

**Single Audit of the State of North Carolina for the Fiscal Year
Ended June 30, 2012
A-77-14-00006**



December 2013

Office of Audit Report Summary

Objective

To report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to Social Security Administration (SSA) for resolution action.

Background

The North Carolina Office of the State Auditor conducted the single audit of the State of North Carolina. SSA is responsible for resolving single audit findings related to its Disability programs. The North Carolina Department of Health and Human Services is the North Carolina Disability Determination Services' (DDS) parent agency.

Findings

The single audit reported:

- The DDS made inappropriate payments to consultative examination (CE) providers totaling \$235. We made recommendations to SSA in a prior report for corrective action on this finding. We confirmed that SSA had taken appropriate actions to address this finding. Therefore, we will not repeat the recommendation in this report.
- The DDS vendor file included providers who were not eligible to perform CEs.

Recommendations

We recommend that SSA verify the DDS implemented appropriate procedures to ensure selection of only approved providers to perform CEs.