



U.S. RAILROAD RETIREMENT BOARD

OFFICE OF INSPECTOR GENERAL

Management Information Report

Railroad Retirement Board's Representative Payee Monitoring Progress and Status: Fiscal Year 2020 – Fiscal Year 2022

Report No. 25-06

June 6, 2025



What We Found

On March 31, 2021, the Railroad Retirement Board (RRB) issued Board Order 21-31, which required the Office of Programs' Program Evaluation and Management Services (PEMS) to take over the work performed by the Bureau of Field Service (BFS) with respect to representative payee (rep payee) monitoring.

We determined that BFS transferred the rep payee monitoring responsibilities to PEMS in fiscal year 2022 as planned, but the transition was not fully effective and the subsequent monitoring was not timely. The BFS to PEMS transfer of responsibilities was not fully effective because of inadequate and incomplete transition planning, inadequate staff levels, incomplete and outdated procedures, an insufficient number of staff available to conduct background checks, and lack of monitoring of the rep payee monitoring results. Additionally, we determined that the subsequent monitoring by PEMS was not timely because PEMS lacked rep payee monitoring experience, a rep payee monitoring workload plan, and the staff levels to handle the rep payee monitoring workloads.

As a result, the RRB's program integrity for rep payee monitoring was negatively impacted, and there was an increased risk that annuitants' and beneficiaries' benefits could have been misused during fiscal year 2022.

What We Recommend

To address the weaknesses identified in this review, we made five recommendations related to the ineffective rep payee monitoring responsibility transition and four recommendations to improve the rep payee monitoring timeliness.

RRB management concurred with all nine recommendations. According to RRB management, they implemented corrective actions to address seven recommendations and will request closure. Additionally, they plan to implement corrective actions for two recommendations by December 31, 2025.

What We Did

We conducted a partial review of the RRB's rep payee program. The RRB transferred the rep payee monitoring responsibilities from BFS to the Office of Programs' PEMS in fiscal year 2022, and we reviewed the transition of responsibilities to determine the impact to program integrity.

Our objective was to assess the effectiveness and timeliness of the RRB's transition of rep payee monitoring responsibility from BFS to the Office of Programs' PEMS.

The scope of the review was fiscal year 2020 through fiscal year 2022.

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INTRODUCTION

This management information report presents the results of the Office of Inspector General's partial review of the Railroad Retirement Board's (RRB) representative payee (rep payee) program.¹ We initiated this work under generally accepted government auditing standards and as part of our annual work plan. After initial planning efforts, we determined that this program could not be audited because the RRB transferred the rep payee monitoring responsibilities from the Bureau of Field Service (BFS) to the Office of Programs' Program Evaluation and Management Services (PEMS) in fiscal year 2022.² In lieu of conducting an audit, we reviewed the transition of responsibilities to determine the impact to program integrity.

During fiscal year 2023, the RRB paid approximately \$13.9 billion in retirement and survivor benefits, and at the end of fiscal year 2023, the RRB paid approximately \$256.5 million to 11,977 annuitants and beneficiaries with rep payees. If program integrity was impacted by the RRB's inadequate and untimely rep payee monitoring, there would be an increased risk that the needs of vulnerable annuitants and beneficiaries may not be fully met, and the rep payees would have an opportunity to misuse railroad retirement funds for their own personal gain.

Objective, Scope, and Methodology

The review objective was to assess the effectiveness and timeliness of the RRB's transition of rep payee monitoring responsibility from BFS to the Office of Programs' PEMS. Our scope of review was fiscal year 2020 through fiscal year 2022. To accomplish the review objective, we:

- gained an understanding of the RRB's Board Order (B.O.) 21-31, dated March 31, 2021, including the planning process, main reasons for issuance, who was involved in the planning process, and evaluation requests from the Board to assess effectiveness of change;
- determined the competency of the PEMS employees responsible for rep payee monitoring;
- assessed the adequacy of PEMS' staff levels;
- reviewed the rep payee monitoring procedures and evaluated the adequacy of PEMS' procedures;
- interviewed RRB officials and agency staff, including management from the Office of Programs and BFS;

¹ According to Railroad Retirement Board (RRB) news release QA2212, "[a] representative payee may be either a person or an organization selected by the RRB to receive benefits on behalf of an annuitant."

