FREEDOM OF INFORMATION ACTIVITIES ANNUAL REPORT (FOIA) FOR THE SOCIAL SECURITY ADMINISTRATION (SSA) FOR FISCAL YEAR 2006

I. Basic Information Regarding SSA's Report

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    C. To obtain a paper copy of this report write to the address shown above, or phone, fax, or E-Mail to the Office of Public Disclosure. E-Mail address foia.pa.officers@ssa.gov

II. How to Make a FOIA Request

    A. Complete information on making a FOIA request is contained in The Code of Federal Regulations (CFR), 20 CFR Part 402. It is available at http://www.socialsecurity.gov/foia/

    B. SSA will try to furnish information as quickly as possible. However, it may take one month or more to locate, retrieve, and review many records. Complex requests and requests for numerous records may take longer.

    C. We generally do not disclose information about living individuals without their written consent, as this would be a clearly unwarranted invasion of personal privacy. 5 U.S.C. 552(b)(6).

       We do not disclose tax information about third parties obtained by SSA from the Internal Revenue Service (IRS), under 5 U.S.C. 552(b)(3).

       Depending upon the nature of the document, SSA may withhold documents under the deliberative process privilege, the attorney work product privilege or attorney-client privilege under 5 U.S.C. 552(b)(5).

III. Definitions of Terms and Acronyms Used in the Report

   A. Agency specific acronyms or other terms.

      1. SSA - Social Security Administration
      2. SSN - Social Security number

   B. Basic terms, expressed in common terminology.

      1. FOIA/PA Request - Freedom of Information Act/
          Privacy Act request. A FOIA request is
          generally a request for access to records
          concerning a third party, an organization, or a
          particular topic of interest. A Privacy Act
          request is a request for records concerning
          oneself; such requests are also treated as FOIA
          requests. (All requests for access to records,
          regardless of which law is cited by the requester,
          are included in this report.)

      2. Initial Request - a request to a Federal agency
          for access to records under the FOIA.

      3. Appeal - a request to a Federal agency asking that
          it review, at a higher administrative level, a full
          denial or partial denial of access to records under
          the FOIA, or any other FOIA determination such as
          a matter pertaining to fees.

      4. Processed Request or Appeal - a request or appeal
          for which an agency has taken a final action on the
          request or the appeal in all respects.

      5. Multi-Track Processing - a system in which simple
          requests requiring relatively minimal review are
          placed in one processing track and more voluminous
          and complex requests are placed in one or more
          other tracks. Requests in each track are processed
          on a first-in/first-out basis. A requester who has
          an urgent need for records may request expedited
          processing. (See below).

      6. Expedited Processing - an agency will process a
          FOIA request on an expedited basis when a requester
          has shown an exceptional need or urgency for the
          records which warrants prioritization of his or her
          request over other requests that were made earlier.

      7. Simple Request - a FOIA request that an agency
          using multi-track processing places in its fastest

(nonexpedited) track based on the volume and/or simplicity of records requested.

8. Complex Request - a FOIA request that an agency using multi-track processing places in a slower track based on the volume and/or complexity of records requested.

9. Grant - an agency decision to disclose all records in full in response to a FOIA request.

10. Partial Grant - an agency decision to disclose a record in part in response to a FOIA request, deleting information determined to be exempt under one or more of the FOIA's exemptions; or a decision to disclose some records in their entireties, but to withhold others in whole or in part.

11. Denial - an agency decision not to release any part of a record or records in response to a FOIA request because all the information in the requested records is determined by the agency to be exempt under one or more of the FOIA's exemptions, or for some procedural reason (such as no record is located in response to a FOIA request).

12. Time Limits - the time period for an agency to respond to a FOIA request (ordinarily 20 working days from proper receipt of a perfected" FOIA request).

13. "Perfected" Request - a FOIA request for records which adequately describes the records sought, which has been received by the FOIA office of the agency or agency component in possession of the records, and for which there is no remaining question about the payment of applicable fees.

