

Report Summary

Social Security Administration Office of the Inspector General

June 2010



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

The Michigan Office of the Auditor General performed the audit of the Michigan Department of Health and Human Services (DHS). The Ohio State auditor performed the single audit of the state of Ohio. SSA is responsible for resolving single audit findings related to its Disability Insurance and Supplemental Security Income programs. The DHS is the Michigan Disability Determination Services' (DDS) parent agency. The Ohio Rehabilitative Services Commission (ORSC) is the Ohio Bureau of Disability Determination's parent agency.

To view the full reports, visit
http://www.ssa.gov/oig/ADO_BEPDF/A-77-10-00011.pdf

http://www.ssa.gov/oig/ADO_BEPDF/A-77-10-00012.pdf

Management Advisory Reports: Single Audits of the Michigan Department of Human Services for the 2-Year Period Ending September 30, 2008 (A-77-10-00011) and the State of Ohio for the Fiscal Year Ended June 30, 2008 (A-77-10-00012)

Our Findings

The single audit for the Michigan DHS reported that DHS did not maintain the required certifications to support the payroll costs charged to SSA for four employees.

The single audit for the state of Ohio reported that ORSC (1) could not provide documentation to support the calculation of Federal cash draws for SSA's disability program, and (2) lacked internal control procedures to ensure payments for medical evidence were reviewed and approved prior to payment.

Our Recommendations

For the Michigan DHS, we recommend that SSA (1) determine if the payroll costs charged to SSA for these four employees were appropriate and, if not, request a refund of the unallowable costs, and (2) verify that DHS is performing semiannual certifications of employees working solely on the SSA program.

For the State of Ohio we recommend that SSA verify that ORSC (1) established appropriate controls to ensure cash draws for the SSA disability program are in accordance with Federal requirements, and (2) developed appropriate procedures to review and validate medical evidence payments prior to payment.