² The work was transferred to Office of Programs' Program Evaluation and Management Services (PEMS), Program Evaluation Section, Retirement/Survivor/Tax/Medicare unit (hereafter referred to as PEMS).

- conducted walkthroughs of a regular rep payee monitoring case and a parental custody monitoring case completed by PEMS;
- identified PEMS' timeliness standards for the Regular Rep Payee and Parental Custody monitoring cycles;
- determined the status of the fiscal year 2022 regular rep payee monitoring cases and parental custody monitoring cases, including the cases that PEMS referred to BFS, as the field offices were responsible for completing these cases;
- analyzed PEMS' referral process to BFS for regular rep payee monitoring cases and parental custody monitoring cases;
- obtained BFS' rep payee monitoring results for fiscal year 2020 and fiscal year 2021;
- assessed the actions taken during the transfer of rep payee monitoring responsibilities from BFS to PEMS; and
- compared BFS' and PEMS' processes for analyzing rep payee monitoring results.

We conducted our review at RRB's headquarters in Chicago, Illinois from June 2022 through November 2023.

Background

The RRB was created in the 1930s by legislation establishing a retirement benefit program for the nation's railroad workers. The RRB is an independent agency in the executive branch of the Federal Government. The RRB's primary function is to administer comprehensive retirement-survivor and unemployment-sickness benefit programs for the nation's railroad workers and their families, under the Railroad Retirement Act (RRA) and the Railroad Unemployment Insurance Act (RUIA).^{3,4}

The RRB's policy is that every adult has the right to manage their payments unless they have been found to be incompetent. RRA section 12a gives the RRB authority to determine whether direct payment or representative payment will best serve an individual's interests.⁵ Specifically, the RRB can select a rep payee when there is no legal finding of incompetence or commitment, and the RRB can also select someone other than the individual's legal representative to be the rep payee, if the Board finds it is in the interest of the individual. The RRB is not only responsible for selecting a rep payee, but also for monitoring rep payees to determine if the annuitants' or beneficiaries' (adult, children, or adult disabled children) needs are being met. Appendix II of this report provides information on the rep payee's responsibilities and the monitoring of rep payees at the RRB.

Within the RRB, Policy and Systems, a unit in the Office of Programs, (hereafter referred to as Policy and Systems) is responsible for the oversight of the RRB's rep payee monitoring program and, until fiscal year 2021, BFS conducted the rep payee monitoring. However, in recent years,

³ 45 United States Code (U.S.C.) Chapter 9, *Railroad Retirement Act of 1974*, as amended.

⁴ 45 U.S.C. Chapter 11, *Railroad Unemployment Insurance Act*, as amended.

⁵ 45 U.S.C. Section 231k, *Railroad Retirement Act of 1974*, as amended.

BFS found that they had insufficient staff levels to adequately meet their main mission of providing community based customer service to the RRB community across the country, such as fielding phone calls from applicants and beneficiaries, while also conducting rep payee monitoring. BFS' cycle of attrition and inability to fill positions was exacerbated by the significant increase in RUIA related inquiries and claims resulting from the novel coronavirus (COVID-19) pandemic and led to BFS staff being overwhelmed and customers having longer call wait times. As a result, BFS requested that the responsibility for conducting rep payee monitoring be transferred to another RRB bureau or office.

Based on BFS' request, on March 31, 2021, the RRB issued B.O. 21-31. This board order required the Office of Programs to take over the work performed by BFS with respect to the following four RRB program monitoring functions: (1) Earnings and Last Pre-retirement non-railroad Employer earnings; (2) National Change of Address; (3) Rep Payee; and (4) State Wage Match.⁶ The Board's goal was that PEMS would take over the rep payee monitoring work at issue, and reduce BFS' workload as soon as possible, so that BFS could focus on improving customer service. In addition, the RRB believed that by centralizing rep payee monitoring in PEMS, the effectiveness and efficiency of monitoring rep payees would improve. As a result, PEMS started conducting rep payee monitoring in fiscal year 2022.

