DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 601 East 12th Street, Suite 355 Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

July 29, 2014

Scott Frank Legislative Post Auditor Legislature of Kansas Legislative Division of Post Audit 800 SW Jackson St., Suite 1200 Topeka, KS 66612



Dear Mr. Frank:

We are responding to your request on May 1, 2014, asking for a determination as to whether the community developmental disability organizations (CDDOs) practice of paying membership dues for lobbying services with commingled restricted and unrestricted moneys constitutes a violation of federal requirements.

We agree with your findings that based on the federal requirements identified in the federal Office of Management and Budget (OMB) circulars A-87 and A-122 as referenced in your report, the identified practice constitutes a violation of federal requirements.

If you have any questions about our decision, please contact Kevin Slaven at (816) 426-5925.

Sincerely

James G. Scott

Associate Regional Administrator

for Medicaid and Children's Health Operations

CC: Susan Mosier, MD, MBS, FACS Mike Randol, KDHE