



Office *of the* Inspector General

SOCIAL SECURITY ADMINISTRATION

*Management Advisory Report*

Single Audit of the State of Indiana  
for the Fiscal Year Ended  
June 30, 2014

*A-77-15-00006 | July 2015*

**Single Audit of the State of Indiana for the Fiscal Year Ended  
June 30, 2014  
A-77-15-00006**



**July 2015**

**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 action.

**Background**

The Indiana 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 Family and Social Services Administration (FSSA) is the Indiana Disability Determination Services' parent agency.

**Finding**

FSSA did not have adequate internal controls to ensure the accuracy of the Form SSA-4514, *Time Report of Personnel Services for Disability Determination Services*.

**Recommendation**

We recommend that SSA verify that FSSA has a process in place to ensure the accuracy of the Form SSA-4514.

**MEMORANDUM**

**Date:** July 23, 2015

**Refer To:**

**To:** Gary S. Hatcher  
Senior Advisor  
Records Management and Audit Liaison Staff

**From:** Inspector General

**Subject:** Single Audit of the State of Indiana for the Fiscal Year Ended June 30, 2014 (A-77-15-00006)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Indiana for the Fiscal Year ended June 30, 2014.<sup>1</sup> Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Indiana Board of Accounts performed the audit. The results of the desk review conducted by the Department of Health and Human Services (HHS) concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by the Indiana Board of Accounts and the reviews performed by HHS. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Indiana Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Family and Social Services Administration (FSSA) is the Indiana DDS' parent agency.

The single audit reported FSSA did not have adequate internal controls to ensure the accuracy of the Form SSA-4514, *Time Report of Personnel Services for Disability Determination Services*. Specifically, the hours reported on the Form SSA-4514 for the quarter ended March 31, 2014 did not agree with supporting documentation.<sup>2</sup> The corrective action plan indicated FSSA will

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<sup>1</sup> *Supplemental Audit of Federal Awards State of Indiana July 1, 2013 to June 30, 2014*  
<http://www.in.gov/sboa/WebReports/B44954.pdf> (last viewed July 8, 2015).

<sup>2</sup> *Id.* at finding 2014-024.

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review the process for completing the Form SSA-4514 and make necessary modifications. In addition, FSSA plans to implement a new process for completing the Form SSA-4514 in July 2015.

We recommend that SSA verify that FSSA has a process in place to ensure the accuracy of the Form SSA-4514.

Please send copies of the final Audit Clearance Document to Shannon Agee. If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802 or [Shannon.Agee@ssa.gov](mailto:Shannon.Agee@ssa.gov).

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr.", with a stylized flourish at the end.

Patrick P. O'Carroll, Jr.

Attachment

cc:

Lynn Bernstein

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