



Agreed-Upon Procedures  
June 30, 2023

Developmental Pathways, Inc.

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## Independent Accountant's Report

Matt Van Auken  
Chief Executive Officer Developmental Pathways, Inc.

Abe Laydon, Douglas County Commissioner  
Maureen Waller, Project Manager  
Douglas County, Colorado

Carrie Warren-Gully, Arapahoe County Commissioner  
Todd Weaver, Finance Director  
Arapahoe County, Colorado

We have performed the procedures enumerated below solely to assist you in reviewing the management and general, program, and board-designated expenses within the financial statements of Developmental Pathways for the year ended June 30, 2023 ("subject matter"). Developmental Pathways' management is responsible for the subject matter.

Management of Developmental Pathways, Inc. ("Developmental Pathways"), Douglas County, Colorado and Arapahoe County, Colorado (collectively, County), (hereinafter "you"), have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of reviewing the management and general, program, and board-designed expenses within the financial statements of Developmental Pathways for the year ended June 30, 2023 and we will report on findings based on the procedures performed. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. From Developmental Pathways, obtain the general ledger detail of “Management and General” expenses (as named in the audited financial statements) for Developmental Pathways for the year ended June 30, 2023 and compare the total from the general ledger to the amount reported in the audited financial statements. From this population, randomly select 25 transactions and:
  - a) Compare the charge to the underlying invoice or other supporting documentation,
  - b) Report to the County the description of the charge based upon the supporting documentation, so County can determine if the charge is for a valid business purpose.

#### Results:

We obtained the general ledger detail of “Management and General” expenses and agreed the total of the detail to the audited financial statements without exception. The detail provided was not specific to expenses paid by Douglas or Arapahoe Counties Mill Levy funding, as account coding for expenses in the general ledger detail was not specific to funding sources.

We randomly selected 25 transactions from the general ledger detail and obtained the underlying documentation for each transaction. The description of the charge and the underlying documentation reviewed is shown in Appendix A.

2. From Developmental Pathways, obtain the general ledger detail for the following program salary and benefit expenses to support wrap-around care paid for by County Mill Levy Funds during the year ended June 30, 2023:
  - Case Management
  - Early Intervention

Compare the totals from the general ledger detail to the amounts reported in the audited financial statements. From this population, randomly select 25 transactions and:

- a) Compare the charge to the underlying invoice or other supporting documentation,
- b) Report to the County the description of the charge based upon the supporting documentation, so County can determine if the charge:
  - i. Was for a valid business purpose,
  - ii. Was for services provided to County residents.

#### Results:

We obtained the general ledger detail of program salary and benefit expenses for Case Management and Early Intervention and agreed the total of the detail to the audited financial statements without exception. Early Intervention expenses were included with Support Services on the financial statements. The detail provided was not specific to expenses paid by Douglas and Arapahoe Counties Mill Levy funding, as account coding for expenses in the general ledger detail was not specific to funding sources.

We randomly selected 25 transactions from the general ledger detail and obtained the underlying documentation for each transaction. The description of the charge and the underlying documentation reviewed is shown in Appendix B.

3. From Developmental Pathways, obtain the general ledger detail for the Community Outreach Program and Community Engagement Board-Designated Fund program expenses paid for by current and historical County Mill Levy Funds during the year ended June 30, 2023.

Compare the totals from the general ledger to the amounts reported in the audited financial statements. From this population, randomly select 25 transactions and:

- a) Compare the charge to the underlying invoice or other supporting documentation,
- b) Report to the County the description of the charge based upon the supporting documentation, so County can determine if the charge:
  - iii. Was for a valid business purpose,
  - iv. Was for services provided to County residents.

#### Results:

We obtained the general ledger detail of the Community Outreach Program and Community Engagement Board-designated Fund program expenses and agreed the total of the detail to the Footnote 10 of the audited financial statements without exceptions. In addition, the detail provided was not specific to expenses paid by County Mill Levy funding, as account coding for expenses in the general ledger detail was not specific to funding sources.