14. Exemption 3 Statute - a separate Federal statute prohibiting the disclosure of a certain type of information and authorizing its withholding under FOIA subsection (b)(3).

15. Median Number - the middle, not average, number. For example, of 3, 7, and 14, the median number is 7.

16. Average Number - the number obtained by dividing the sum of a group of numbers by the quantity of numbers in the group. For example, of 3, 7, and

14, the average number is 8.

IV. Exemption 3 Statutes

   A. List of exemption 3 statutes relied on by the Agency
      during the fiscal year.

      1. 26 U.S.C. 6103 - SSA withholds tax return information,
         such as third party addresses and employers' names and
         addresses, in situations in which section 6103 of the
         Internal Revenue Code is applicable.

         41 U.S.C. 253b(m) - The National Defense Authorization
         Act for Fiscal Year 1997, Public Law No. 104-201,
         codified at 41 U.S.C. 253b(m), contained a prohibition
         on the release of contractor proposals under the FOIA.
         It prohibits the disclosure of any proposal that is
         not set forth or incorporated by reference in a
         contract entered into between an agency and the
         contractor that submitted the proposal. This provides
         blanket protection for proposals of unsuccessful
         offerors.

      2. Statement of whether a court has upheld the use of
         each statute.

         26 U.S.C. 6103: Yes

         Examples:

         The withholding of tax return information has been
         approved under three different cases. See e.g.,
         Church of Scientology v. IRS, 484 U.S. 9, 15 (1987);
         Aronson v. IRS, 973 F.2d 962, 964-65 (1st Cir. 1992)
         (finding that IRS lawfully exercised discretion to
         withhold street addresses pursuant to 26 U.S.C.
         section 6103(m)(1)); and Long v. IRS, 891 F.2d 222,
         224 (9th Cir. 1989) (holding that deletion of
         taxpayers' identification does not alter
         confidentiality of section 6103 information).

         The United States Supreme Court and most appellate
         courts that have considered withholding tax return
         information have held either explicitly or implicitly
         that section 6103 of the Internal Revenue Code
         satisfies subpart (B) of exemption 3.

      41 U.S.C. 253b(m): Yes

Example:

The withholding of contractor proposals under this statute has been approved in <u>Hornbostel v. Department of Interior</u>, 305 F.Supp.2d 21. (D.D.C. 2003)

V. Initial FOIA/PA Access Requests

A. Number of initial requests

1. Number of requests pending as
   of end of preceding year   1,428

2. Number of requests received
   during fiscal year 2006   18,691,031

3. Number of requests processed
   during fiscal year 2006   18,691,303

4. Number of requests pending as
   of end of fiscal year 2006   1,156

B. Disposition of initial requests

1. Number of total grants   18,689,562

2. Number of partial grants   238

3. Number of denials based   458
   on FOIA exemptions

   Number of times each FOIA exemption is used (multiple
   exemptions can be used for individual cases):

   (1) Exemption 1   0
   (2) Exemption 2   116
   (3) Exemption 3   56
   (4) Exemption 4   19
   (5) Exemption 5   121
   (6) Exemption 6   400
   (7) Exemption 7(A)   0
   (8) Exemption 7(B)   0
   (9) Exemption 7(C)   13
   (10) Exemption 7(D)   0
   (11) Exemption 7(E)   0
   (12) Exemption 7(F)   0
   (13) Exemption 8   0
   (14) Exemption 9   0

4. Total other reasons for non-disclosure   1,045

    a. No record   229
    b. Referrals   0
    c. Request withdrawn   0
    d. Fee-related reason   83
    e. Records not reasonably described   26
    f. Not a proper FOIA request for some
       other reason   0
    g. Not an agency record   0
    h. Duplicate request   47
    i. Other (general information on making
       a FOIA/PA request and fee schedule)   660

VI. Appeals of Initial Denials of FOIA/PA Requests

  A. Number of Appeals

    1. Appeals received during fiscal
       year   77

    2. Appeals processed during fiscal
       year   72

  B. Disposition of Appeals

    1. Number completely upheld   38
    2. Number partially reversed   7
    3. Number completely reversed   11

    Number of times each FOIA exemption is used (multiple
    exemptions can be used for individual cases):

