

Management Advisory Report

Single Audit of the State of Indiana
for the Fiscal Year Ended
June 30, 2014

**Single Audit of the State of Indiana for the Fiscal Year Ended
June 30, 2014
A-77-15-00006**



July 2015

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

The Indiana Board of Accounts conducted the single audit of the State of Indiana. SSA is responsible for resolving single audit findings related to its Disability programs. The Family and Social Services Administration (FSSA) is the Indiana Disability Determination Services' parent agency.

Finding

FSSA did not have adequate internal controls to ensure the accuracy of the Form SSA-4514, *Time Report of Personnel Services for Disability Determination Services*.

Recommendation

We recommend that SSA verify that FSSA has a process in place to ensure the accuracy of the Form SSA-4514.

MEMORANDUM

Date: July 23, 2015 **Refer To:**

To: Gary S. Hatcher
Senior Advisor
Records Management and Audit Liaison Staff

From: Inspector General

Subject: Single Audit of the State of Indiana for the Fiscal Year Ended June 30, 2014 (A-77-15-00006)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Indiana for the Fiscal Year ended June 30, 2014.¹ Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Indiana Board of Accounts performed the audit. The results of the desk review conducted by the Department of Health and Human Services (HHS) concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by the Indiana Board of Accounts and the reviews performed by HHS. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Indiana Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Family and Social Services Administration (FSSA) is the Indiana DDS' parent agency.

The single audit reported FSSA did not have adequate internal controls to ensure the accuracy of the Form SSA-4514, *Time Report of Personnel Services for Disability Determination Services*. Specifically, the hours reported on the Form SSA-4514 for the quarter ended March 31, 2014 did not agree with supporting documentation.² The corrective action plan indicated FSSA will

¹ *Supplemental Audit of Federal Awards State of Indiana July 1, 2013 to June 30, 2014*
<http://www.in.gov/sboa/WebReports/B44954.pdf> (last viewed July 8, 2015).

² Id. at finding 2014-024.

review the process for completing the Form SSA-4514 and make necessary modifications. In addition, FSSA plans to implement a new process for completing the Form SSA-4514 in July 2015.

We recommend that SSA verify that FSSA has a process in place to ensure the accuracy of the Form SSA-4514.

Please send copies of the final Audit Clearance Document to Shannon Agee. If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802 or Shannon.Agee@ssa.gov.

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr."

Patrick P. O'Carroll, Jr.

Attachment

cc:
Lynn Bernstein

MISSION

By conducting independent and objective audits, evaluations, and investigations, the Office of the Inspector General (OIG) inspires public confidence in the integrity and security of the Social Security Administration's (SSA) programs and operations and protects them against fraud, waste, and abuse. We provide timely, useful, and reliable information and advice to Administration officials, Congress, and the public.

CONNECT WITH US

The OIG Website (<http://oig.ssa.gov/>) gives you access to a wealth of information about OIG. On our Website, you can report fraud as well as find the following.

- OIG news
- audit reports
- investigative summaries
- Semiannual Reports to Congress
- fraud advisories
- press releases
- congressional testimony
- an interactive blog, “[Beyond The Numbers](#)” where we welcome your comments

In addition, we provide these avenues of communication through our social media channels.



[Watch us on YouTube](#)



[Like us on Facebook](#)



[Follow us on Twitter](#)



[Subscribe to our RSS feeds or email updates](#)

OBTAIN COPIES OF AUDIT REPORTS

To obtain copies of our reports, visit our Website at <http://oig.ssa.gov/audits-and-investigations/audit-reports/all>. For notification of newly released reports, sign up for e-updates at <http://oig.ssa.gov/e-updates>.

REPORT FRAUD, WASTE, AND ABUSE

To report fraud, waste, and abuse, contact the Office of the Inspector General via

Website: <http://oig.ssa.gov/report-fraud-waste-or-abuse>

Mail: Social Security Fraud Hotline
P.O. Box 17785
Baltimore, Maryland 21235

FAX: 410-597-0118

Telephone: 1-800-269-0271 from 10:00 a.m. to 4:00 p.m. Eastern Standard Time

TTY: 1-866-501-2101 for the deaf or hard of hearing