In October 2021, PEMS assumed the responsibility for the RRB's 2021 Regular Rep Payee monitoring cycle, which involved reviewing 4,447 G-99a forms mailed back from the rep payees.⁷ These forms (hereafter referred to as the regular rep payee monitoring cases) required each rep payee to report how they spent the railroad retirement benefits sent to them each month. The Regular Rep Payee monitoring cycle also required an additional step to review another form, the G-106 form (hereafter referred to as the third party custodian monitoring case) for a portion of the regular rep payees. This review only occurred if PEMS determined that the annuitants or beneficiaries were residing with a third party custodian (e.g., nursing home) rather than with the appointed rep payee to which the railroad retirement benefits were sent. When PEMS determined that a regular rep payee monitoring case was also a third party custodian monitoring case, PEMS referred the case to Policy and Systems who sent and reviewed the additional (G-106) form. Specifically, Policy and Systems sent the form letter RL-106, *Cover Letter for Statement of Care*, and form G-106, *Statement of Care and Responsibility for Annuitant*, to each third party custodian and reviewed the third party custodian responses for each case. As of July 2022, PEMS determined that 1,565 of the 4,447 regular rep payee monitoring cases also required third party custodian monitoring.

On July 1, 2022, PEMS also assumed responsibility for the RRB's 2022 Parental Custody monitoring cycle, which involved reviewing 2,303 G-99d forms (hereafter referred to as parental custody monitoring cases) for parents selected as the rep payees for their minor or disabled adult children.⁸

⁶ Board Order (B.O.) 21-31, *Board Order to Move Certain Program Integrity Functions to the Office of Programs from Field Service*, March 31, 2021.

⁷ Office of Programs Informational Bulletin (IB) Number 22-02, *2021 Annual Representative Payee Monitoring – New Process*, October 5, 2021.

⁸ Office of Programs IB Number 22-08, *2022 Parental Custody Monitoring*, June 27, 2022.

RESULTS OF REVIEW

Our review found that although BFS was able to transfer the rep payee monitoring responsibilities to PEMS in fiscal year 2022 as planned, the transition was not fully effective and the subsequent monitoring was not timely. The BFS to PEMS transfer of responsibilities was not fully effective because of inadequate and incomplete transition planning, inadequate staff levels, incomplete and outdated procedures, an insufficient number of staff available to conduct background checks, and lack of monitoring of the rep payee monitoring results. The subsequent monitoring by PEMS was not timely because PEMS lacked rep payee monitoring experience, a rep payee monitoring workload plan, and the staff levels to handle the rep payee monitoring workloads. As a result, the RRB's program integrity for rep payee monitoring was negatively impacted, and there was an increased risk that annuitants' and beneficiaries' benefits could have been misused during fiscal year 2022.

We describe the details of our review in the following sections of this report. We made nine recommendations to address the identified program weaknesses. The full text of management's response to these recommendations is provided in Appendix I.

Ineffective Representative Payee Monitoring Responsibility Transition

We found that while PEMS' and BFS' actions to implement the portion of B.O. 21-31 related to the transition of the rep payee monitoring responsibility from BFS to PEMS allowed BFS to concentrate more of their resources on customer service, the subsequent rep payee monitoring conducted by PEMS was not fully effective to ensure rep payee program integrity. In comparison to BFS' rep payee monitoring cycles for fiscal years 2020 and 2021, the PEMS' rep payee monitoring cycles for fiscal year 2022 were incomplete and inadequate.

The RRB's actions to transition the rep payee monitoring portion of B.O. 21-31 from BFS to PEMS were not effective because:

- The expanded alternative plan [proposal], dated March 26, 2021, was inadequate and incomplete in that it did not contain sufficient detail to ensure proper and timely completion of all rep payee monitoring cases.⁹ For example, the proposal underestimated the total full-time equivalent employees that PEMS would need to complete the entire annual rep payee monitoring workload.
- PEMS had inadequate staff levels to successfully complete the rep payee monitoring activities and their other program integrity review duties.
- PEMS used incomplete and outdated procedures.
- PEMS' four Quality Assurance Specialists assigned to rep payee monitoring did not have access to the third party system used to conduct background checks for regular rep

⁹ According to the prior Director of Programs, "[t]his proposal [attachment to B.O. 21-31] will allow the RRB to achieve the Board's goal at a reduced cost and with reduced disruption to OP and HR giving it less execution risk, and making it less likely to have unintended consequences with respect to other functions performed by those organizations."

payee monitoring cases. For example, the Quality Assurance Specialists who conducted the rep payee monitoring had to rely on a Quality Assurance Analyst that was not always involved in the rep payee monitoring process to perform the background checks, which potentially resulted in unnecessary delays in the rep payee monitoring process.

