



**Appendix:** The *Appendix* includes a *Glossary of Acronyms*, a list of our agency’s top management officials, the members of the Board of Trustees the Social Security Advisory Board, and a *Summary of Key Management Officials’ Responsibilities*.