We randomly selected 25 transactions from the general ledger detail and obtained the underlying documentation for each transaction. The description of the charge and the underlying documentation reviewed is shown in Appendix C.

4. From Developmental Pathways, obtain the calculation of the percentage of administrative expenses to total revenue for the year ended June 30, 2023, and:
  - a) Trace the amounts used in the calculation to the general ledger detail,
  - b) Recalculate the percentage of administrative expenses to total revenue so County can determine if its requirement for the percentage of administrative expenses to total revenue based on the intergovernmental agreement between Developmental Pathways and County was met.

## Results:

The percentage of administrative expenses to total revenue was calculated based on the audited financial statements of Developmental Pathways for the year ended June 30, 2023 using the "Management and General" line as administrative expenses and "Total revenue, support and gains" as total revenue. The calculation reflects a percentage of administrative expenses to total revenue under two scenarios: net administrative expenses reduced by depreciation and amortization expense, which is considered a "non-spending" cost, and gross administrative expenses without the corresponding reduction. The ratios are recalculated as follows:

Administrative expenses	\$ 7,241,331
Less: Depreciation and amortization expense	<u>(64,551)</u>
Net administrative expenses	<u>7,176,780</u>
Total revenue	<u>\$ 52,434,875</u>
Net administrative expenses as a percentage of total revenue	<u>13.69%</u>
Gross administrative expenses as a percentage of total revenue	<u>13.81%</u>

We were engaged by Developmental Pathways and the County to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the subject matter. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Developmental Pathways and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Developmental Pathways, Inc., Douglas County, Colorado, and Arapahoe County, Colorado, and is not intended to be and should not be used by anyone other than these specified parties.



Denver, Colorado  
February 22, 2024

Developmental Pathways, Inc.  
Appendix A – Management and General Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
1	Nonprofit Management Services of Colorado	\$1,243.38	7/8/2022	Taxes & Fringe Benefits-Executive Management	DP general ledger entry OEG81 from 7/8/2022.
2	Staples	\$194.77	7/29/2022	Supplies - Office-Jewell Building	Staples Invoice #3513994872 due 8/29/2022 for various office supplies.
3	DP - Taxes and Benefit Expenses	\$18.84	7/31/2022	Taxes & Fringe Benefits-Human Resources-Jewell Allocation	Journal entry #2577291 from 7/31/2022 to allocate salaries for janitorial services provided.
4	Verizon Wireless	\$242.08	5/25/2023	Telephone-Learning and Org. Development	Verizon Invoice #9934746873 due 6/4/2023 for telephone equipment.
5	Mountain States Employers	\$1,100.00	4/30/2023	Prof Services - Legal-Human Resources	Employers Council (DBA Mountain States Employers) invoice #415454 for membership dues. Provides HR resources and trainings.
6	Open Sesame, Inc.	\$866.66	7/31/2022	Software and IT Equipment-Information Technology	Invoice #S1-13148 on 2/4/2022 for annual enrollment for on demand online learning services.
7	Paycom Payroll	\$170.65	3/21/2023	Prof Services - Accounting-Human Resources	Paycom Payroll statement #DD4E22981 for period ending 3/20/2023.
8	Quintessential Coaching and Counseling	\$1,000.00	10/13/2022	Prof Services - Other-Executive Management	Quintessential Coaching and Counseling Invoice #113 dated 9/23/2022.
9	DP - Salary Expense	\$25,839.95	3/31/2023	Salary Expense-Executive Management	DP Payroll Distributed Summary Report #FCC4A17FD for period ending 3/24/2023.
10	iland Internet Solutions	\$920.54	2/9/2023	Software and IT Equipment-Information Technology	iland Internet Solutions Invoice #INV-110901 dated 1/28/2023 for set up fee and cloud backup services.
11	Elan Corporate Payment Systems	\$14.03	6/30/2023	Software and IT Equipment-Information Technology	Statement dated 6/16/2023 listing a purchase from Adobe.
12	DP - Telephone Expense	\$47.64	8/31/2022	Telephone-Communications	DP entry #003-082022 to reclassify phone expenses between cost centers.
13	DP - Depreciation Expense	\$133.08	3/31/2023	Depreciation - Excl Vehicles-Communications-Jewell Allocation	DP general ledger entry #DPALLOC1 dated 3/31/2023 to depreciate vehicles.