- Neither BFS nor PEMS had a process to analyze the results of the annual rep payee monitoring cycles.

The Government Accountability Office's, *Standards for Internal Control in the Federal Government*, section 9.04 requires that, "[a]s part of risk assessment or a similar process, management analyzes and responds to identified changes and related risks in order to maintain an effective internal control system. Changes in conditions affecting the entity and its environment often require changes to the entity's internal control system, as existing controls may not be effective for meeting objectives or addressing risks under changed conditions."¹⁰

According to the RRB's rep payee monitoring procedures in BFS' Field Operations Manual 1 (FOM1) 1450, the RRB conducts rep payee monitoring of most RRB-selected and court-appointed payees on a triennial basis. The RRB monitors all high risk rep payees, and all parents selected as rep payees for their minor or disabled adult children, annually. Lastly, the RRB monitors annuitants and beneficiaries residing with a third party custodian on an annual basis, as they are considered high risk based on their living arrangements. For third party custodian monitoring, the RRB uses an additional monitoring form.¹¹

During fiscal year 2022, PEMS' rep payee monitoring efforts were not as effective as they were under BFS in previous fiscal years, because the PEMS' rep payee monitoring staff levels were not sufficient, assigned staff was not familiar with the rep payee monitoring procedures, and they lacked sufficient access to the third party system used to complete the background checks for regular rep payee monitoring cases. During the first ten months in fiscal year 2022, PEMS was not able to timely complete the regular rep payee monitoring workload, and had just started handling the parental custody monitoring cases.

As a result of the ineffective transition of the rep payee monitoring responsibility, the RRB's rep payee monitoring program was left susceptible to potential fraud, waste, and abuse during the transition period. PEMS was not able to perform adequate and timely monitoring activities to ensure rep payee program integrity, thereby increasing the risk that incapable beneficiaries' and annuitants' needs would not be met.

We are not making any recommendations regarding the inadequate and incomplete expanded alternative plan [proposal], dated March 26, 2021, because the transition of rep payee monitoring functions from BFS to the Office of Programs' PEMS was completed in October 2021, when PEMS assumed the responsibility for the RRB's 2021 Regular Rep Payee monitoring cycle. Accordingly, we are making recommendations to address the other matters identified in this report.

¹⁰ Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, DC.: September 2014).

¹¹ Field Operations Manual 1 (FOM1) 1450.10, 1450.20, and 1450.41 (revised February 4, 2021).

Recommendations

We recommend that the Office of Programs:

1. develop and document new procedures to reflect the Program Evaluation and Management Services' representative payee monitoring responsibilities as a result of Board Order 21-31, or work with the Bureau of Field Service to update Field Operations Manual 1 1450 to ensure complete and timely monitoring, for all the annual representative payee monitoring cycles;
2. determine the appropriate number of full-time equivalent Program Evaluation and Management Services employees that are needed to effectively perform representative payee monitoring each year;
3. if needed, reassign or hire additional employees to assist with the annual representative payee monitoring;
4. provide applicable Program Evaluation and Management Services' employees (those assigned to conduct the annual rep payee monitoring) with the appropriate access to the third party system used to conduct background checks; and
5. design and implement a process to periodically analyze the results of representative payee monitoring cycles to ensure the effectiveness of representative payee monitoring.

Management's Comments and Our Response

The Office of Programs concurred with recommendations one through five. According to Office of Programs' management, they implemented corrective actions to address these recommendations and will request closure.

