



Dave Yost • Auditor of State

HIGHLAND COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

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Independent Auditor's Report on Applying Agreed-Upon Procedures

Halina Schroeder, Audit Chief
Division of Fiscal Administration, Audit Office
Ohio Department of Developmental Disabilities
30 E. Broad Street, 13th Floor
Columbus, Ohio 43215

Dear Ms. Schroeder:

As permitted by Ohio Rev. Code § 5123.05 and as required by the *Application for a § 1915(c) Home and Community Based Services Waiver*, Appendix I-2(c), the Auditor of State's Office performed the procedures enumerated below, to which the Ohio Department of Developmental Disabilities (DODD) agreed. The purpose is to assist you in evaluating whether the Highland County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2010 and 2011 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2010 and 2011 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*), and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The Auditor of State, under the same authority noted above, also performed the Acuity Testing procedures below for the 2008, 2009, 2010, and 2011 Cost Reports.

Statistics – Square Footage

1. DODD requested us to tour the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle space and, if final 2009 square footage totals are the same as 2010 and 2011 Cost Reports and no significant changes in the floor plan have occurred, to perform no additional procedures.

We toured the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle floor space.

We found no unreported rented or idle floor space.

We also compared 2010 and 2011 square footage totals to final 2009 square footage totals and discussed square footage changes with the County Board. The County Board stated that the final 2009 square footage reflects the correct square footage usage by program in 2010 and 2011.

However, as part of our final scan of the Cost Reports we found that the final 2009 square footage totals included square footage for Speech/Audiology and Physical Therapy and the County Board reported no costs for these programs in 2010 or 2011. Since no program service was provided, we reclassified this square footage as non-reimbursable (child).

In addition, during our testing of expenditures we noted reclassifications to allocate costs to the enclave and community employment programs; however, the final 2009 square footage totals did not include square footage for these programs. We obtained the County Board's input on the square footage that should be allocated to enclave and community employment.

We reported variances in Appendix A (2010) and Appendix B (2011).

2. DODD requested us to report variances if the County Board's square footage for three rooms varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage*. DODD asked us to measure three rooms and compared the square footage to the County Board's square footage summary.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 cost report through 2010 and 2011 except for those noted in procedure 1 above.

3. DODD requested us to report variances if the County Board's square footage for one floor plan varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage*.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 cost report through 2010 and 2011 except those noted in procedure 1 above.

4. DODD requested us to report variances if the County Board's square footage summary varied by more than 10 percent when comparing the County Board's summary to the Cost Report for any cell within *Schedule B-1, Section A, Square Footage*.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 cost report through 2010 and 2011 except for those noted in procedure 1 above.

5. We obtained the County Board's methodology for allocating square footage between programs and reviewed the methodology to ensure that square footage for areas shared by more than one type of service is allocated by program based on reported usage of the area in accordance with the Cost Report Guides.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 cost report through 2010 and 2011 except for those noted in procedure 1 above.

Statistics – Attendance

1. We reviewed the Cost Reports to determine if individuals served or units of service were omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which result in unassigned program or general expenses-all program costs.

We determined that the number of meals served for *Worksheet 4, Dietary Services* in 2011 needed to be obtained as costs in column (X), General Expenses-All Programs were not being assigned to column (E), Facility Based Services and the number of meals reported in column (B) Pre-School and (C) School Age were incorrect.

We reported the revised statistics in Appendix B (2011).

2. DODD asked us to compare the County Board's final 2009 typical hours of service reported on *Schedule B-1, Section B, Attendance statistics* to the typical hours of service reported on *Schedule B-1* for 2010 and 2011 and, if the hours are the same, to do no additional procedures.

We compared the final 2009 typical hours of service to the typical hours of service reported on *Schedule B-1* for 2010 and 2011.

We found no differences; however, we found the County Board provided enclave services (see procedure 3 below) and we obtained the County Board's supporting documentation for typical hours of enclave service and reported these variances in Appendix A (2010) and Appendix B (2011).

