



ARRA REPORT BY THE
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-12-0274

December 29, 2009

ARRA FSSA DDRS VR

Indiana Inspector General Staff Attorney Todd Shumaker and State Examiner Bruce A. Hartman of the Indiana State Board of Accounts report as follows:

This report addresses an evaluation of the Vocational Rehabilitation program (VR)¹ activities within the Division of Disability and Rehabilitative Services of the Indiana Family and Social Services Administration (DDRS).²

The VR program provides help to veterans with service-connected disabilities to prepare for, find, and keep suitable jobs.³

On February 17, 2009, the United States Government enacted the American Recovery and Reinvestment Act⁴ (ARRA). The ARRA intends to provide a stimulus to the United States economy by providing \$787 billion in

¹ 38 CFR 31.

² The Division of Disability and Rehabilitative Services is established pursuant to IC 12-9-1 *et seq.*

³ See footnote 1, *supra*.

⁴ American Recovery and Reinvestment Act of 2009, P.L. No. 111-5, 123 Stat. 115 (2009).

program funding and tax credits.⁵

The purpose of this report is to document a preliminary ARRA compliance review of the VR program by the State Board of Accounts (SBOA) and the Office of the Inspector General (OIG).

I

To date, DDRS has been awarded a total of \$12,335,350 in ARRA funds to be obligated by September 30, 2011, and liquidated by December 31, 2011. These funds are to be used to make infrastructure improvements, establish a statewide network of School-to-Work Transition programs, and to develop employment opportunities with Indiana businesses to reduce participant dependency on public support.

II

The OIG's enabling statute provides that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b).

The SBOA has similar duties, including the authority to develop and publish "accounting and uniform compliance guidelines manuals" ("Manuals") to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law." IC 5-11-5-1(a).

Within these authorities, a preliminary review of the VR program was

⁵ See: <http://www.recovery.gov>.

made. This review included, but was not limited to, reviewing the program objectives, meeting with the program staff, reviewing agency-completed spending plans, reviewing monthly update reports submitted to the Indiana Office of Management and Budget (OMB) and an assessment of the program's risks.

From this preliminary review, we make the following findings and recommendations.

III

We find from our initial review that the controls over the VR program ARRA funding are adequate to meet the respective federal ARRA and State OMB guidelines and requirements.

At a later date, we may perform additional procedures as deemed necessary to verify compliance requirements.

Accordingly, we offer no recommendations at this time, but advise DDRS employees to continue to apprise themselves of ARRA requirements and developments.

Dated this 29th day of December, 2009.

APPROVED BY:



David O. Thomas, Inspector General