



Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services
Financial Services - Audit
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Appeal Decision

November 30, 2012

Stephen Farnham, Executive Director
Aroostook Agency on Aging
P.O. Box 1288
Presque Isle, Maine 04769

Re: Aroostook Agency on Aging FY 2007 - 2010

Dear Mr. Farnham:

We are in receipt of your letter dated August 13, 2012 in which you appeal the Department Report of Aroostook Agency on Aging for the fiscal years September 30, 2007 through 2010 dated June 29, 2012.

Your agency is appealing the balance due to the Department in the amount of \$38,833 for agreements OES-07-001 and OES-09-001. Below are the Agency's and Division of Audit's (Division) positions specific to the areas of dispute.

1. Agency Position:

You state that for agreement OES-07-001, Adult Protective services, the Department approved of a \$10,000 carryover and that it was budgeted in contract OES-08-001 and expended during that time period.

Division of Audit Position:

We agree with your position. The budget and pro forma for OES-08-001 indicated a carryover in the amount of \$10,000 and the settlement for OES-08-001 treated the carryover properly.

2. Agency Position:

You state that for agreement OES-07-001, Alzheimer Respite services, the balance due the Department in the amount of \$6,076 is incorrect. The Division had indicated revenues of \$47,432 and your financial records and independent audit shows actual revenues of \$34,743.

Division of Audit Position:

We disagree with your position. The Department's record of payments indicates that in total for agreement OES-07-001 your agency was paid \$972,558, while your agency's records indicated \$968,324. There was an amendment to the agreement that was not taken into consideration in the original Examination Report. The amendment shifted some of the Alzheimer Respite dollars to other service areas. We have taken the amendment into consideration and accepted the agency's reported expense amounts as presented. The changes to the original Examination Report reduce the balance due to the Department \$6,076 to \$4,234.

3. Agency Position:

You state that for agreement OES-09-001, Money Manager Services, the balance due the Department in the amount of \$5,905 is incorrect because the Office of Elder Services had approved of a carryover of \$5,905 into agreement OES-10-001 for the purpose of the continuation of the Money Manager program.

Division of Audit Position:

We agree with your position. The Division was able to identify the carryover funds in the budget and pro forma of agreement OES-10-001.

4. Agency Position:

You state that for agreement OES-09-001, Adult Protective services, the balance due the Department in the amount of \$12,534 is incorrect. The Office of Elder Services had approved a carryover in the amount of \$12,534 and that your agency had expended the carryover in agreement OES-10-001.

Division of Audit Position:

We agree with your position. The budget and pro forma indicate the carryover from OES-09-001 to OES-10-001.

As a result of the Appeal we have reduced the balance due to the Department from \$38,833 to \$4,234.

Department Appeals, Resolutions and Sanctions:

Upon receipt of this appeal decision your agency has sixty (60) days to accept or continue your appeal. To continue at step b you must submit a written request to James D. Bivins, Director, Office of Administrative Hearings, Marquardt Building, 11 State House Station, Augusta, Maine 04333, identifying which decision(s) from the Appeal Decision you wish to continue to appeal. For complete appeal rights see *Notice of Appeal Rights of Community Agencies*.

If your Agency accepts this appeal decision, please submit a corrective action plan for all the non-compliance findings which have not been eliminated as a result of this appeal and make prompt payment of any balances due.

Please send your corrective action plan to: Social Services Unit, DHHS Financial Services - Audit at the above address. The corrective action plan should identify specific steps to be taken and the anticipated completion date. The plan should be signed by an appropriate manager or administrator. For your convenience, we have attached a hard copy of the corrective action plan form. An electronic copy of the corrective action plan form may be obtained on our website at www.maine.gov/dhhs/audit.

Please send your check for \$4,234, payable to the Treasurer, State of Maine, to Mary Garate, Accounting Technician, DHHS Service Center, Department of Administrative and Financial Services, 221 State Street, 11 State House Station, Augusta, Maine 04333.

If you have any questions, please do not hesitate to contact Anthony Madden, Audit Manager at 287-2834. Thank you.