Representative Payee Monitoring Timeliness Deteriorated in Fiscal Year 2022

We found that while the actual transition of the rep payee monitoring function from BFS to PEMS was completed within approximately 6-7 months of B.O. 21-31 and was considered timely because BFS historically started the rep payee monitoring in October, the actual monitoring of rep payee cases was not completed timely. PEMS did not complete the rep payee monitoring in the same amount of time as BFS previously did or as required by the rep payee monitoring procedures. Specifically, we determined that:

- During fiscal years 2020 and 2021, the BFS field offices completed the Regular Rep Payee monitoring cycles in four months (September through December) and the Parental Custody monitoring cycles in five months (April through August).
- As of July 2022, the 2021 Regular Rep Payee monitoring cycle had been ongoing for ten months and PEMS had completed only 3,293 (74 percent) of the 4,447 cases. In addition, as of July 2022, PEMS determined that 1,565 of the 4,447 regular rep payee monitoring cases were also third party custodian monitoring cases, which required

additional monitoring. PEMS referred these cases to Policy and Systems who completed the third party custodian monitoring cases (e.g., sent the form letter RL-106, *Cover Letter for Statement of Care* and reviewed the responses on the form G-106, *Statement of Care and Responsibility for Annuitant*).

- As of July 2022, the 2022 Parental Custody monitoring cycle had just started, three months later than expected, and PEMS had completed only 42 (2 percent) of the 2,303 parental custody monitoring cases.

We determined that the RRB's rep payee monitoring timeliness deteriorated in fiscal year 2022 because:

- This was the first time that PEMS was responsible for reviewing the rep payee monitoring cases, (regular, third party custodian, and parental custody monitoring cases), there was a steep learning curve during fiscal year 2022, and PEMS employees did not have the experience to complete complex rep payee monitoring cases. Therefore, PEMS employees had to obtain further guidance or information before completing complex cases, which further decreased their timeliness.
- PEMS did not have an adequate plan to assign the rep payee monitoring workloads to ensure timely completion. PEMS divided the regular rep payee monitoring cases equally, but management subsequently allowed employees to assign their own cases based on their other workloads. Lastly, PEMS identified 1,565 regular rep payee monitoring cases that required third party custodian monitoring for which they did not have time to review, and these cases had to be referred to Policy and Systems.
- PEMS had insufficient employees to handle the regular rep payee monitoring cases.
- PEMS' Quality Assurance Specialists had seven other responsibilities besides rep payee monitoring. During fiscal year 2022, the four Quality Assurance Specialists assisted with seven other review duties. We determined that these employees were overwhelmed with their other review duties and did not have time to handle all the rep payee monitoring workloads (regular rep payee monitoring, third party custodian monitoring, and parental custody monitoring).

The RRB's rep payee monitoring procedures in FOM1 1450 contain the timeliness requirements for the regular rep payee monitoring and parental custody monitoring cases. Specifically, in fiscal year 2020 and fiscal year 2021, the FOM1 1450 required the BFS field offices to complete a regular rep payee case in 120 days and a parental custody monitoring case in 90 days.¹² In fiscal year 2022, PEMS used FOM1 1450 to perform the rep payee monitoring. However, they did not revise the timeliness requirements.¹³

The RRB's rep payee monitoring procedures in FOM1 1450 also requires an additional form during the Regular Rep Payee monitoring cycle. Specifically, the RRB sends form G-106, *Statement of Care and Responsibility for Annuitant*, to third party custodians because the RRB deems annuitants and beneficiaries residing with a third party custodian as high risk based on

¹² FOM1 1450 (Revised May 12, 2017 and February 4, 2021).

¹³ FOM1 1450 (Revised February 4, 2021).

their living arrangements. The RRB solicits information from a third party custodian and evaluates whether the rep payee is meeting the needs of the annuitant or beneficiary.

As of July 29, 2022, the PEMS unit had not completed 1,154 (26 percent) regular rep payee monitoring cases and did not have an estimated completion date, completed 2,261 (98 percent) parental custody monitoring cases with a target completion date of December 31, 2022, and completed 1,565 (100 percent) of third party custodian monitoring cases. Because the RRB did not complete their fiscal year 2022 rep payee monitoring responsibilities timely, there was a potential increased risk that the needs of the annuitants and beneficiaries (adults, children, and adult disabled children) would not be met. In addition, the rep payees had the opportunity to misuse railroad retirement funds for their own personal gain. In a worst-case scenario, an annuitant or beneficiary whose medical needs were not met (e.g., rep payee fails to purchase medication) could have had their health negatively impacted.

