

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services
Financial Services - Audit
11 State House Station
Augusta, Maine 04333-0011
Tel. (207) 287-2403
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Appeal Decision

November 30, 2012

Stephen Letourneau, Chief Executive Officer
Catholic Charities
P.O. Box 10660
Portland, Maine 04104-6060

Re: Catholic Charities FY 2011

Dear Mr. Letourneau:

We are in receipt of your letter dated August 16, 2012 in which you appeal the Department Report of Catholic Charities for the fiscal year ended September 30, 2011 dated June 29, 2012.

Your agency is appealing Finding 2 and the balance due to the Department in the amount of \$208,200. Below are the Agency's and Division of Audit's (Division) positions specific to the areas of dispute.

1. Agency Position Finding 1:

You state that for agreement OMA-09-3001 expenses that were labeled Equipment on the SAOs, in fact were not equipment, but MIS related services that your agency had budgeted on line 27 "Technology Services/Software".

Division of Audit Position:

We agree with your position. We reviewed the additional information you submitted with your appeal and reviewed quarterly reports that indicated that they were not charges for equipment but technology services as you have stated. No further corrective action is necessary.

As a result of the Appeal we have reduced the balance due to the Department from \$208,200 to \$191,209.

Department Appeals, Resolutions and Sanctions:

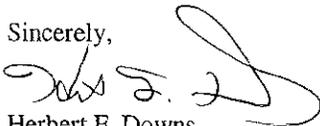
Upon receipt of this appeal decision your agency has sixty (60) days to accept or continue your appeal. To continue at step b you must submit a written request to James D. Bivins, Director, Office of Administrative Hearings, Marquardt Building, 11 State House Station, Augusta, Maine 04333, identifying 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 make prompt payment of any balances due.

Please send your check for \$191,209, 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

Mary Garate, Accounting Technician, DHHS Service Center, DAFS
Davis, CPA

NOTICE OF APPEAL RIGHTS OF COMMUNITY AGENCIES

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

I. 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.