

Management Advisory Report

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

Single Audit of the State of Nevada for the Fiscal Year Ended June 30, 2014 A-77-15-00011



August 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

Eide Bailly LLP conducted the single audit of the State of Nevada. SSA is responsible for resolving single audit findings related to its Disability programs. The Department of Employment, Training and Rehabilitation (DETR) is the Nevada Disability Determination Services' parent agency.

Finding

The single audit reported DETR did not have procedures in place to ensure license verifications and reviews of the Department of Health and Human Services, Office of the Inspector General's List of Excluded Individuals and Entities for consultative examination (CE) providers.

Recommendation

We recommend that SSA confirm that DETR completed the CE provider agreement process for all CE providers.

MEMORANDUM

Date: August 27, 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 Nevada for the Fiscal Year Ended June 30, 2014 (A-77-15-00011)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Nevada 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.

Eide Bailly LLP 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 Eide Bailly LLP 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 Nevada 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 Department of Employment, Training and Rehabilitation (DETR) is the Nevada DDS' parent agency.

The single audit reported DETR did not have procedures in place to ensure license verifications and reviews of the HHS Office of the Inspector General's List of Excluded Individuals and Entities (LEIE) for consultative examination (CE) providers.² The corrective action plan

¹ *Single Audit Report June 30, 2014 State of Nevada*
<http://www.leg.state.nv.us/Audit/documents/Single%20Audits/Single%20Audit%202014.pdf> (last viewed August 12, 2015).

² Id. at finding 2014-015.

indicated DETR is completing a CE provider agreement process, which includes verifying that CE providers hold a State medical license and are excluded from the LEIE. We recommend that SSA confirm that DETR completed the CE provider agreement process for all CE providers.

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.



Patrick P. O'Carroll, Jr.

Attachment

cc:

Lynn Bernstein

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