



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: October 16, 2026

Refer To: 772705

To: Amy Gao
Director
Audit Liaison Staff

From: Michelle L. Anderson *Michelle L. Anderson*
Assistant Inspector General for Audit

Subject: Single Audit of the State of Nevada for the Fiscal Year Ended June 30, 2024

This memorandum presents the Social Security Administration's (SSA) portion of the single audit of the State of Nevada for the Fiscal Year ended June 30, 2024.¹ The audit firm Eide Bailly LLP conducted the audit. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution.

BACKGROUND

A single audit is an organization-wide financial statement and Federal awards audit of a non-Federal entity that expends \$1 million or more in Federal funds in 1 year. It is intended to assure the Government that the non-Federal entity has adequate internal controls in place and is generally complying with program requirements. Non-Federal entities typically include state and local governments, Indian tribes, universities, and nonprofit organizations.

For single audit purposes, the General Services Administration maintains a list of all Federal programs in the Federal Assistance Listing. SSA's Disability Insurance and Supplemental Security Income programs are identified under listing number 96. SSA is responsible for resolving single audit findings reported under this listing number.

The Nevada Disability Determination Services (DDS) performs disability determinations under SSA's Disability Insurance and Supplemental Security Income programs in accordance with Federal regulations. SSA reimburses the DDS for 100 percent of allowable costs. The Nevada Department of Employment, Training, and Rehabilitation (DETR) is the Nevada DDS' parent agency.

¹ Eide Bailly, *Single Audit Report June 30, 2024 State of Nevada* (June 26, 2026).

RESULTS

The single audit found Personnel Service Costs reported on March 31, 2024 on Form SSA-4513, *State Agency Report of Obligations for SSA Disability Programs*, did not agree with underlying documentation.² DETR did not have internal controls to ensure it accurately documented and supported the amounts reported. As a result, the Form SSA-4513 contained inaccurate information. In response to the finding, DETR will implement strengthened internal controls including enhanced documentation requirements, supervisory review procedures, and reconciliation processes to ensure all information submitted to SSA is accurate and supported.

The single audit also found DETR did not have written procedures for verifying medical providers had valid licenses and were not excluded, suspended, or barred from participating in Federal or federally assisted programs.³ In addition, DETR did not have written procedures to verify licenses were not revoked or suspended by any state licensing authority for fraud, abuse, or professional misconduct.

Although DETR had an individual assigned to verify licenses, there was no evidence another individual monitored this procedure to ensure it was followed and the results were appropriate. Without adequate controls for this process, DETR cannot ensure providers have valid medical licenses and are not suspended or debarred.

In response to the single audit finding, DETR reported it developed and implemented written procedures to document the required verification steps. In addition, DETR reportedly established oversight controls to ensure proper segregation of duties. These controls included supervisory monitoring to confirm that the assigned staff member performs the required verifications and appropriately and fully documents the results.

RECOMMENDATION

We recommend SSA:

1. Work with DETR to determine whether it correctly charged Personnel Service Costs to SSA's programs on the March 31, 2024 Form SSA-4513 and make any necessary corrections.
2. Review DETR's updated controls to ensure it reports accurate information on the Form SSA-4513.
3. Review DETR's oversight controls to ensure it established appropriate procedures to verify and document medical providers' licensing status.

² Eide Bailly, *Single Audit Report June 30, 2024 State of Nevada* (June 26, 2026), Finding 2024-051.

³ Eide Bailly, *Single Audit Report June 30, 2024 State of Nevada* (June 26, 2026), Finding 2024-052.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards require that Federal awarding agencies issue a management decision letter on single audit findings within 6 months of the Federal Audit Clearinghouse accepting the audit report. The Clearinghouse accepted the single audit of the State of Nevada on September 18, 2026.

If you have questions, contact OIG.Audit.Division.7@ssa.gov.