        Exemption 1   0
        Exemption 2   5
        Exemption 3   3
        Exemption 4   2
        Exemption 5   6
        Exemption 6   29
        Exemption 7A   0
        Exemption 7B   0
        Exemption 7C   2
        Exemption 7D   0
        Exemption 7E   0
        Exemption 7F   0
        Exemption 8   0
        Exemption 9   0

4. Total other reasons for non-disclosure   <u>16</u>

   a. No record   <u>5</u>
   b. Referrals   <u>3</u>
   c. Request withdrawn   <u>2</u>
   d. Fee-related reason   <u>2</u>
   e. Records not reasonably described   <u>0</u>
   f. Not a proper FOIA request for
      some other reason   <u>0</u>
   g. Not an agency record   <u>3</u>
   h. Duplicate request   <u>0</u>
   i. Other – failure to comply with
      requirements   <u>1</u>

VII. Compliance With Time Limits/Status of Pending Requests

   A. Median processing time for requests processed during the
      year

      1. Fast track

         a. Number of requests processed   <u>1,402</u>
         b. Median number of days to process   <u>9</u>

      2. Simple requests

         a. Number of requests processed   <u>362</u>
         b. Median number of days to process   <u>13</u>

      3. Complex requests

         a. Number of requests processed   <u>1,415</u>
         b. Median number of days to process   <u>30</u>

      4. Requests accorded expedited processing.

         a. Number of requests processed   <u>0</u>
         b. Median number of days to process   <u>0</u>

      5. Simple requests for Social Security number
         applications and other Office of Earnings Operations
         records

         a. Number of requests processed   <u>31,423</u>
         b. Median number of days to process   <u>2</u>

      6. Simple requests handled by non-FOIA staff

         a. Number of requests processed   <u>18,656,701</u>
         b. Median number of days to process   <u>Not available</u>

NOTE: SSA continues to capture non-FOIA staff simple requests from field and district offices through an automatic workload database. The workload report consists primarily of these PA access requests. Nearly all of these requests are processed on the same day.

   B. Status of pending requests

      1. Fast track

         a. Number of requests pending   17
         b. Median number of days pending   6

      2. Simple requests

         a. Number of requests pending   12
         b. Median number of days pending   4

      3. Complex requests

         a. Number of requests pending   104
         b. Median number of days pending   37

      4. Requests accorded expedited processing

         a. Number of requests pending   0
         b. Median number of days pending   0

      5. Simple requests for Social Security number applications and other Office of Earnings Operations records

         a. Number of requests pending   1,023
         b. Median number of days pending   Not available

VIII. Comparison with Previous Year

      In this report, SSA shows that we processed 18,691,303 requests in FY 2006, as compared to 17,223,713 processed in FY 2005. As we have explained elsewhere in this report, the 1,467,590 increase in requests processed mostly represents a continuing rise in the number of PA access requests submitted to SSA either by the individual or by a third party with consent. Many businesses and government entities, such as banks, mortgage companies, department of motor vehicles, and social insurance agencies, ask their customers and clients to verify SSNs and/or certain benefit information as part of their regular business process. As in previous years, PA requests of this nature are rarely, if ever, denied.

The vast majority of field requests continue to involve these PA access requests, which have a quick turnaround time. Requesters usually receive a record in the same day; i.e., requests from a manual, copies of the Social Security Act, requests about themselves from SSA's computer systems, etc.

Most of the fees that SSA collected for earnings records and SSN verifications are based on a separate provision for fee charging in section 1106(c)of the Social Security Act (42 U.S.C. § 1306(c)), rather than the FOIA fee schedule. This provision allows SSA to recover the full cost of certain non-programmatic requests and is reflected by the increase in fee collections.