3. DODD requested us to report variances if the County Board's attendance statistics were not within two percent of the attendance statistics reported.

We compared the County Board's Attendance by Acuity, Daily Inputs Detail by Activity Code, and Units Provided Detail reports for the number of individuals served, days of attendance, and 15 minute units with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and Community Employment on *Schedule B-1* and determined if the statistics were reported in accordance with the Cost Report Guides. We also footed the County Board's reports on attendance statistics for accuracy.

We found variances exceeding two percent as reported in Appendix A (2010) and Appendix B (2011).

4. DODD requested us to report variances if the County Board's number of individuals served varied by more than 10 percent when comparing to the prior period's attendance statistics on *Schedule B-1, Section B, Attendance Statistics*.

We compared the County Board's final 2009 number of individuals served to the final individuals served for Day Habilitation/Adult Day Services/Vocational Habilitation, and Enclave for 2010 and the final 2010 individuals served to the final individuals served for 2011 on *Schedule B-1* and determined if the variances were over 10 percent.

The number of reported individuals served changed more than 10 percent from the prior year's *Schedule B-1* for Facility Based Services and Enclave services and as a result we performed procedure 5 below.

5. DODD requested us to report variances if the individuals served on *Schedule B-1, Section B, Attendance Statistics* were not within three of the individuals documented on the attendance sheets.

We haphazardly selected 15 individual names from the County Board's attendance sheets for 2010 and 15 for 2011, and compared the individuals by name to the compiled listing of individuals served by program documentation which rolls up to *Schedule B-1, Section B, Attendance Statistics*.

We found no differences exceeding three individuals for Facility Based Services. We found differences as reported for Enclave services and obtained an additional Enclave Daily Inputs Detail by Activity Code report which was used for testing under procedure 3 above.

6. DODD requested us to report variances to *Schedule B-1, Section B, Attendance Statistics* if more than three of the 15 minute community employment units tested were not calculated in accordance with the Cost Report Guides.

We haphazardly selected 15 units from 2010 and 15 units from 2011 from the County Board's detailed Community Employment units report and determined if the units were calculated in accordance with the Cost Report Guides.

We found no differences.

Acuity Testing

1. DODD requested us to report variances if days of attendance on the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009, 2010, and 2011 did not agree to the County Board's supporting documentation.

We compared the County Board's Attendance Acuity reports for the days of attendance for Day Habilitation/Adult Day Services/ Vocational Habilitation and Enclave with the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009, 2010, and 2011.

For 2008, we found the following acuity variances:

- 4,193 Adult Day Services attendance days should be removed from acuity level A-1;
- 1,514 Adult Day Services attendance days should be removed from acuity level A;
- 1,448 Adult Day Services attendance days should be removed from acuity level B; and
- 4,716 Adult Day Services attendance days should be removed from acuity level C.

For 2009, we found the following acuity variances:

- 3,650 Adult Day Services attendance days should be added to acuity level A-1;
- 7,296 Adult Day Services attendance days should be removed from acuity level A;
- 1,379 Adult Day Services attendance days should be removed from acuity level B; and
- 4,189 Adult Day Services attendance days should be removed from acuity level C.

For 2010, we found 454 Enclave attendance days should be added to acuity level A-1 and 730 Enclave attendance days should be added to acuity level A.

For 2011, we found the following acuity variances:

- 292 Adult Day Services attendance days should be removed from acuity level A-1;
- 664 Adult Day Services attendance days should be added to acuity level A;
- 302 Adult Day Services attendance days should be added to acuity level B;
- 54 Adult Day Services attendance days should be added to acuity level C.
- 266 Enclave attendance days should be added to acuity level A-1; and
- 812 Enclave attendance days should be added to acuity level A.

2. We also compared two individuals from each acuity level on the County Board's 2008, 2009, 2010, and 2011 Attendance by Acuity reports to the Acuity Assessment Instrument or other documentation for each individual for 2008, 2009, 2010, and 2011.

For 2008 and 2009, the County Board did not find any acuity assessment instruments or equivalent document to support the acuity levels for any individuals selected.