Recommendations

We recommend that the Office of Programs:

6. determine if annual refresher training is needed for its employees assigned to representative payee monitoring to ensure that representative payee cases are completed timely;
7. request that Bureau of Field Service assign trained and experienced representative payee monitoring employees to supplement Program Evaluation and Management Services to ensure all backlogged fiscal year 2022 representative payee monitoring cases are completed as soon as possible. If this is not feasible, obtain additional support based on management's decision (e.g., contractors, other agency bureaus, etc.);
8. complete all fiscal year 2022 backlogged representative payee monitoring cases; and
9. implement procedures to ensure that all representative payee monitoring cases in each annual cycle are completed before the next annual cycle begins.

Management's Comments and Our Response

The Office of Programs concurred with recommendations six through nine. For recommendations six and nine, the target implementation dates are September 30, 2025 and December 31, 2025, respectively. Lastly, according to Office of Programs' management, they implemented corrective action to address recommendations seven and eight and will request closure.

APPENDIX I: MANAGEMENT COMMENTS



UNITED STATES GOVERNMENT

MEMORANDUM

FORM G-115F (1-92)

Railroad Retirement Board

May 21, 2025

TO: Shanon Holman
Assistant Inspector General for Audit

FROM: Jebby Rasputnis **JEBBY**
Deputy Director of Programs **RASPUTNIS**

SUBJECT: Management Information Report – Railroad Retirement Board’s Representative Payee Monitoring Progress and Status: Fiscal Year 2020 – Fiscal Year 2022

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Thank you for the opportunity to comment on the referenced draft report we received on May 13, 2025. The following is management’s response to your recommendations.

Board Order BO 21-31 (March 31, 2021) assigned to Program Evaluation and Management Services (PEMS) three monitoring workloads from the Field Service: *Representative Payee Monitoring*, *Parental Child Monitoring* and *Earnings/LPE Monitoring*.

Prior to implementation of this BO, PEMS did not have any other direct customer service contact work, as this work was handled among the 53 field offices. Implementation efforts were significant as monitoring forms were updated, procedures revised, training conducted, and a direct phone line established for PEMS staff to handle the significant number customer inquiries related to the forms.

The OIG held the opening conference for audit of the representative payee program on March 1, 2022 and in June 2022 changed it to a management information review with a focus on the transition of RRB’s rep payee monitoring functions from BFS to OP. The final draft Management Information Report was released for a formal response nearly three years later on May 13, 2025. The time period of the review was limited to the first year of implementation and many of the recommendations have already been implemented.

Recommendation 1: *Develop and document new procedures to reflect the Program Evaluation and Management Services’ representative payee monitoring responsibilities as a result of Board Order 21-31, or work with the Bureau of Field Service to update Field Operations Manual 1 1450 to ensure complete and timely monitoring, for all the annual representative payee monitoring cycles.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure.

We revised the following procedures to support this change:

FOM-1-1450 – extensive revisions to reflect the separate PEMS and field office actions in the monitoring process. PEMS will also continue to utilize their unit's internal procedure guidelines when handling returned representative payee and parental monitoring forms.

Target Implementation Date: Implemented.

Recommendation 2: *Determine the appropriate number of full-time equivalent Program Evaluation and Management Services employees that are needed to effectively perform representative payee monitoring each year.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure.

Since implementation we have experienced fluctuating staffing levels. During FY 2023, we were able to do some limited hiring. As OIG is aware, RRB is facing an overall staffing deficiency due to years of attrition and budget shortfall. Currently PEMS has six Program Integrity and Evaluation Specialists assigned to this project which is the minimum amount of staff needed to timely handle the G-99a responsibilities. This situation is being closely monitored. Should we lose just one employee, we may need to make adjustments in priorities again or request assistance from BFS.

Target Implementation Date: Implemented.

Recommendation 3: *If needed, reassign or hire additional employees to assist with the annual representative payee monitoring.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure. See response to Recommendation #2.

Target Implementation Date: Implemented.

Recommendation 4: *Provide applicable Program Evaluation and Management Services' employees (those assigned to conduct the annual rep payee monitoring) with the appropriate access to the third party system used to conduct background checks.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure.

All Program Integrity and Evaluation Specialists currently have access to a third party system

used to conduct background checks.

Target Implementation Date: Implemented.

Recommendation 5: *Design and implement a process to periodically analyze the results of representative payee monitoring cycles to ensure the effectiveness of representative payee monitoring.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure.

