

**Single Audit of the State of Nebraska for the Fiscal Year
Ended June 30, 2011
A-77-13-00004**



February 2013

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 Nebraska Auditor of Public Accounts performed the single audit of the State of Nebraska. SSA is responsible for resolving single audit findings related to its Disability Insurance program. The Nebraska Department of Education is the Nebraska Disability Determination Section's (DDS) parent agency.

Findings

The single audit reported the following.

- The DDS does not check the *Excluded Parties List System* (EPLS) to verify that consultative examination (CE) vendors were not suspended or debarred from receiving Federal funds.
- The tone of the DDS managements' attitude toward encouraging employees to report suspected fraud, waste, or violations of law was unacceptable.

Recommendations

We recommend that SSA:

1. Advise the DDS as to whether it is required to check the EPLS to verify that CE vendors are not suspended or debarred from receiving Federal funds.
2. Determine whether the DDS' procedures for encouraging employees to report fraud, waste, and violations of law are sufficient.