

Single Audit of the State of Indiana for the Fiscal Year Ended June 30, 2020 A-77-22-00002



November 2021

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 assures the Government that a non-Federal entity maintains adequate internal controls and generally complies with program requirements. Non-Federal entities typically include State and local governments, Indian tribes, universities, and nonprofit organizations.

The Indiana State Board of Accounts conducted the single audit of the State of Indiana. SSA is responsible for resolving single audit findings related to its disability programs. The Indiana Family and Social Services Administration is the Indiana Disability Determination Services' (DDS) parent agency.

Finding

The single audit reported the Indiana Family and Social Services Administration charged DDS expenditures to the wrong Fiscal Year. Specifically, the Family and Social Services Administration drew down \$241,108 from the Fiscal Year 2015 grant for a security system contract that was signed in May 2018 and other transactions obligated before the period of performance began.

Recommendations

We recommend SSA:

1. Confirm DDS cancelled transactions associated with the security system contract; and
2. Remind DDS of the requirements for creating and tracking obligations that extend past the fiscal year end.