

# Report Summary

Social Security Administration Office of the Inspector General

February 2010



## 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

KPMG, LLP performed the audit of the Commonwealth of Massachusetts. The Texas State Auditor performed the audit of the State of Texas. SSA is responsible for resolving single audit findings related to its Disability Insurance and Supplemental Security Income programs. The Executive Office of Health and Human Services is the Massachusetts Disability Determination Services (DDS) parent agency and the Department of Assistive and Rehabilitative Services is the Texas DDS' parent agency.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-77-10-00001.pdf>

<http://www.ssa.gov/oig/ADO/BEPDF/A-77-10-00002.pdf>

## ***Management Advisory Reports: Single Audits of the Commonwealth of Massachusetts for the Fiscal Year Ended June 30, 2008 (A-77-10-00001) and the State of Texas for the Fiscal Year Ended August 31, 2008 (A-77-10-00002)***

### Our Findings

The single audit for the Commonwealth of Massachusetts reported (1) SSA reimbursements for vocational rehabilitation services totaling \$250,102 were recorded in incorrect State accounts and (2) the State's Information Technology Division did not prepare final billing rates for information technology services provided to State agencies, including the Massachusetts DDS, by June 30, 2008.

The single audit for the State of Texas reported that salaries were paid to individuals who were no longer employed by the State. The State reported that some salary overpayments had been recovered. However, as of August 2008, overpayments totaling \$14,840 had not been collected from individuals who were previously employed by the Department of Assistive and Rehabilitative Services.

### Our Recommendations

For the Commonwealth of Massachusetts, we recommend that SSA verify that (1) sufficient procedures were established for accurately recording reimbursements from SSA for rehabilitation services and (2) Information technology services costs charged to the Massachusetts DDS were based on the final billing rates.

For the State of Texas, we recommend that SSA (1) determine whether salary overpayments were charged to SSA and collect any unallowable costs; and (2) verify that appropriate procedures are in place to prevent salary payments to individuals who are no longer employed by the Texas DDS.