For 2010, we found the following acuity variances:

- 17 Adult Day Service attendance days should be reclassified from acuity level A-1 to A;
- 155 Adult Day Service attendance days should be reclassified from acuity level C to A; and
- 41 Enclave attendance days should be reclassified from acuity level A-1 to A;

For 2010, we also noted the County Board did not find any acuity assessment instruments or equivalent document to support the acuity levels for four individuals selected.

For 2011, we found 13 Adult Day Service attendance days should be reclassified from acuity level A to C. We also noted the County Board did not find any acuity assessment instruments or equivalent document to support the acuity levels for seven individuals selected.

We reported the differences from both procedure 1 and 2 on the revised Days of Attendance by Acuity supplemental Cost Report worksheet for 2009, 2010 and 2011 and submitted to DODD.

Recommendation:

We recommend the County Board maintain all attendance acuity documentation for days of attendance by acuity and all Acuity Assessment Instruments or equivalent documents in accordance with section *Audit and Records Retention Requirements* of the Cost Report Guides.

The County Board stated it will implement auditing processes in accordance with the Audit and Records Retention Requirements of the Cost Report Guides as well as retain and maintain all acuity attendance documentation and acuity assessment instruments.

Statistics – Transportation

1. DODD requested us to report variances if the County Board's transportation units were not within two percent of total units reported on each line of *Schedule B-3 Quarterly Summary of Transportation Services*.

We compared the number of one-way trips from the County Board's quarterly Transportation By Age Group reports with those statistics as reported in *Schedule B-3*. We also footed the County Board's quarterly transportation reports for accuracy.

We found differences as reported in Appendix A (2010) and Appendix B (2011). In addition, in 2011, we found field trips were included and billed in error (see Paid Claims Testing section). We reported variance to remove fieldtrips from total trips in Appendix B (2011).

2. DODD requested us to report variances of more than 10 percent of the total trips taken for five individuals for both 2010 and 2011, between the County Board's internal documentation versus the amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We traced the number of trips for five individuals (including one child) for January 2010 and January 2011 from the County Board's daily reporting documentation to *Schedule B-3*.

We found no differences exceeding 10 percent for 2010. We found no differences for 2011.

3. DODD requested us to report variances if the County Board's cost of bus tokens/cabs was not within two percent of the total amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We did not perform this procedure as the County Board did not report the cost of bus tokens, cabs on *Schedule B-3* for 2010 and 2011. However, we did review the County Board's State Expenses Detailed Reports for any of these costs not identified by the County Board. We found no unreported transportation costs for bus tokens or cabs.

Statistics – Service and Support Administration (SSA)

1. DODD requested us to report variances if the County Board's SSA units were not within two percent of total units reported on each line of *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*.

We compared the number of SSA units (Targeted Case Management (TCM), Other SSA Allowable, Home Choice, and SSA Unallowable) from the County Board's 2010 TCM Units and Detailed Units Marked Non-Billable reports and 2011 TCM Units and TCM Allowable/Unallowable Detail and Summary reports with those statistics reported in *Schedule B-4*. We also footed the County Board's SSA reports for accuracy.

We found differences as reported in Appendix A (2010) and Appendix B (2011).

2. DODD requested us to report variances if the Other SSA Allowable units tested had an error rate exceeding 10 percent.

We haphazardly selected two samples of 60 Other SSA Allowable units for both 2010 and 2011 from the 2010 Unit Entry by Date Span reports and the 2011 Unit Entry by Date Span and TCM Allowable/Unallowable Detail Reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error exceeded 10 percent of our Other SSA Allowable services sample for 2010 and we reported these differences in Appendix A (2010). The units found to be in error did not exceed 10 percent of our sample in 2011.

3. DODD requested us to report variances if the SSA Unallowable units tested had an error rate exceeding 10 percent.

We haphazardly selected a sample of 60 SSA Unallowable service units for both 2010 and 2011 from the 2010 Unit Entry by Date Span reports and the 2011 Unit Entry by Date Span and TCM Allowable/Unallowable Detail Reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error exceeded 10 percent of our SSA Unallowable services sample for 2010 and we reported these differences in Appendix A (2010). We found no errors in 2011.

