

# Report Summary

Social Security Administration Office of the Inspector General

May 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

The Arizona Auditor General performed the single audit of the State of Arizona. The Colorado State Auditor performed the single audit of the State of Colorado. The Department of Economic Security is the Arizona Disability Determination Services' (DDS) parent agency. The Colorado Department of Human Services is the Colorado DDS' parent agency.

To view the full reports, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-77-10-00007.pdf>

<http://www.ssa.gov/oig/ADO/BEPDF/A-77-10-00008.pdf>

## ***Management Advisory Reports: Single Audits, for the Fiscal Year Ended June 30, 2008, of the State of Arizona (A-77-10-00007) and the State of Colorado (A-77-10-00008)***

### Our Findings

The single audit of the State of Arizona reported that the Arizona DDS did not have adequate internal control policies and procedures to ensure the Form SSA-4514, *Time Report of Personnel Services for DDSs*, was accurate. In addition, the Arizona DDS did not follow internal control policies and procedures to ensure expenditures were charged to the correct fiscal year and paid in the correct amounts.

The single audit of the State of Colorado reported that the Colorado DDS did not accurately report overtime and leave hours on the Form SSA-4514, *Time Report of Personnel Services for DDSs*. In addition, the DDS did not accurately report equipment purchases on the Form SSA-871, *Schedule of Equipment Purchases for Disability Programs*.

### Our Recommendations

For the State of Arizona, we recommend that SSA (1) verify that the DDS implemented internal control procedures to ensure the accuracy of the Form SSA-4514 and (2) ensure the DDS has adequate internal control procedures in place to ensure expenditures are charged to the correct fiscal year and in the correct amounts.

For the State of Colorado, we recommend that SSA verify that the DDS implemented internal control procedures to ensure the accuracy of the Forms SSA-4514 and SSA-871.