



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued April 2, 2019

Massachusetts Office on Disability

For the period July 1, 2016 through June 30, 2018





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Mr. Jeffrey L. Dougan, Assistant Director for Community Services
Massachusetts Office on Disability
1 Ashburton Place, Room 1305
Boston, MA 02108

Dear Mr. Dougan:

I am pleased to provide this performance audit of the Massachusetts Office on Disability. This report details the audit objective, scope, and methodology for the audit period, July 1, 2016 through June 30, 2018. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Massachusetts Office on Disability for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written over a light blue circular watermark.

Suzanne M. Bump
Auditor of the Commonwealth

cc: Michael J. Heffernan, Secretary of the Executive Office for Administration and Finance

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LIST OF ABBREVIATIONS

ADA	Americans with Disabilities Act
CAP	Client Assistance Program
CSU	Client Services Unit
MMARS	Massachusetts Management Accounting and Reporting System
MOD	Massachusetts Office on Disability
OSA	Office of the State Auditor
PRC	Payment Request Document

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of the Massachusetts Office on Disability (MOD) for the period July 1, 2016 through June 30, 2018. In this performance audit, we examined whether MOD's administration of its municipal grants was consistent with applicable laws, regulations, contractual terms and conditions, and other guidance.

Our audit revealed no significant instances of noncompliance by MOD that must be reported under generally accepted government auditing standards.

OVERVIEW OF AUDITED ENTITY

The Massachusetts Office on Disability (MOD) is organized under Section 185 of Chapter 6 of the Massachusetts General Laws and operates under the direction and control of the Executive Office for Administration and Finance in accordance with Section 4G of Chapter 7 of the General Laws. MOD has a director, who is appointed by the Governor, and 12 staff members. It is located at 1 Ashburton Place in Boston. In fiscal year 2017, MOD received \$651,516 in state appropriations, \$445,198 in federal grants, and \$39,175 for the Americans with Disabilities Act (ADA) Trust Fund.¹ In fiscal year 2018, it received \$651,516 in state appropriations, \$462,367 in federal grants, and \$27,600 for the ADA Trust Fund. According to its website,

The Massachusetts Office on Disability (MOD) works to ensure the full and equal participation of all people with disabilities in all aspects of life by working to advance legal rights, maximum opportunities, supportive services, accommodations, and accessibility in a manner that fosters dignity and self-determination. . . .

MOD's mission is to ensure that people with disabilities of all ages living or working in the Commonwealth of Massachusetts have full and equal participation in all aspects of life.

The ADA requires that state and local governments (Title II entities) with 50 or more employees designate ADA coordinators to oversee efforts to comply with the ADA and to handle disability-based discrimination complaints. State Executive Order 526 designates MOD as Massachusetts's ADA coordinating agency for the executive branch of the state government. MOD responds to the needs of more than 16,000 people yearly through training, technical assistance, and its three major programs: the Client Services Unit (CSU), the Client Assistance Program (CAP), and the Community Services Program.

The CSU responds to approximately 3,000 requests per year. According to its annual report to the Governor,

The [CSU] is the first point of contact for individuals with disabilities, their family members, state agencies, municipalities, businesses, service providers and others [to] ask questions about a wide range of topics including disability laws, government benefits, services, and programs or to report concerns about disability related barriers to participation or discrimination.

1. This trust fund is federal money allocated to MOD to support training and technical assistance in administering the ADA.

The CAP responds to approximately 112 cases per year. It is funded by grants from the United States Department of Education's Rehabilitation Services Administration. According to MOD's annual report to the Governor,

CAP provides an unbiased source of information, referral, and advocacy services for people who are having difficulties obtaining vocational rehabilitation (VR) and independent living (IL) related services.

Finally, according to the same annual report,

The Community Services Program interacts with approximately 11,000 people per year to help ensure that people with disabilities know their rights and responsibilities and that state, local and private entities know how to comply with their non-discrimination obligations.

