

# The Social Security Administration's Financial Report for Fiscal Year 2019 A-15-18-50677



November 2019

Office of Audit Report Summary

## Objective

To fulfill our responsibilities under the *Chief Financial Officers Act of 1990* (CFO Act) (Pub. L. No. 101-576) and related legislation, we monitored Grant Thornton LLP's audit of the Social Security Administration's (SSA) Fiscal Year (FY) 2019 financial statements to ensure the quality of the audit work performed was adequate.

## Background

The CFO Act, as amended, requires that SSA's Inspector General or an independent external auditor, as determined by the Inspector General, audit SSA's financial statements in accordance with applicable standards. Under a contract monitored by the Office of the Inspector General, Grant Thornton, an independent certified public accounting firm, audited SSA's FY 2019 financial statements.

Grant Thornton's Report of Independent Certified Public Accountants for the audit of SSA's FY 2019 financial statements includes (1) opinions on the consolidated and sustainability financial statements; (2) an opinion on SSA's internal control over financial reporting; and (3) a report on compliance with laws, regulations, contracts, grants agreements, and other matters as required by *Government Auditing Standards*.

## Findings

Grant Thornton found the following.

- The consolidated and sustainability financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States.
- SSA management maintained, in all material respects, effective internal control over financial reporting as of September 30, 2019. However, Grant Thornton identified three significant deficiencies in internal control.
  1. Certain Financial Information Systems Controls
  2. Information Systems Risk Management
  3. Accounts Receivable with the Public (Benefit Overpayments)
- No instances of noncompliance with laws, regulations, contracts, grant agreements, and other matters.

## Recommendations

Grant Thornton provided several recommendations to mitigate the risks noted in the significant deficiencies. The Agency agreed with the recommendations.