Developmental Pathways, Inc.  
Appendix A – Management and General Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
14	DP - Hourly Expense	\$107.36	5/31/2023	Hourly Expense-Human Resources-Jewell Allocation	DP general ledger entry #DPALLOC1 dated 5/31/2023 to record hourly expenses.
15	DP- Taxes and Benefits Expense	\$31.61	10/31/2022	Taxes & Fringe Benefits-Human Resources-Jewell Allocation	DP general ledger entry #DPALLOC1 dated 10/31/2022 to record tax and benefits.
16	DP - Telephone Expense	\$13.51	4/30/2023	Telephone-Communications-IT Allocation	DP general ledger entry #DPALLOC1 dated 4/30/2023 to record telephone costs.
17	DP - Taxes and Benefit Expenses	\$2,156.24	8/5/2022	Taxes & Fringe Benefits-Administrative Supports	DP Payroll Distributed Summary Report Transaction #28741095C for period ending 7/29/2022.
18	DP - Telephone Expense	\$22.37	10/31/2022	Telephone-Information Technology-IT Allocation	DP general ledger entry #DPALLOC1 dated 10/31/2022 to allocate telephone services.
19	DP - Depreciation Expense	\$91.55	2/28/2023	Depreciation Expense (Excl Vehic)	DP fixed asset posting journal entry #FATRX00000192 to record depreciation expense.
20	Elan Corporate Payment Systems	\$33.99	9/30/2022	Software and IT Equipment-Learning & Org. Development	Statement dated 9/16/2022 related to Adobe Captivate.
21	DP - Salary Expense	\$8,582.74	7/8/2022	Salary Expense-Executive Management	DP Payroll Distributed Summary Report #891B37BC3 for period ending 7/1/2022.
22	Verizon Wireless	\$391.69	8/25/2022	Telephone-Administrative Supports	Verizon Invoice #9913326823 due 9/4/2022 for services.
23	DP - Supplies Expense	\$25.90	5/31/2023	Supplies - Office-Communications-Jewell Allocation	DP general ledger entry #DPALLOC1 dated 6/8/2023 to record purchase of supplies.
24	DP - Hourly Expense	\$12,701.28	4/14/2023	Hourly Expense-Information Technology	DP Payroll Distributed Summary Report Transaction #8D98153009 for period ending 4/7/2023.
25	Verizon Wireless	\$241.88	12/22/2022	Telephone-Communications	Verizon Invoice #9922801826 due 1/04/2023 for monthly phone charges.



Developmental Pathways, Inc.  
Appendix B – Program Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
1	Employee #1	\$2,106.40	9/2/2022	Earnings - Regular	Earnings Statement from 8/13/2022 through 8/26/2022 and the related check copy for net pay.
2	Employee #1	\$39.50	9/2/2022	Earnings - Overtime	Earnings Statement from 8/13/2022 through 8/26/2022 and the related check copy for net pay.
3	Employee #1	\$25.75	9/2/2022	Employee Benefits, Allowances, & Other - Fringe Calculation	Earnings Statement from 8/13/2022 through 8/26/2022 and the related check copy for net pay.
4	Employee #2	\$1,896.87	9/30/2022	Earnings - Regular	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
5	Employee #2	\$238.60	9/30/2022	Earnings - Holiday	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
6	Employee #2	\$27.51	9/30/2022	Employee Benefits, Allowances, & Other - Employer Medicare	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
7	Employee #3	\$1,697.60	9/30/2022	Earnings - Regular	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
8	Employee #3	\$20.56	9/30/2022	Employee Benefits, Allowances, & Other - Fringe Calculation	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
9	Employee #3	\$68.54	9/30/2022	Employee Benefits, Allowances, & Other - 401K EE % - Match	Earnings Statement from 9/17/2022 through 9/30/2022 and the related check copy for net pay.
10	Employee #4	\$1,265.00	1/20/2023	Earnings - Regular	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.
11	Employee #4	\$230.00	1/20/2023	Earnings - Holiday	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.
12	Employee #4	\$239.46	1/20/2023	Employee Benefits, Allowances, & Other - Employer Paid Medical	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.
13	Employee #5	\$1,699.18	1/20/2023	Earnings - Regular	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.