4. DODD requested us to report decreases exceeding five percent in total SSA units by line on *Schedule B-4* when compared to the prior year's final Cost Report.

We compared the final 2009 SSA units to the final 2010 SSA units and compared the final 2010 SSA units to the final 2011 SSA units.

The final 2010 Other SSA Allowable and 2010 and 2011 SSA Unallowable units decreased by more than five percent from the prior year's *Schedule B-4* and we obtained the County Board's explanation that more individuals were Medicaid eligible in 2010 and that other County Board staff began assuming some of the unallowable activities in 2010.

5. DODD requested us to determine if the County Board maintained case note documentation for non-individual specific activities (general time units) as described in *Worksheet 9, Service and Support Administration Costs* of the Cost Report Guides. If the County Board did record general time units and they accounted for over 10 percent of total SSA units on the final *Schedule B-4* plus any general time units recorded, DODD requested us to determine if they were properly classified and report any variances with an error rate exceeding 10 percent and indicated a systemic issue.

We haphazardly selected a sample of 60 General Time Units for both 2010 and 2011 from the Non-Billable SSA Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D) or in *Worksheet 9, Service and Support Administration Costs*, Section 1(b) of the Cost Report Guides.

The units found to be in error did not exceed 10 percent of our sample for 2010. The units found to be in error exceeded 10 percent of our general time sample for 2011 as reported in Appendix B (2011).

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the 12/31/2010 and 12/31/2011 county auditor's Receipt Report for the Board of Developmental Disabilities (S00), Community Residential (S05), Sustainability (S08), Severance Benefit (S39), Permanent Improvement (N00), Storage Building (N20), Construction Debt Retirement (O09), Help Me Grow (S26), Board of Developmental Disabilities - Help Me Grow (S28) funds to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found differences as reported in Appendix A (2010). We found no differences in 2011.

2. DODD asked us to determine whether total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total receipts for these funds.

Total County Board receipts were not within 1/4 percent of the county auditor's yearly receipts in 2010 as the county auditor reports exceeded the County Board receipts by \$157,094 and we reported differences in Appendix A (2010). See also procedure 1 above. Total County Board receipts were within 1/4 percent of the county auditor's yearly receipts totals in 2011.

3. DODD asked us to compare the account description and amount for each revenue reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's State Account Code Detail Reports and other supporting documentation.

We did not perform this procedure since total County Board receipts were within 1/4 percent of the county auditor's yearly receipt totals after the corresponding adjustment described in procedure 2 above was made.

4. We compared revenue entries on *Schedule C, Income Report* to the Southern Ohio Council of Governments (COG) prepared County Board Summary Workbooks.

We found no differences in 2010. We found differences as reported in Appendix B (2011).

5. We reviewed the County Board's detailed State Account Code Detailed Reports and *Schedule C, Income Report* to determine whether revenues are maintained separately to offset corresponding expense via the use of specific expenditure costs centers and identified any potential revenue offsets/applicable credits.

We identified the following sources of potential revenue credits for which the County Board did not offset costs on the Cost Reports in accordance with 2 CFR 225, Appendix A (C)(3)(c) and (4)(a):

- Miscellaneous refunds, reimbursements and other income in the amount of \$62,078 in 2010 and \$10,581 in 2011;
- Health Insurance refunds in the amount of \$4,930 in 2010 and \$1,793 in 2011;
- Title XX revenues in the amount of \$38,489 in 2010 and \$51,427 in 2011; and
- Help Me Grow revenues in the amount of \$12,710 in 2010.

