

Management Advisory Report

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

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

A-77-17-00006



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 Washington State Auditor's Office conducted the single audit of the State of Washington. SSA is responsible for resolving single audit findings related to its disability programs. The Department of Social and Health Services is the Washington Disability Determination Services' parent agency.

Finding

The single audit reported the Department of Social and Health Services did not submit the Fiscal Year 2016 cost allocation plan by the July 1, 2015 due date. The single audit identified multiple Federal programs, including SSA, responsible for resolving this finding. However, the Department of Health and Human Services will resolve this finding on the Government's behalf. Therefore, we are bringing this matter to your attention, but we are not making a recommendation.

MEMORANDUM

Date: April 20, 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 Washington for the Fiscal Year Ended June 30, 2016
(A-77-17-00006)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Washington for the Fiscal Year ended June 30, 2016.¹ The Washington State Auditor's Office 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 Washington Disability Determination Services performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. SSA reimburses the disability determinations services for 100 percent of allowable costs. The Department of Social and Health Services (DSHS) is the Washington DDS' parent agency.

The single audit reported DSHS did not submit the Fiscal Year 2016 cost allocation plan by the July 1, 2015 due date.² The corrective action plan indicated DSHS will ensure, before July 1, 2017, that all outstanding cost allocation plans are submitted to the Department of Health and Human Services, Division of Cost Allocation.

The single audit identified multiple Federal programs, including SSA, responsible for resolving this finding. However, the Department of Health and Human Services will resolve this finding on the Government's behalf. Therefore, we are bringing this matter to your attention, but we are not making a recommendation.

¹ State of Washington, *Single Audit Report for the Fiscal Year Ended June 30, 2016* (November 1, 2016).

² See Footnote 1, finding 2016-004.

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 Washington on March 30, 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.



for

Rona Lawson

Attachment

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