Objective

To (1) evaluate internal controls over the accounting and reporting of administrative costs by the Pennsylvania Bureau of Disability Determination (PA-BDD) for Fiscal Years (FY) 2017 and 2018; (2) determine whether the administrative costs claimed on the most recently submitted Form SSA-4513 were allowable and properly allocated; (3) reconcile funds drawn down with claimed costs; and (4) assess the general security controls environment.

Findings

Grant Thornton’s testing to evaluate the PA-BDD’s internal control over the accounting and reporting of its administrative costs, to determine whether the PA-BDD’s administrative costs were allowed and properly allocated and to reconcile funds drawn down with claimed costs disclosed no findings. However, their testing of the PA-BDD’s general security controls disclosed instances where the PA-BDD’s physical security controls could be strengthened.

Recommendations

In a separate memorandum, Grant Thornton outlined recommendations for the PA-BDD to enhance its internal control environment for control gaps noted in its audit.

The full text of the PA-BDD’s response is included in Appendix C. SSA was provided the report for comment and, although not required, did not provide comments on the recommendations.