Paid Claims Testing

1. We selected 100 paid claims among all service codes from 2010 and 2011 from the Medicaid Billing System (MBS) data and determined if the claims met the following service documentation requirements of Ohio Admin. Code §§ 5123:2-9-05, 5123-2-9-18 (H)(1)-(2), and 5101:3-48-01(F):
 - Date of service;
 - Place of service;
 - Name of the recipient;
 - Name of the provider;
 - Signature of the person delivering the service or initials of the person delivering the service if the signature and corresponding initials are on file with the provider;
 - Type of service;
 - Number of units of the delivered service or continuous amount of uninterrupted time during which the service was provided; and
 - Arrival and departure times of the provider of service's site visit to the recipient's location or of the recipient's visit to the provider of service's location.¹

We found instances of non-compliance with the documentation requirements for 2010 and 2011 with Targeted Case Management (TCM), Supported Employment - Community - 15 minute unit (FCO), Adult Day/Vocational Habilitation Combination-Daily unit service (AXD/FXD), Supported Employment-Enclave- 15 minute unit (ANF/FNF), Adult Day/Vocational Habilitation Combination - 15 minute unit (FXF) as described below.

We also found the County Board was over reimbursed for Non-Medical Transportation-Per Trip-Eligible Vehicle - (ATB/FTB) in which the paid services included field trips and we selected an additional random sample of 30 recipient dates of service from those two billing codes. We determined all 30 recipient dates of service included field trips.

We reviewed the 2010 MBS data and identified where the County Board was reimbursed for a total of 119 field trips which are included in the County Board's reimbursement of Adult Day Support services already reimbursed on those service days in accordance with Ohio Admin. Code

¹ For non-medical transportation (service codes) we reviewed similar service documentation requirements to ensure compliance with Ohio Admin. Code § 5123:2-9-18 (H)(1)-(2) excluding H(1)(d),(f),(j) and H (2)(d),(f).

§ 5123:2-9-18 (B)(9)(a). The County Board stated these were field trips and should not have been billed.

We removed these field trips units from *Schedule B-3, Quarterly Summary of Transportation Services* in accordance with the Cost Report Guidelines as part the differences noted in the Statistics – Transportation Section, procedure 1 as reported in Appendix A (2010).

Recoverable Finding – 2010 Finding \$377.93

Service Code	Units	Review Results	Finding
TCM	44	Units billed in excess of actual service delivery	\$298.05
FCO	7	Units billed in excess of actual service delivery	\$30.09
FXD	1	Units billed in excess of actual service delivery	\$25.50
FTB	2	Units billed in excess of actual service delivery	\$24.29
		Total	377.93

Recoverable Finding - 2011 Finding \$2,132.77

Service Code	Units	Review Results	Finding
TCM	49	Units billed in excess of actual service delivery	\$482.27
ANF	14	Units billed in excess of actual service delivery	\$13.46
AXD	1	Units billed in excess of actual service delivery	\$71.75
FCO	16	Units billed in excess of actual service delivery	\$60.04
FNF	10	Units billed in excess of actual service delivery	\$8.98
FXF	2	Units billed in excess of actual service delivery	\$2.19
FTB	48	Billed in error for field trips	\$583.95
ATB	71	Billed in error for field trips	\$910.13
		Total	\$2,132.77

2. DODD requested us to report variances if units reimbursed by Medicaid were more than the units reported in the Cost Reports.

We compared the number of reimbursed TCM units and Community Employment units from the MBS Summary by Service Code report to the final units on *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*, Line (1)(F), *TCM Units* and to *Schedule B-1, Section B, Attendance Statistics*, Line (4)(C), *Supported Employment – Community Employment*, 15 minute units, respectively.

We found no instance where the Medicaid reimbursed units were greater than final TCM and Supported Employment - Community Employment units.

3. DODD requested us to report whether any reimbursements exceeded disbursements on *Schedule A, Summary of Service Costs- By Program* by two percent.

We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Lines (20), Environmental Accessibility Adaptations to Line (25), Other Waiver Services to the

amount reimbursed for these services in 2010 and 2011 on the MBS Summary by Service Code reports.

