

Management Advisory Report

Single Audit of the State of Ohio for
the Fiscal Year Ended June 30, 2012

**Single Audit of the State of Ohio for the Fiscal Year Ended
June 30, 2012
A-77-14-00007**



January 2014

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 Ohio State Auditor conducted the single audit of the State of Ohio. SSA is responsible for resolving single audit findings related to its Disability programs. The Rehabilitation Services Commission (RSC) is the Ohio Bureau of Disability Determination's (BDD) parent agency.

Finding

The single audit reported that RSC did not disburse Federal funds drawn for payroll within 3 days of receipt, as required by the *Cash Management Improvement Act* agreement.

Recommendation

We made a recommendation to SSA in a prior report for corrective action on this finding. We confirmed that SSA had taken appropriate corrective action to address this finding. Therefore, we will not repeat the recommendation in this report.

MEMORANDUM

Date: January 10, 2014 **Refer To:**

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

From: Inspector General

Subject: Single Audit of the State of Ohio for the Fiscal Year Ended June 30, 2012 (A-77-14-00007)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Ohio for the Fiscal Year ended June 30, 2012.¹ Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Ohio State Auditor 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 Ohio State Auditor 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 Ohio Bureau of Disability Determination (BDD) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The BDD is reimbursed for 100 percent of allowable costs. The Rehabilitation Services Commission (RSC) is the Ohio BDD's parent agency.

¹ *State of Ohio Single Audit for the Year ended June 30, 2012*

http://www.auditor.state.oh.us/auditsearch/Reports/2013/State_of_Ohio_Single_Audit_12_Franklin.pdf (last viewed December 19, 2013).

The single audit reported that RSC did not disburse Federal funds drawn for payroll within 3 days of receipt, as required by the *Cash Management Improvement Act* (CMIA) agreement.² The corrective action plan indicates RSC revised its draw procedures for payroll to meet the CMIA requirements.

We made a recommendation to SSA in a prior report for corrective action on this finding.³ We confirmed that SSA had taken appropriate corrective action to address this finding. Therefore, we will not repeat the recommendation in this report.

If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802 or Shannon.Agee@ssa.gov.



Patrick P. O'Carroll, Jr.

Attachment

cc:

Lynn Bernstein

² Id. at finding 2012-RSC01-035.

³ SSA OIG, Management Advisory Report, *Single Audit of the State of Ohio for the Fiscal Year Ended June 30, 2011* (A-77-13-00009), May 3, 2013.

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