

Single Audit of the State of California for the Fiscal Year Ended June 30, 2018

A-77-19-00010



August 2019

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.

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. It is intended to assure the Government that a non-Federal entity has adequate internal controls in place and is generally in compliance with program requirements. Non-Federal entities typically include State governments, local governments, Indian tribes, universities, and nonprofit organizations.

Macias Gini and O'Connell LLP conducted the single audit of the State of California. SSA is responsible for resolving single audit findings related to its disability programs. The California Department of Social Services is the California Disability Determination Services' (DDS) parent agency.

Finding

The single audit reported the California DDS did not always document in its case files the dates and names of the individuals who performed credential verifications for out-of-State medical providers.

Recommendation

We recommend SSA verify the California DDS established an appropriate process to document credential verifications for out-of-State medical providers.