



# A MESSAGE FROM THE CHIEF FINANCIAL OFFICER



I am pleased to join Acting Commissioner Kijakazi in presenting our fiscal year (FY) 2022 *Agency Financial Report* (AFR). This report highlights our accomplishments throughout FY 2022 in ensuring equity and accessibility in delivering Social Security services by improving the customer experience and addressing systemic barriers to participation in our programs and demonstrates our commitment to accountability and transparency.

For the 29<sup>th</sup> consecutive year, we received an unmodified audit opinion on our financial statements from our independent auditors. An unmodified audit opinion confirms that our statements present fairly our financial position and are free of material misstatement. Our independent auditors also issued an unmodified opinion on the effectiveness of our internal control over financial reporting. They determined that we had no material weaknesses yet continued to cite three significant deficiencies identified in prior years. The significant deficiencies concern internal control over certain financial information systems controls, information systems risk management, and internal control over accounts receivable with the public (benefit overpayments).

We resolve the deficiencies identified by audits through risk-based corrective action plans to mitigate risks and strengthen our control environment. We focus on increasing cross-component collaboration by involving subject matter experts and leaders across the agency. Our independent auditors noted areas of progress we made in remediating elements of these significant deficiencies. However, we continue to face challenges, such as the ever-changing cybersecurity landscape in which we operate and the allocation of limited resources. Many elements of our remediation plans will take time to implement. Nonetheless, we remain committed to continuous improvement. We provide additional information on the auditors' findings and our corrective actions in the *Analysis of Systems, Controls, and Legal Compliance* and *Report of Independent Certified Public Accountants* sections of this report.

For the 24<sup>th</sup> consecutive year, we received a Certificate of Excellence in Accountability Reporting from the Association of Government Accountants for our FY 2021 AFR. Continuing this streak of financial management excellence is an unprecedented accomplishment in the Federal government and demonstrates our focus on being responsible stewards of the funds entrusted to us by the American public.

As good stewards, we continue to look for ways to do business better, by addressing the root causes of improper payments, improving payment accuracy, bolstering full and open competition in the acquisition and grants process, and applying sound management principles to our everyday work.

Our accomplishments this fiscal year would not have been possible without our dedicated and hardworking employees. They are essential to providing outstanding service to the public and the continued success of our financial management program. For additional information on how the Office of the Chief Financial Officer contributed to accomplishing our mission, please refer to the *Financial Management Initiatives Advancing Our Mission* section beginning on the following page.

Respectfully,

Michelle A. King

Baltimore, Maryland  
November 10, 2022