



Troy CSD Corrective Action Plan - 23-24 Internal Audit Special Area Testing

Section	Finding	Recommendation From Auditor	District Response	Individual Responsible for Correction	Date Completed
Medicaid Eligibility	For one student, the parental consent form was missing. Services were provided, but due to the missing consent form, those service were unable to be billed.	It is recommended that the District review documentation of who exits the school and therefore doesn't receive services from the District so that their listing of eligible students is more accurate. It is also recommended that the District should routinely update their listing of eligible and ineligible students so that their records are regularly up-to-date and allow for better monitoring. This will give the District a better idea of which students can be billed for eligible services. It is recommended that the District review documentation for each eligible student before services are provided. If consent is not provided by the parent or not all signatures are present, then the services are not eligible to be billed. It is recommended that the District maintain all IEP documentation where it is easily able to be located and provided for review upon request. It is recommended that the District maintain documentation to explain why no related services were provided for eligible students so that their records are up-to-date. This will give the District a better idea of related services that could be provided and subsequently billed. It is recommended that the District maintain documentation and properly enter information relating to session notes so that they can properly bill for eligible related services and not miss the opportunity for additional revenue for the District.	The District will review the current policies.	Assistant Superintendent for Business/Treasurer/Medicaid Coordinator	6/30/2025
	For 13 students, per review of the pupil's personnel service meeting documentation, the students were determined to be ineligible for services; therefore, there was no IEP documentation, and no services				
	For four students, per review of the pupil's personnel service meeting documentation, no related services were performed; therefore, there				
	For one student, there was no IEP or pupil's personnel service meeting documentation was provided.				
	For 15 students, per review of the pupil's personnel service meeting documentation, the students were determined to be ineligible for services; therefore, no services were billed.				
	For one student, no IEP or pupil's personnel service meeting documentation was provided and no services were billed.				
	For one student, the District was unable to bill due to no session notes provided by school. It was noted that they contacted the service coordinator from Hillcrest on multiple occasions and was advised the therapists services notes are maintained, but do not contain the required data needed to qualify for reimbursement.				
	For one student, the District was unable to bill due to session notes not being entered in the related service log by the provider.				
	For one student, the parental consent form was missing; therefore, the District was unable to bill for services.				
	For one student, signatures were not completed in a timely manner, therefore, the District was unable to bill for services.				
	For one student, services that were provided had not been identified on the student's IEP, therefore, the District was unable to bill for the services provided.				



BUSINESS
ADVISORS
AND CPAS

January 24, 2025

Audit Committee
Enlarged City School District of Troy
475 First Street
Troy, NY 12180

We have completed the testing of the selected transaction cycles of the Enlarged City School District of Troy and are enclosing the attached report. The purpose of this engagement was to assist you in implementing the regulations imposed by the 2005 School Financial Oversight and Accountability legislation which requires annual testing and evaluation of at least one significant transaction area annually.

The attached report discloses the detailed procedures performed, the results of those procedures, and any resulting recommendations. The following areas were selected for testing:

- Medicaid Eligibility for Students for the 23/24 Fiscal Year

The purpose of our engagement was to assist the Board and management in achieving its responsibility to monitor financial reporting risk. It is ultimately the Board's responsibility to determine a response to our findings. However, our report does include suggestions of ways to respond to any findings.

The attached report is intended solely for the information and use of the Board of Education, Audit Committee, and management of the Enlarged City School District of Troy and should not be used for any other purpose.

We appreciate the opportunity to perform the Internal Audit Function for the District and look forward to continuing to serve the District. We should be viewed as a resource for the Board; please feel free to contact us at any time.

Sincerely,

A handwritten signature in black ink, appearing to be 'H. Lewis', followed by a horizontal line.