We found no differences as the County Board did not report costs on *Schedule A* for Lines (20) to Line (25). We also reviewed the MBS Summary by Service Code reports and found the County Board was not reimbursed for these services in 2010 and 2011.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. We compared the disbursement totals from the 12/31/2010 and 12/31/2011 county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's Budget Reports for the Board of Developmental Disabilities (S00), Community Residential (S05), Sustainability (S08), Severance Benefit (S39), Permanent Improvement (N00), Storage Building (N20), Construction Debt Retirement (O09), Help Me Grow (S26), Board of Developmental Disabilities - Help Me Grow (S28) funds.

We found differences as reported in Appendix A (2010). We found no differences in 2011.

2. DODD asked us to determine whether total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total disbursements for these funds.

Total County Board disbursements were not within 1/4 percent of the county auditor's yearly receipts in 2010 as the county auditor reports exceeded the County Board disbursements by \$165,484 and we reported differences in Appendix A (2010). See also procedure 1 above.

Total County Board disbursements were within 1/4 percent of the county auditor's yearly disbursement totals in 2011.

3. DODD asked us to compare the account description and amount for each reconciling item on the *County Auditor Reconciliation Worksheets* to the County Board's State Expenses Detailed reports and other supporting documentation such as county tax settlement sheets.

We did not perform this procedure since total County Board receipts were within 1/4 percent of the county auditor's yearly receipt totals after the corresponding adjustment described in procedure 2 above was made.

4. DODD asked us to compare the County Board's detailed disbursements to the amounts reported on worksheets 2 through 10, and report variances exceeding \$100 for service contracts and other expenses on any worksheet.

We compared all service contract and other expenses entries on worksheets 2 through 10 to the County Board's State Expenses Detailed Reports.

We found differences as reported in Appendix A (2010) and Appendix B (2011).

5. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 2 through 10 to the COG prepared County Board Summary Workbooks.

We found differences as reported in Appendix A (2010) and Appendix B (2011).

6. DODD asked us to determine whether the County Board's detailed disbursements were properly classified within two percent of total service contracts and other expenses for all worksheets and

if any worksheet included disbursements over \$100 which are non-federal reimbursable under 2 CFR 225 Appendix B.

We scanned the County Board's State Expenses Detailed Reports for service contracts and other expenses in the following columns and worksheets: column X-General Expense-All Programs on worksheets 2 through 8; column N-Service and Support Administration Costs on worksheet 9; and columns E-Facility Based Services, F-Enclave, and G-Community Employment and H-unassigned on worksheet 10 and reviewed documentation to identify disbursements not classified as prescribed by the Cost Report Guides or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

We found differences as reported in Appendix A (2010) and Appendix B (2011) for misclassified and non-federal reimbursable costs. We also noted adult day services costs on the 2011 State Expenses Detailed Report was not always identifiable by program (facility based services, enclave and community employment); therefore, we reclassified these costs to unassigned adult costs on *Worksheet 10, Adult Program* as reported in Appendix B (2011). See also, Statistics - Square Footage section, procedure 1 for corresponding square footage adjustments.

7. We scanned the County Board's State Expenses Detailed for items purchased during 2010 and 2011 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Fixed Asset Listing.

We reported differences for purchases that were not properly capitalized as reported in Appendix A (2010) and Appendix B (2011). We also reported differences for 2010 purchases to record their first year's depreciation in Appendix B (2011).

8. We haphazardly selected 20 disbursements from 2010 and 2011 from the County Board's State Expenses Detailed Reports that were classified as service contract and other expenses on worksheets 2 through 10. We determined if supporting documentation was maintained as required by 2 CFR 225 (OMB Circular A-87, Appendix A, (C)(1)(j)) and the disbursement was properly classified according to the Cost Report Guides.

We reported differences from these procedures in Appendix A (2010) and Appendix B (2011) for misclassified and non-federal reimbursable costs.

Property, Depreciation, and Asset Verification Testing

1. We compared the County Board's procedures regarding capitalization of fixed assets with the Cost Report Guides for preparing *Worksheet 1, Capital Costs* and 2 CFR 225 (OMB Circular A-87, Appendix B, 15(a)(2)).

We found no inconsistencies between the County Board's capitalization procedures and the guidelines listed above.

