

Management Advisory Report

Single Audit of the State of Utah for
the Fiscal Year Ended June 30, 2016

**Single Audit of the State of Utah for the Fiscal Year Ended
June 30, 2016
A-77-17-00001**



March 2017

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 Utah State Auditor conducted the single audit of the State of Utah. SSA is responsible for resolving single audit findings related to its disability programs. Utah State Office of Rehabilitation is the Utah Disability Determination Services' parent agency.

Finding

The single audit reported Utah State Office of Rehabilitation incorrectly classified disbursements and unliquidated obligations on Forms SSA-4513, *State Agency Report of Obligations for SSA Disability Programs*.

Recommendation

We recommend that SSA verify procedures are in place to ensure the accuracy of the Form SSA-4513.

MEMORANDUM

Date: March 17, 2017 **Refer To:**

To: Gary S. Hatcher
Senior Advisor
Audit Liaison Staff

From: Assistant Inspector General for Audit

Subject: Single Audit of the State of Utah for the Fiscal Year Ended June 30, 2016 (A-77-17-00001)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Utah for the Fiscal Year ended June 30, 2016.¹ The Utah State Auditor conducted the audit. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

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 Utah 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 Utah State Office of Rehabilitation (USOR), within the Utah State Board of Education, is the Utah DDS' parent agency.

USOR incorrectly classified disbursements and unliquidated obligations on Forms SSA-4513, *State Agency Report of Obligations for SSA Disability Programs*.² The corrective action plan indicated that SSA's Denver regional office provided USOR clarified SSA-4513 instructions, which will be incorporated into future reports.

We recommend that SSA verify procedures are in place to ensure the accuracy of the Form SSA-4513.

¹ State of Utah, *Single Audit Report Fiscal Year Ended June 30, 2016*, Report No. 16-34 (December 20, 2016).

² See Footnote 1, finding 2016-035.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards requires that Federal Awarding Agencies issue a management decision on findings within 6 months of acceptance of the audit report by the Federal Audit Clearinghouse. The Federal Audit Clearinghouse accepted the single audit of the State of Utah on January 9, 2017.

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 that reads "Rona Lawson". The signature is fluid and cursive, with "Rona" on top and "Lawson" below it.

Rona Lawson

Attachment

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