

# **Administrative Costs Claimed by the Georgia Disability Adjudication Services**

## **A-04-13-13058**



November 2013

### **Office of Audit Report Summary**

#### **Objective**

To (1) evaluate the Georgia Disability Adjudication Services' (GA-DAS) internal controls over the accounting and reporting of administrative costs; (2) determine whether the costs claimed were allowable and funds were properly drawn; and (3) assess, on a limited basis, the general security controls environment for the 6-month period October 1, 2011 through March 31, 2012.

#### **Background**

Disability determination services (DDS) in each State or other responsible jurisdiction perform disability determinations under the Social Security Administration's (SSA) Disability Insurance and Supplemental Security Income programs. DDSs must perform such determinations in accordance with Federal law and regulations. Each DDS is responsible for determining claimants' disabilities and ensuring adequate evidence is available to support its determinations.

To make proper disability determinations, SSA authorizes each DDS to purchase medical evidence to supplement evidence obtained from the claimants' physicians or other treating sources. SSA reimburses the DDS for 100 percent of allowable expenditures up to its approved funding authorization.

#### **Our Findings**

The costs GA-DAS claimed for our audit period were allowable and properly allocated, and the system of internal controls over the accounting and reporting of administrative costs was effective. In addition, GA-DAS properly drew Federal funds for the costs it claimed on Form SSA-4513 for the period reviewed. Finally, our limited review of GA-DAS' controls over its physical security and personally identifiable information showed that controls were generally in place with the exception of two minor physical security weaknesses.

#### **Our Conclusions**

Overall, GA-DAS had effective internal controls over the accounting and reporting of administrative costs for the 6-month period October 1, 2011 through March 31, 2012. Our limited review of GA-DAS' controls over its physical security and personally identifiable information showed that controls were generally in place. However, we identified two minor physical security weaknesses. We discussed these issues with the regional office; GA-DAS; and GA-DAS' parent agency, the Georgia Vocational Rehabilitation Agency, for their consideration and action. Accordingly, we did not make any recommendations in this report.

In commenting on the draft report, SSA and GA-DAS confirmed they had taken corrective actions on the two minor physical security weaknesses we identified.