Other statistics significant to Agency:

1. Number of requests received for expedited processing: 52

2. Number of requests granted expedited processing: 0

IX. Costs/FOIA Staffing

A. Staffing levels

1. Number of full-time FOIA personnel   38

2. Number of personnel with part-time or occasional FOIA duties (Work Years)   366

3. Total number of FOIA personnel (Work Years)   404

B. Total costs (including staff and all resources)

1. FOIA processing (including appeals) $29,057,216

2. Litigation-related activities $48,307

3. Total costs $29,105,523

4. Comparison with FY 2005 Total   + 6,255,879

NOTE: SSA is reporting more resources expended commensurate with the steep rise in the reporting of processed requests.

X. Fees

    1. Total amount of fees collected by Agency $ <u>7,978,575</u>
       for processing requests

    2. Percentage of total costs   <u>27%</u>

XI. FOIA Regulations

   See 20 CFR, Part 402. This regulation is available
electronically at <u>http://www.ssa.gov/foia/</u>

XII. Report on FOIA Executive Order 13392 Implementation

On December 14, 2005, the President issued Executive Order 13392,
which required each agency to conduct a review of its FOIA
operations, develop an agency-specific plan to improve its
administration of the Act, and to include in its annual FOIA
report a description of its progress in meeting the milestones
and goals established in its improvement plan.

This section of the annual FOIA report contains SSA's description
of its progress in implementing the milestones and goals of the
FOIA Improvement Plan.

The reporting period for this section concerning Executive Order
implementation activities includes progress made by SSA through
December 31, 2006.

A. Description of supplementation/modification of agency
improvement plan (if applicable)

SSA added specific milestones and target dates to its improvement
plan on November 6, 2006.

B. Report on agency implementation of its plan, including its
performance in meeting milestones, with respect to each
improvement area

SSA has met all of the goals and milestones established in the
report it submitted on June 14, 2006, in response to Executive
Order 13392, that were to be completed by December 31, 2006. The
Office of Public Disclosure(OPD), the primary FOIA Requester
Service Center for SSA, identified five areas of improvement in
SSA's FOIA Improvement Plan, as part of an ongoing effort to
elevate the quality of SSA's FOIA operations and administration.
As outlined in the plan, OPD focused its efforts on the following
improvement areas: streamlining operations, systems
enhancements, training, reducing backlogs, and additional

staffing.
1. <u>Streamlining Operations</u>

In the area of streamlining operations, OPD created two Division
Director positions and realigned its staff which we believe
greatly improves procedures and processes in assigning and
reviewing work, as well as enhances the quality of written
responses.

Milestone	Status
Publish organizational changes in SSA Organization Manual.	Completed 5/26/06
Announce openings for Division Director positions.	Completed 9/04/06
Make selections for Division Director positions.	Completed 10/29/06
Train staff on organizational changes.	Completed 11/15/06
Realign staff.	Completed 11/26/06
Begin functioning according to new plan.	Completed 11/28/06

2.   <u>Systems Enhancements</u>

OPD is replacing its current semi-automated database control
system and phasing in a comprehensive new e-FOIA system to handle
all requests made to both our FOIA Requester Service Centers.
Some of the system's enhanced features include an Internet
interface and the ability to receive and process credit card
payments via secure channels (pay.gov). The new system also has
electronic redaction capability and an extensive management
system which will greatly improve the FOIA process and facilitate
the preparation of the FOIA annual report. As we planned, SSA
completed testing, training, installation of the e-FOIA system
and is beginning to the use the system to control and process
work.

Milestone	Status
Complete acceptance testing.	Completed 9/30/06
Install necessary hardware/software.	Completed 9/30/06
Train staff on new system.	Completed 12/20/05
Implement feature to accept credit card payment through pay.gov.	Completed 9/30/06
Begin using new system to control and process work.	Completed 10/1/06

3.   <u>Training</u>

In the area of training, OPD has always emphasized continuous

training at various training forums for all of its employees, as well as other employees who serve as liaisons to SSA's regional offices and other components. OPD hosted a three-day training conference in August 2006, which we sponsor every two years, aligning with our goal of ensuring that FOIA analysts and liaisons are receiving ongoing training. It is our hope that newer FOIA analysts can continue to capitalize on the historical knowledge of our senior analysts on staff and from other agencies through periodic in-house training and outside enrichment training.