Developmental Pathways, Inc.  
Appendix B – Program Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
14	Employee #5	\$566.39	1/20/2023	Earnings - Paid Time Off	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.
15	Employee #5	\$239.46	1/20/2023	Employee Benefits, Allowances, & Other - 401K EE % - Match	Earnings Statement from 12/31/2022 through 1/13/2023 and the related check copy for net pay.
16	Employee #6	\$1,840.00	4/28/2023	Earnings - Regular	Earnings Statement from 4/15/2023 through 4/28/2023 and the related check copy for net pay.
17	Employee #6	\$60.00	4/28/2023	Earnings - Remote Stipend	Earnings Statement from 4/15/2023 through 4/28/2023 and the related check copy for net pay.
18	Employee #6	\$117.80	4/28/2023	W/H Taxes - Social Security	Earnings Statement from 4/15/2023 through 4/28/2023 and the related check copy for net pay.
19	Employee #7	\$1,525.20	4/14/2023	Earnings - Regular	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
20	Employee #7	\$239.46	4/14/2023	Employee Benefits, Allowances, & Other - Employer Paid Medical	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
21	Employee #7	\$81.34	4/14/2023	Employee Benefits, Allowances, & Other - 401K EE % - Match	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
22	Employee #8	\$2,373.46	4/14/2023	Earnings - Regular	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
23	Employee #8	\$94.94	4/14/2023	Employee Benefits, Allowances, & Other - 401K EE % - Match	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
24	Employee #8	\$221.94	4/14/2023	Employee Benefits, Allowances, & Other - Employer Paid Medical	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.
25	Employee #8	\$28.48	4/14/2023	Employee Benefits, Allowances, & Other - Fringe Calculation	Earnings Statement from 3/25/2023 through 4/7/2023 and the related check copy for net pay.

Developmental Pathways, Inc.  
Appendix C – Board-Designated Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
1	PEAK Parent Center, Inc	\$350.00	3/9/2023	Distributions-Initiative - Community Engagement-Douglas County	Invoice #4972 dated 2/27/2023 for sponsorship of community conference on inclusive education.
2	DP - Telephone Expense	\$20.60	10/31/2022	Telephone-Initiative - Community Engagement-IT Allocation	DP GL Batch ID: DPALLOC1 dated 10/31/2022 to record communication expenses.
3	More Maitri, Inc	\$4,704.00	11/30/2022	Provider Grants-Initiative - Community Engagement-Douglas County	Grant #: PFGY23224 dated 11/23/2023.
4	Colorado Statewide Parent Coalition	\$900.00	6/29/2023	Distributions-Initiative - Community Engagement-Arapahoe County	Invoice #1091 dated 5/22/2023 for conference sponsorship.
5	DP- Software and IT Expense	\$300.00	10/31/2022	Software and IT Equipment-Initiative - Community Engagement	Statement dated 10/17/2022 showing purchase from Piktochartpaddle.com
6	DP - Tax and Benefit Expense	\$4,068.46	7/31/2022	Accrued Taxes and Fringe Bene-Initiative - Community Engagement	DP general ledger Batch ID; PRACCRUAL dated 7/31/2022 to record accrued taxes and fringe benefits.
7	Trumpet Behavioral Health	\$2,965.25	6/1/2023	Provider Grants-Initiative - Community Engagement-Arapahoe County	DP GL Batch ID: 003-062023 dated 6/1/2023 to record provider grants.
8	Mountain Lane Home Care	\$516.00	8/31/2022	Distributions-Initiative - Community Engagement-Arapahoe County	Invoice #08232022 dated 8/23/2023 for sponsorship of community event.
9	Autism Community Store	\$660.00	6/29/2023	Distributions-Initiative - Community Engagement-Douglas County	Invoice #2023-519 dated 6/15/2023 for sponsorship of community July 4th event.
10	DP - Travel, Meals & Mileage Expense	\$146.28	10/28/2022	Staff Travel, Meals & Mileage-Initiative - Capacity Building	DP Payroll Distributed Summary Report #12E60A91B for period ending 10/21/2022.
11	DP - Software and IT Expense	\$1,103.68	11/30/2022	Software and IT Equipment-Initiative - Capacity Building	DP GL Batch ID: DPALLOC1 dated 11/30/2022 to record software and IT equipment.
12	DP - Software and IT Expense	\$1,084.82	1/31/2023	Software and IT Equipment-Initiative - Capacity Building	DP GL Batch ID: DPALLOC1 dated 1/31/2023 to record for software and IT equipment.
13	DP - Hourly Expense	\$8,152.69	12/23/2022	Hourly Expense-Initiative - Capacity Building	DP Payroll Distributed Summary Report #E4B7A08DA for period ending 12/16/2022.