Sincerely,



Herbert F. Downs
Director

cc:

Patricia Wall, DPS, DHHS
DHHS Receivables, DHHS Service Center, DAFS (payment report attached)
Davis, CPA

Department of Health and Human Services
 Division of Audit
 Revised Summary of Agreement Settlements and Close Out
 Aroostook Area Agency on Aging, Inc.
 For the Fiscal Year Ended June 30, 2007

Line Agreement Profile

1	Program	Nutrition	Social	Legal	Transportation	Computer	Adult	Public	RSVP	ALZ	Independent	
2	Program	G706097	G706097	G706097	G706097	G706097	G706097	G706097	G706097	G706097	Housing	
3	Encumbrance	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	OES-07-001	
4	Number	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	07/01/06	
5	From	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	
6	To	Final	Final	Final	Final	Final	Final	Final	Final	Final	Final	
7	Status	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	
7	Settlement	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	
8	Agreement Budget	403,034	202,886	13,103	17,924	7,839	110,308	21,825	14,340	113,451	63,614	968,324
9	Agreement Payments	403,034	202,886	13,278	16,667	8,921	110,308	21,825	14,340	117,685	63,614	972,558
10	Balance	-	-	(175)	1,257	(1,082)	-	-	-	(4,234)	-	(4,234)

Agreement Settlement

11	Opening Balance	-	-	-	-	-	-	-	-	-	-	-
12	Agreement Payments	403,034	202,886	13,278	16,667	8,921	110,308	21,825	14,340	117,685	63,614	972,558
13	Agreement Expenses	(391,153)	(190,677)	(13,213)	(16,537)	(5,766)	(95,713)	(21,716)	(13,347)	(95,528)	(60,045)	(903,695)
14	Balance	11,881	12,209	65	130	3,155	14,595	109	993	22,157	3,569	68,863

Agreement Close Out

15	Agreement Deficit	-	-	-	-	-	-	-	-	-	-	-
16	Carry Forward Balance	9,687	12,209	65	130	383	10,000	-	-	11,537	-	44,011
17	Due to DHHS-Federal	-	-	-	-	-	-	-	-	-	-	-
18	Due to DHHS-State	-	-	-	-	-	-	-	-	4,234	-	4,234
19	Due to (Agency)	-	-	-	-	-	-	-	-	-	-	-
20	Agreement Repayments	2,194	-	-	-	2,772	4,595	109	993	6,386	3,569	20,618
21	Total	11,881	12,209	65	130	3,155	14,595	109	993	22,157	3,569	68,863

Department of Health and Human Services
 Division of Audit
 Revised Summary of Agreement Settlements and Close Out
 Aroostook Area Agency on Aging, Inc.
 For the Fiscal Year Ended September 30, 2009

Line	Agreement Profile	Nutrition	Outreach	SHIP Counsel	Legal	Transportation	Computer Services	Adult Protective	Independent Housing	Money Manager
1	Program	20080909*1839	20080909*1839	20080909*1839	20080909*1839	20080909*1839	20080909*1839	20080909*1839	20080909*1839	20080909*1839
2	Program	OES-09-001	OES-09-001	OES-09-001	OES-09-001	OES-09-001	OES-09-001	OES-09-001	OES-09-001	OES-09-001
3	Number	10/01/08	10/01/08	10/01/08	10/01/08	10/01/08	10/01/08	10/01/08	10/01/08	10/01/08
4	From	09/30/09	09/30/09	09/30/09	09/30/09	09/30/09	09/30/09	09/30/09	09/30/09	09/30/09
5	To	Final	Final	Final	Final	Final	Final	Final	Final	Final
6	Status	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost
7	Settlement	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost
8	Agreement Budget	402,504	142,873	17,832	16,211	19,033	22,015	94,341	41,990	20,344
9	Agreement Payments	402,504	142,873	17,832	16,211	19,033	22,015	94,341	41,990	20,344
10	Balance	-	-	-	-	-	-	-	-	-
Agreement Settlement										
11	Opening Balance	-	-	-	-	-	-	-	-	-
12	Agreement Payments	402,504	142,873	17,832	16,211	19,033	22,015	94,341	41,990	20,344
13	Agreement Expenses	(375,154)	(131,762)	(17,832)	(16,261)	(20,748)	(22,015)	(81,807)	(41,990)	(11,978)
14	Balance	27,350	11,111	-	(50)	(1,715)	-	12,534	-	8,366
Agreement Close Out										
15	Agreement Deficit	-	-	-	(50)	(1,715)	-	-	-	-
16	Carry Forward Balance	27,350	11,111	-	-	-	-	12,534	-	8,366
17	Due to DHHS-Federal	-	-	-	-	-	-	-	-	-
18	Due to DHHS-State	-	-	-	-	-	-	-	-	-
19	Due to (Agency)	-	-	-	-	-	-	-	-	-
20	Agreement Repayments	-	-	-	-	-	-	-	-	-
21	Total	27,350	11,111	-	(50)	(1,715)	-	12,534	-	8,366

