

# Single Audit of the State of Oklahoma for the Fiscal Year Ended June 30, 2019

## A-77-20-00008



June 2020

**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

A single audit is an organization-wide financial statement and Federal awards audit of a non-Federal entity that expends \$750,000 or more in Federal funds in 1 year. The audit is intended to assure the Government that a non-Federal entity has adequate internal controls in place and is generally complying with program requirements. Non-Federal entities typically include State and local governments, Indian tribes, universities, and nonprofit organizations.

The Oklahoma State Auditor and Inspector conducted the single audit of the State of Oklahoma. SSA is responsible for resolving single audit findings related to its disability programs. The Oklahoma Department of Rehabilitation Services (ODRS) is the Oklahoma Disability Determination Services' parent agency.

### Findings

The single audit reported ODRS

- incorrectly reported employee hours on the SSA-4514, *Time Report of Personnel Services for Disability Determination Services*;
- erroneously charged \$239,330 of 2018 payroll expenditures to the 2019 grant; and
- lacked internal controls over the verification and review of consultative examination providers' licenses and credentials.

### Recommendations

We recommend that SSA:

1. Confirm that ODRS implemented an adequate process to ensure the accuracy of the SSA-4514.
2. Verify that ODRS transferred the questioned payroll expenditures to the correct fiscal year grant and established appropriate procedures to charge expenditures to the correct fiscal year grant.
3. Confirm that ODRS' consultative examination providers' licensure and credential verification procedures are in accordance with SSA policy.