MOD is also the administrator of the state's Municipal Americans with Disabilities Act Improvement Grant Program, which began in May of fiscal year 2017. These grants support capital improvements dedicated to improving access for people with disabilities throughout the Commonwealth. Project and planning grants up to \$250,000 are awarded to cities and towns to improve access. MOD received authorization to spend \$1,000,000 in each of the fiscal years 2017 and 2018 from the state's Capital Investment Plan to support the Municipal Americans with Disabilities Act Improvement Grant Program. According to MOD officials, for fiscal year 2017, the agency's Grant Selection Committee approved \$995,000 in awards and disbursed \$927,730 to cities and towns throughout the Commonwealth. The balance of \$67,270 remained unspent as of the end of fiscal year 2017. For fiscal year 2018, the Grant Selection Committee approved \$978,198 in awards plus \$16,703 in funding for a part-time grant coordinator (for a total budget of \$994,901) and disbursed \$956,615 to cities and towns throughout the Commonwealth. The balance of \$21,583 for grant awards remained unspent as of the end of fiscal year 2018.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor (OSA) has conducted a performance audit of certain activities of the Massachusetts Office on Disability (MOD) for the period July 1, 2016 through June 30, 2018.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is our audit objective, indicating the question we intended our audit to answer and the conclusion we reached regarding the objective.

Objective	Conclusion
1. Does MOD properly administer its municipal grant program, including authorizing, recording, and monitoring?	Yes

To achieve our objective, we gained an understanding of the internal controls we deemed significant to the objective and evaluated the design and effectiveness of controls related to the awarding of municipal grants.

In addition, we performed the following procedures to obtain sufficient, appropriate audit evidence to address our audit objective.

We obtained from both MOD and the Massachusetts Management Accounting and Reporting System (MMARS) a list of the 53 Americans with Disabilities Act municipal grants MOD awarded during our audit period and selected a judgmental, nonstatistical sample of 10 for testing. We reviewed the original files for each of the 10 municipal grants for compliance with financial and programmatic requirements. Specifically, we determined whether MOD maintained communications with the grantee cities and towns to verify that progress was being made on projects for which grants were awarded and whether each municipality's final grant report was properly submitted to, and reviewed by, MOD management.

We reviewed the narrative submitted with each Payment Request Document (PRC)² to verify that each municipality met its stated goals. We also determined whether the grants were properly recorded in MMARS. Specifically, we reviewed the final PRCs to determine whether they included all supporting documentation, including subcontractor invoices, and were approved by both MOD's director and its assistant director of finance. Additionally, we verified that the invoices from the cities and towns were properly recorded on the PRCs and entered in MMARS. Finally, we verified that the approved grant contracts and invoice amounts for grant payments agreed with the transactions recorded in MMARS. We reconciled these grant payments with the Office of the Comptroller of the Commonwealth's CTHRU open records platform.³

In addition to the above, to verify that all cities and towns were notified of grant opportunities, we obtained a list of all 351 cities and towns in the Commonwealth and compared it to the lists of cities and towns to which MOD sent notifications via email or the United States Postal Service.

Our samples were judgmentally selected, and therefore we did not project the sample results to the total population.

Data Reliability

In 2018, OSA performed a data reliability assessment of MMARS focused on testing selected system controls (access controls, application controls, configuration management, contingency planning, and segregation of duties) for the period April 1, 2017 through March 31, 2018.

As part of our current audit, we verified that the cost data in the contracts reconciled to the data recorded in MMARS. We performed a data query from MMARS of all grant payments made by MOD to municipalities and verified that the cost data were consistent across data sources. In addition, we obtained the PRCs and verified that their associated payments agreed with the reports and that there were no duplicate transactions recorded in MMARS under the municipal grant capital account.

We determined that the program data supplied by MOD and the financial data in MMARS were sufficiently reliable for the purposes of our audit.

2. A PRC is the form state agencies use to make payments to vendors through MMARS for the purchase of goods and services.
3. CTHRU is a website maintained by the Office of the Comptroller of the Commonwealth to allow public access to state spending and payroll data.