2. We compared the County Board's final 2009 Depreciation Schedule to the County Board's 2010 and 2011 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review which were not in compliance with the Cost Report Guides.

We found differences in depreciation as reported in Appendix A (2010) and Appendix B (2011).

3. DODD asked us to compare the depreciation costs reported in the County Board's depreciation schedule to the amounts reported on *Worksheet 1, Capital Costs*, and to report variances exceeding \$100.

We compared all depreciation entries reported on *Worksheet 1, Capital Costs* to the County Board's Depreciation Schedules.

We found differences exceeding \$100 as reported in Appendix A (2010) and Appendix B (2011).

4. We scanned the County Board's Depreciation Schedule for 2010 and 2011 for depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years, or depreciation taken on assets during the period of acquisition which were not in compliance with the Cost Report Guides.

We found no differences.

5. We haphazardly selected two County Board's fixed assets which meet the County Board's capitalization policy and purchased in either 2010 or 2011 to determine if the useful lives agreed to the estimated useful lives prescribed in the 2008 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for these assets, based on their cost, acquisition date and useful life to determine compliance with the Cost Report Guides and AHA Asset Guide.

We found differences and reported the first year's depreciation for 2010 purchase in Appendix B (2011). We did not determine if the 2011 purchase was properly capitalized in 2012.

6. DODD asked us to haphazardly select two disposed assets for 2011 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. DODD also asked us to recalculate depreciation and any gain or loss applicable to 2011 for the disposed items based on its undepreciated basis and any proceeds received from the disposal or sale of the asset to determine compliance with the Cost Report Guide and CMS Publication 15-1, Chapter 1.

We did not perform this procedure for 2010 because the County Board stated that no capital assets were disposed of in 2010. We did not receive a disposal list for 2011; however, we scanned the County Board's Revenue Received Report and found proceeds from the sale or exchange of fixed assets. The County Board indicated two assets were disposed in 2011; however, we only received documentation to determine a gain or loss on one fixed asset as reported in Appendix B (2011).

Payroll Testing

1. DODD asked us to determine whether total County Board salaries and benefits in the 2010 and 2011 Cost Reports were within two percent of the county auditor's report totals for the Board of Developmental Disabilities (S00) fund.

We totaled salaries and benefits from worksheets 2 through 10 from the 2010 and 2011 Cost Reports and compared the yearly totals to the county auditor's Budget Reports.

The variance was less than two percent.

2. DODD asked us to compare the County Board's detailed payroll disbursements to the amounts reported on worksheets 2 through 10, and to report variances exceeding \$100 for salaries or employee benefit expenses.

We compared all salary and employee benefit entries on worksheets 2 through 10 to the County Board's State Expenses Detailed Reports.

We found no differences exceeding \$100 on any worksheet in 2010. However, we noted differences exceeding \$100 for misallocated benefits as reported on Appendix A (2010). We found differences exceeding \$100 and misallocated benefits as reported in Appendix B (2011).

3. We selected nine employees and compared the County Board's Payroll Totals By Job Description By Date Span reports and job descriptions to the worksheet in which each employee's salary and benefit costs were allocated to ensure allocation is consistent with the Cost Report Guides.

We found no differences.

4. DODD asked us to scan the County Board's State Expenses Detailed Reports for 2010 and 2011 and compare classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides, if the errors in procedure 3 above exceeded 10 percent.

We did not perform this procedure as the misclassification errors in procedure 3 above did not exceed 10 percent of the sample size.

