

Management Advisory Report

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

Single Audit of the State of Georgia for the Fiscal Year Ended June 30, 2016 A-77-17-00003



April 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 Georgia Department of Audits and Accounts conducted the single audit of the State of Georgia. SSA is responsible for resolving single audit findings related to its disability programs. The Georgia Vocational Rehabilitation Agency is the Georgia Disability Determination Services' (DDS) parent agency.

Finding

The single audit reported the Georgia Vocational Rehabilitation Agency 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 procedures are in place to ensure the accuracy of the Form SSA-4514.

MEMORANDUM

Date: April 10, 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 Georgia for the Fiscal Year Ended June 30, 2016 (A-77-17-00003)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Georgia for the Fiscal Year ended June 30, 2016.¹ The Georgia Department of Audits and Accounts 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. CFDA number 96 identifies SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Georgia Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. SSA reimburses the DDS for 100 percent of allowable costs. The Georgia Vocational Rehabilitation Agency (GVRA) is the Georgia DDS' parent agency.

The single audit reported the GVRA 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, GVRA understated the hours for annual leave and overtime on the Form SSA-4514 for the quarters ended September 30, 2015 and December 30, 2015.² The corrective action plan indicated that the GVRA had implemented strengthened controls and trained staff.

We recommend that SSA verify procedures are in place to ensure the accuracy of the Form SSA-4514.

¹ State of Georgia, *Single Audit Report for the Fiscal Year Ended June 30, 2016* (February 28, 2017).

² See Footnote 1, finding 2016-051.

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 Georgia on March 22, 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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