Heather R. Lewis, CPA
Partner

**ENLARGED CITY SCHOOL DISTRICT OF TROY
SCHEDULE OF FINDINGS
2023/2024 RESULTS OF SELECTED TESTING AREAS**

Medicaid Eligibility for Students

Background

Certain services are provided to students that are eligible for reimbursement by Medicaid. These services are provided to students who have an Individualized Education Program (IEP) in place. Due to the specific requirements relating to these services, the District wants to ensure that proper processes are in place for the District to be able to bill for services provided. During the fiscal year ended June 30, 2024, the District was reimbursed through Medicaid for services provided in the approximate amount of \$222,000.

General Procedures

Procedures:

Obtained a high-level understanding of the Medicaid eligibility process.

- a) The process for obtaining consent for students who are eligible for Medicaid services.
- b) The process for documenting and billing eligible services.

Our understanding:

A nurse within the District is responsible for obtaining parental consent forms, reviewing documentation, and submitting billing to Medicaid for reimbursement. During discussions with District management, they noted that obtaining the signed parental consent forms is sometimes challenging.

Conclusion:

As noted throughout our testing, there are processes in place for case notes and other required documentation to be collected, input, and maintained for billing purposes, however, as noted below, there are opportunities for improvement in the execution of these procedures.

Medicaid Eligibility for Students for the 23/24 Fiscal Year Detailed Testing

Procedures:

We obtained the listing of all students eligible for Medicaid services for the fiscal year ended June 30, 2024. From this report, we randomly selected and tested a sample of 50 eligible students. There were 220 students eligible for services during the fiscal year. The following procedures were performed for each of the 50 students selected for testing:

- a) For each student selected, viewed the District obtained parental consent evidenced by having the eligibility documentation signed by the student's parent.

Results:

- For one student, the parental consent form was missing. Services were provided, but due to the missing consent form, those service were unable to be billed.

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- b) For each student selected, match services provided to the IEP document.

Results:

- For 13 students, per review of the pupil's personnel service meeting documentation, the students were determined to be ineligible for services; therefore, there was no IEP documentation, and no services were performed.
- For four students, per review of the pupil's personnel service meeting documentation, no related services were performed; therefore, there was no IEP documentation.
- For one student, there was no IEP or pupil's personnel service meeting documentation was provided.

- c) For each student selected, determine if eligible services were billed.

Results:

- For 15 students, per review of the pupil's personnel service meeting documentation, the students were determined to be ineligible for services; therefore, no services were billed.
- For one student, no IEP or pupil's personnel service meeting documentation was provided and no services were billed.
- For one student, the District was unable to bill due to no session notes provided by school. It was noted that they contacted the service coordinator from Hillcrest on multiple occasions and was advised the therapists services notes are maintained, but do not contain the required data needed to qualify for reimbursement.
- For one student, the District was unable to bill due to session notes not being entered in the related service log by the provider.
- For one student, the parental consent form was missing; therefore, the District was unable to bill for services.
- For one student, signatures were not completed in a timely manner, therefore, the District was unable to bill for services.
- For one student, services that were provided had not been identified on the student's IEP, therefore, the District was unable to bill for the services provided.

Recommendations

In the area of Medicaid Eligibility:

It is recommended that the District review documentation of who exits the school and therefore doesn't receive services from the District so that their listing of eligible students is more accurate. It is also recommended that the District should routinely update their listing of eligible and ineligible students so that their records are regularly up-to-date and allow for better monitoring. This will give the District a better idea of which students can be billed for eligible services.

It is recommended that the District review documentation for each eligible student before services are provided. If consent is not provided by the parent or not all signatures are present, then the services are not eligible to be billed.

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It is recommended that the District maintain all IEP documentation where it is easily able to be located and provided for review upon request.

It is recommended that the District maintain documentation to explain why no related services were provided for eligible students so that their records are up-to-date. This will give the District a better idea of related services that could be provided and subsequently billed.

It is recommended that the District maintain documentation and properly enter information relating to session notes so that they can properly bill for eligible related services and not miss the opportunity for additional revenue for the District.