Appendix C – Board-Designated Expenditures Testing  
June 30, 2023

#	Payee	Amount	Date	Transaction Description	Description of Supporting Documentation Reviewed
14	DP - Tax and Benefit Expense	\$28.45	2/28/2023	Taxes & Fringe Benefits-Initiative - Community Engagement	DP GL Batch ID: DPALLOC1 dated 2/28/2023 to record tax and fringe benefits.
15	Straka Speech Castle Rock	\$3,000.00	8/10/2022	Distributions-Initiative - Community Engagement-Arapahoe County	Invoice #08022022 dated 8/2/2022 for sponsorship of community event.
16	DP - Tax and Benefit Expense	\$5,963.84	2/3/2023	Taxes & Fringe Benefits-Initiative - Community Engagement	DP Payroll Distributed Summary Report #3817F06E8 for period ending 2/3/2023.
17	DP - Hourly Expense	\$91.13	11/30/2022	Hourly Expense-Initiative - Community Engagement-Jewell Allocation	DP GL Batch ID: DPALLOC1 dated 11/30/2022 to record for hourly expenses.
18	DP - Tax and Benefit Expense	\$2,400.00	1/5/2023	Taxes & Fringe Benefits-Initiative - Capacity Building	DP GL Batch ID: CMTRX00008496 dated 1/5/2023 to record tax and fringe benefits.
19	Verizon Wireless	\$101.44	10/27/2022	Telephone-Initiative - Capacity Building	Invoice #9918037294 due 11/4/2022 for telephone services.
20	Case Worthy, Inc	\$5,775.00	10/27/2022	Prof Services - Other-Initiative - Capacity Building	Invoice #CW-0305 dated 10/19/2022 for professional services.
21	DP - Salary Expense	\$28,701.71	8/19/2022	Salary Expense-Initiative - Capacity Building	DP Payroll Distributed Summary Report #E9F5734E8 for period ending 8/12/2022.
22	DP - Professional Services Expense	\$12.77	2/28/2023	Prof Services - Other-Initiative - Capacity Building	DP GL Batch ID: DPALLOC1 dated 2/28/2023 to record for professional services.
23	DP - Salary Expense	\$18,099.70	9/30/2022	Salary Expense-Initiative - Community Engagement	DP Payroll Distributed Summary Report #E8793E83C for period ending 9/30/2022.
24	DP - Telephone Expense	\$28.45	4/30/2023	Telephone-Initiative - Capacity Building-IT Allocation	DP GL Batch ID: DPALLOC1 dated 4/30/2023 to record telephone services.
25	Case Worthy, Inc	\$4,610.62	8/31/2022	Software and IT Equipment-Initiative - Capacity Building	Invoice #CW-0065 dated 9/12/2022 for fees, licenses, support, and maintenance.