Milestone	Status
Host training conference for FOIA staff, regional and headquarters liaisons in SSA offices, and other interested headquarters personnel.	Completed 8/3/06
Inform staff of availability of upcoming training quarterly.	Ongoing; Last completed 12/29/06
Schedule in-house training for new employees and update/enrichment training for current employees as needed.	Ongoing; Last completed 10/18/06, 10/19/06

4. Backlogs

OPD has a minuscule backlog, and our ultimate goal is to eliminate it entirely through weekly management meetings to review the existing backlog, managerial oversight of workloads, and considerable executive attention to those requests that require other offices to provide OPD with responsive materials. With this effort, OPD will reduce existing backlog of initial FOIA requests by a substantial percentage each year as outlined in our improvement plan. By December 31, 2006, OPD completed its goal of identifying and closing 90% of its ten oldest FOIA requests of 2006. We also reduced our existing backlog by more than our 5% goal in 2006. SSA has already identified the ten oldest requests we will target for 2007, and we plan to complete all of those well ahead of our targeted processing time.

Milestone	Status
Quarterly, the Executive Director of OPD will review existing backlog with other staff members in order to determine the number of cases pending for more than 20 days provided by statute.	Ongoing; Last completed 12/22/06

Quarterly, or more often, the Executive Director of OPD along with the Deputy Director of OPD will review the workload of each analyst to determine redistribution and possible reallocation of resources where needed.	Ongoing; Last completed 12/22/06
Identify the 10 oldest FOIA requests pending.	Completed 12/27/06 for 2007
Weekly management staff meetings to discuss 40 oldest FOIA requests.	Weekly; Ongoing; Last completed 12/22/06
Implement the steps we have determined need to be taken to complete the processing of the 10 oldest requests from 2006.	Completed 9/30/06
Close at least 90% of ten oldest FOIA requests from 2006.	Completed 12/22/06

5. <u>Staffing</u>

Our final area of improvement from the Improvement Plan is staffing. We estimate that we will lose a large number of experienced employees in the next few years to retirement. To that end, OPD has announced additional vacancies and will continue to monitor staffing levels and make recommendations to SSA leadership in order to ensure that the number of personnel dedicated to FOIA is adequate to process expected increasing workloads.

Milestone	Status
Announce opening for vacant position(s).	Ongoing; Last Completed 9/30/06
Select employee(s) to fill positions.	Ongoing; Last Completed 10/29/06
Announce additional vacancies.	Ongoing; Last completed 11/20/06

The change to the organizational structure of OPD, the phasing in of our new e-FOIA system, as well as our focus on backlogs, employee training, and additional staffing, will greatly improve our work processes and increase our efficiency and control over future SSA workloads as outlined in our Improvement Plan.

C. Identification and discussion of any deficiency in meeting plan milestones (if applicable)

Not applicable

D. Additional narrative statements regarding other Executive Order-related activities (optional)

Not applicable

E. Concise descriptions of FOIA exemptions

The nine exemptions to the FOIA authorize federal agencies to withhold information covering: (1) classified national defense and foreign relations information; (2) internal agency rules and practices; (3) information that is prohibited from disclosure by another federal law; (4) trade secrets and other confidential business information; (5) inter-agency or intra-agency communications that are protected by legal privileges; (6) information involving matters of personal privacy; (7) records or information compiled for law enforcement purposes, to the extent that the production of those records (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions, or (F) could reasonably be expected to endanger the life or physical safety of any individual; (8) information relating to the supervision of financial institutions; and (9) geological information on wells.

F. Additional Statistics:

1. Time range of requests pending, by date of request (or, where applicable, by date of referral from another agency).
August 10, 2005 to December 31, 2006

2. Time range of consultations pending with other agencies at this time.

None pending

G. Attachment: Agency improvement plan:

The FOIA Improvement Plan for SSA is attached at Website address
http://www.ssa.gov/foia/SSA_FOIA_Improvement_Plan%20Revision.doc