

Single Audit of the State of Minnesota for the Fiscal Year Ended June 30, 2019

A-77-20-00007



May 2020

Office of Audit Report Summary

Objective

To report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to the Social Security Administration (SSA) for resolution action.

Background

A single audit is an organization-wide financial statement and Federal awards audit of a non-Federal entity that expends \$750,000 or more in Federal funds in 1 year. The audit is intended to assure the Government that a non-Federal entity has adequate internal controls in place and is generally complying with program requirements. Non-Federal entities typically include State and local governments, Indian tribes, universities, and nonprofit organizations.

The Minnesota Office of the Legislative Auditor conducted the single audit of the State of Minnesota. SSA is responsible for resolving single audit findings related to its disability programs. The Department of Employment and Economic Development is the Minnesota Disability Determination Services' parent agency.

Finding

The single audit reported back-up timesheet approvers did not document the reason for their approval, as required by State policy. The Department of Employment and Economic Development implemented internal controls to ensure it properly documents reasons for timesheet approval by back-up approvers.

Recommendation

We recommend SSA confirm the Department of Employment and Economic Development implemented adequate controls to ensure timesheet approvals comply with State policy.