

Report Summary

Social Security Administration Office of the Inspector General

May 2010



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 Connecticut Auditors of Public Accounts performed the single audit of the State of Connecticut. The Delaware Office of Auditor of Accounts and KPMG LLP performed the single audit of the State of Delaware. SSA is responsible for resolving single audit findings related to its Disability Insurance and Supplemental Security Income programs. The Department of Social Services (DSS) is the Connecticut Disability Determination Services' (DDS) parent agency. The Department of Labor (DOL) is the Delaware DDS' parent agency.

To view the full reports, visit
http://www.ssa.gov/oig/ADO_BEPDF/A-77-10-00009.pdf

http://www.ssa.gov/oig/ADO_BEPDF/A-77-10-00010.pdf

Management Advisory Reports: Single Audits, for the Fiscal Year Ended June 30, 2008, of the State of Connecticut (A-77-10-00009) and the State of Delaware (A-77-10-00010)

Our Findings

The single audit of the State of Connecticut reported that (1) indirect costs were not equitably allocated to Federal programs, including SSA. In addition, expenditures were not correctly allocated to Federal and State programs in accordance with the federally approved cost allocation plan because of expenditure coding problems.

The single audit of the State of Delaware reported that DOL lacked segregation of duties within the Federal cash drawdown process.

Our Recommendations

For the State of Connecticut, we recommend that SSA ensure that indirect costs are being equitably allocated to the Connecticut DDS, and verify that DSS implemented expenditure coding procedures that will ensure only allowable costs are charged to its programs.

For the State of Delaware, we recommend that SSA verify that DOL's policies and procedures provide a proper segregation of duties within the Federal cash drawdown process