

Report Summary

Social Security Administration Office of the Inspector General

December 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 Arizona Auditor General performed the single audit of the State of Arizona and 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 Arizona Department of Economic Security (DES) is the Arizona Disability Determination Services' (DDS) parent agency and the Ohio Rehabilitative Services Commission (ORSC) is the Ohio Bureau of Disability Determination's (BDD) parent agency.

To view the full reports, visit
<http://www.ssa.gov/oig/ADO/BEPDF/A-77-11-00007.pdf>

<http://www.ssa.gov/oig/ADO/BEPDF/A-77-11-00008.pdf>

Management Advisory Reports: Single Audits of the State of Arizona (A-77-11-00007) and the State of Ohio for the Fiscal Year Ended June 30, 2009 (A-77-11-00008)

Our Findings

The single audit of the State of Arizona reported that DES inappropriately allocated a capital expenditure of \$8,820 to various Federal programs as an indirect cost.

The single audit of the State of Ohio reported that ORSC could not provide documentation to support the calculation of Federal cash draws for SSA's Disability Insurance program.

Our Recommendations

For the State of Arizona, we recommend that SSA verify that the portion of the \$8,820 allocated to the Arizona DDS was returned.

For the State of Ohio, we made a recommendation to SSA in a prior Management Advisory Report (A-77-10-00012) for corrective action on this finding. According to SSA, controls were put in place in the ORSC to ensure cash draws are in accordance with Federal requirements. In addition, the Office of the Inspector General is currently conducting an audit of administrative costs claimed by the Ohio BDD (A-05-09-19127) that covers the period of the current single audit. The administrative cost audit will review ORSC's cash draw process for the Ohio BDD and make recommendations as appropriate. Accordingly, we are not making any recommendations on this finding.