Department of Health and Human Services
Division of Audit
Revised Summary of Agreement Settlements and Close Out
Aroostook Area Agency on Aging, Inc.
For the Fiscal Year Ended September 30, 2009

Line	C-2									
	ALZ Respite 20080909*1839 OES-09-001 10/01/08 09/30/09 Final Cost	RSVP State 20080909*1839 OES-09-001 10/01/08 09/30/09 Final Cost	SMP Patrol 20080909*1839 OES-09-001 10/01/08 09/30/09 Final Cost	Family Caregiver 20080909*1839 OES-09-001 10/01/08 09/30/09 Final Cost	OES-09-001 Total	Alzheimer Diversion 20081229*3914 OES-09-806 10/1/2008 9/30/2009 Final Cost	Savvy Caregiver 20081229*3914 OES-09-806 10/1/2008 9/30/2009 Final Cost	Disaster Relief 20080529*17739 OES-08-060 5/22/2008 5/21/2009 Final Cost	Agency Total	
8	46,065	14,340	10,896	76,540	924,984	17,020	34,325	30,290	1,006,619	
9	46,065	14,340	10,896	76,540	924,984	17,020	34,325	32,814	1,009,143	
10	-	-	-	-	-	-	-	(2,524)	(2,524)	
Agreement Settlement										
11	-	-	-	-	-	-	-	-	-	-
12	46,065	14,340	10,896	76,540	924,984	17,020	34,325	32,814	1,009,143	
13	(42,137)	(14,340)	(10,896)	(72,613)	(859,533)	(17,020)	(26,562)	(17,497)	(920,612)	
14	3,928	-	-	3,927	65,451	-	7,763	15,317	88,531	
Agreement Close Out										
15	-	-	-	-	(1,765)	-	-	-	(1,765)	
16	-	-	-	3,537	62,898	-	7,763	-	70,661	
17	-	-	-	-	-	-	-	-	-	
18	-	-	-	-	-	-	-	-	-	
19	-	-	-	-	-	-	-	-	-	
20	3,928	-	-	390	4,318	-	-	15,317	19,635	
21	3,928	-	-	3,927	65,451	-	7,763	15,317	88,531	

Department of Health and Human Services
Division of Audit

NOTICE OF APPEAL RIGHTS OF COMMUNITY AGENCIES

MAAP SECTION .04 C. as amended December 7, 2006.

1. Appeals Procedures

Step a - Director of Audit

A Community Agency may appeal, in writing, the findings of an IPA audit or a Department examination within sixty (60) days after receiving the report from the Department. The appeal letter must identify the issues being appealed and include the specific supporting documentation. It must be addressed to the Director of the Office of Audit.

The Director or the Director's designee will initiate a review of the audit appeal and will, as needed, consult with program management responsible for the affected agreements, Agreement Administrators, and other applicable and appropriate staff. If, upon initial review, the Director, and any other parties involved, agree with the position of the Community Agency, the Director may proceed to issue a decision.

If the appeal is not resolved after the initial review, the Director or the Director's designee will convene an informal review meeting. The informal review meeting will involve the Office of Audit, the Community Agency, program management responsible for the affected agreements, Agreement Administrators, and other applicable and appropriate staff.

The Director or the Director's designee will issue a written decision on the appeal and the full basis of the decision to the Community Agency no later than sixty (60) days following the receipt of the appeal letter, unless both parties agree to a timed extension. The letter may be co-signed by other DHHS staff as applicable.

Step b - Office of Administrative Hearings

If the Community Agency wishes to proceed further in its appeal, it may appeal to the Office of Administrative Hearings within sixty (60) days of receiving the decision from the Director of the Office of Audit. The issue(s) on appeal will be limited to what was raised at the Step a appeal. The hearing will be a de novo Order of Reference appeal hearing. The Hearing Officer will issue a Recommended Decision with the Commissioner issuing a Final Decision.

Step c - Judicial appeal

The Commissioner's decision is the final Department appeals action. Any further appeal is to the Maine Superior Court pursuant to Maine Rules of Civil Procedure, Rule 80C and 5 M.R.S.A. §11001.