During our third year of implementation on October 11, 2024, the RRB released 3,659 G-99a forms for representative payee monitoring. As of February 28, 2025 2,379 forms had been received and 2,359 completed. The PEMS group has achieved 99% timeliness with the 120-day timeliness standard.

Target Implementation Date: Implemented.

Recommendation 6: *Determine if annual refresher training is needed for its employees assigned to representative payee monitoring to ensure that representative payee cases are completed timely.*

Management Response: Management concurs with this recommendation.

Target Implementation Date: September 30, 2025.

Recommendation 7: *Request that Bureau of Field Service assign trained and experienced representative payee monitoring employees to supplement Program Evaluation and Management Services to ensure all backlogged fiscal year 2022 representative payee monitoring cases are completed as soon as possible. If this is not feasible, obtain additional support based on management's decision (e.g., contractors, other agency bureaus, etc.).*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation and will request closure.

During the period under review this recommended action was appropriate. PEMS has since completed all required work on the G-99a representative payee forms received from the FY 2022 release. We will request closure because assistance is not needed from the Bureau of Field Service or outside contractors.

Target Implementation Date: Implemented.

Recommendation 8: *Complete all fiscal year 2022 backlogged representative payee monitoring cases.*

Management Response: Management concurs with this recommendation.

Management has already implemented this recommendation. PEMS has completed all required work on the G-99a representative payee forms they received from the FY 2022 release.

Target Implementation Date: Implemented.

Recommendation 9: *Implement procedures to ensure that all representative payee monitoring cases in each annual cycle are completed before the next annual cycle begins.*

Management Response: Management concurs with this recommendation.

Target Implementation Date: December 31, 2025.

cc: Jebby Rasputnis, Deputy Director of Office of Programs
Randy Hayden, Director of Policy & Systems
Janet Hallman, Director of Program Evaluation & Management Services
Charles Trucco, Associate Director of Operations Support
Brandi Splitter, Associate Director of Field Office Operations
Shawna Weekley, Chief Financial Officer
Danielle Clark, Director of Audit Affairs & Compliance Division

APPENDIX II: REPRESENTATIVE PAYEE RESPONSIBILITIES AND MONITORING AT THE RRB

This appendix presents the representative payee's (rep payee) responsibilities, and the responsibilities for the monitoring of rep payees at the Railroad Retirement Board (RRB).

Rep Payee's Responsibilities at the RRB

The rep payee has a continuing responsibility to keep the RRB informed of the annuitant's or beneficiary's current and future needs, to spend benefits in a reasonable and prudent manner, and to periodically account for the use of railroad retirement benefits. The rep payee also agrees to inform the RRB of any changes in the annuitant's or beneficiary's status, including any custody changes.

Monitoring of Rep Payees at the RRB

A unit in the Office of Programs, Policy and Systems, (hereafter referred to as Policy and Systems) has historically been responsible for the oversight of the RRB's rep payee monitoring program, including selecting the rep payees for the annual monitoring cycles, sending the monitoring forms, issuing an Informational Bulletin when the rep payee monitoring cycles start, and developing rep payee monitoring procedures. On October 2020, Policy and Systems also began sending a monitoring form to the third party custodians of annuitants and beneficiaries with rep payees.¹⁴

The RRB's rep payee monitoring procedures require monitoring of rep payees to determine if the annuitants' and beneficiaries' needs are being met. Specifically, the RRB conducts rep payee monitoring of most rep payees on a triennial basis by selecting one-third of rep payees each year according to the last two digits of their claim number. For the annual rep payee monitoring, the RRB also randomly selects additional cases from the other two-thirds of rep payees and 100 percent of high risk rep payees. In addition, the RRB performs annual monitoring for parents selected as rep payees for their minor or adult disabled children. The RRB deems annuitants and beneficiaries residing with a third party custodian (e.g., nursing home) as high risk based on their living arrangements. Therefore, the RRB also performs monitoring to solicit information from third party custodians, and evaluates whether the rep payees are meeting the needs of the annuitants or beneficiaries.

¹⁴ Office of Programs Procedure Transmittal Number 21-02, *2020 Representative Payee and Third Party Custodian Monitorings*, October 5, 2020.