We received a response from officials to exceptions noted above under Acuity Testing, procedure 2. We did not audit the response and, accordingly, we express no opinion on it.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the County Board's Cost Reports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the County Board, DODD, the Ohio Department of Medicaid, and the Centers for Medicare and Medicaid Services, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

June 27, 2014

cc: Fred Williams, Superintendent, Highland County Board of Developmental Disabilities
Lori Moore, Business Manager, Highland County Board of Developmental Disabilities
Sam Snyder, Board President, Highland County Board of Developmental Disabilities

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Appendix A
Highland County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Schedule A				
19. Room and Board/Cost to Live (L) Community Residential	\$ 39,771	\$ (1,218)		To correct room and board expenses
		\$ 14,013		To reclassify room and board expenses
		\$ 11,912	\$ 64,478	To reclassify room and board expenses
22. Respite (L) Community Residential	\$ -	\$ 1,479		To reclassify respite expenses
		\$ 596	\$ 2,075	To reclassify respite expenses
Schedule B-1, Section A				
2. Dietary Services (B) Adult	-	854	854	To adjust square footage to prior audited amount
2. Dietary Services (C) Child	2,670	(1,817)	853	To adjust square footage to prior audited amount
5. Speech/Audiology (C) Child	-	360		To adjust square footage to prior audited amount
		(360)	-	To reclassify non-Federal reimbursable square footage
8. Physical Therapy (C) Child	-	360		To adjust square footage to prior audited amount
		(360)	-	To reclassify non-Federal reimbursable square footage
11. Early Intervention (C) Child	64	321	385	To adjust square footage to prior audited amount
12. Pre-School (C) Child	1,438	321	1,759	To adjust square footage to prior audited amount
13. School Age (C) Child	1,438	321	1,759	To adjust square footage to prior audited amount
14. Facility Based Services (B) Adult	12,658	(50)	12,608	To adjust square footage to prior audited amount
15. Supported Emp. - Enclave (B) Adult	-	32	32	To adjust for Enclave square footage
16. Supported Emp. - Comm Emp. (B) Adult	-	50		To adjust square footage to prior audited amount
		5	55	To adjust for Community Employment square footage
22. Program Supervision (B) Adult	1,799	(5)		To adjust for Community Employment square footage
		(32)	1,762	To adjust for Enclave square footage
25. Non-Reimbursable (C) Child	-	360		To reclassify non-Federal reimbursable square footage
		360	720	To reclassify non-Federal reimbursable square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	99	(14)	85	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp. - Enclave	-	29	29	To correct individuals served
1. Total Individuals Served By Program (C) Supported Emp. - Community Employment	18	(3)	15	To correct individuals served
2. Days Of Attendance (B) Supported Emp. - Enclave	-	1,184	1,184	To correct days of attendance
3. Typical Hours Of Service (B) Supported Emp. - Enclave	-	4.3	4.3	To correct typical hours of service
Schedule B-3				
2. Pre-School (C) One Way Trips- Second	579	(422)	157	To report correct number of one-way
2. Pre-School (E) One Way Trips- Third Quarter	403	(403)	-	To report correct number of one-way trips
2. Pre-School (G) One Way Trips- Fourth Quarter	445	(445)	-	To report correct number of one-way trips

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Highland County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
Schedule B-4						
1. TCM Units (D) 4th Quarter	1,868		406			To correctly report SSA units
			7		2,281	To reclassify unallowable unit error
2. Other SSA Allowable Units (D) 4th Quarter	354		86			To correctly report SSA units
			(12)			To reclassify allowable unit error
			(2)		426	To remove unsupported units
5. SSA Unallowable Units (D) 4th Quarter	167		26			To correctly report SSA units
			12			To reclassify allowable unit error
			(4)			To remove unsupported units
			(7)		194	To reclassify unallowable unit error
Worksheet 1						
2. Land Improvements (X) Gen Expense All Prgm.	\$ -	\$	39,656	\$	39,656	To record depreciation for building assets
3. Buildings/Improve. (E) Facility Based Services	\$ -	\$	4,710	\$	4,710	To record depreciation for the workshop storage building
4. Fixtures (E) Facility Based Services	\$ 135	\$	1,035	\$	1,170	To record depreciation for workshop fixtures
4. Fixtures (X) Gen Expense All Prgm.	\$ -	\$	135	\$	135	To record depreciation for all program assets
5. Movable Equipment (U) Transportation	\$ 28,617	\$	19,305	\$	47,922	To record depreciation for bus lease
5. Movable Equipment (V) Admin	\$ -	\$	180	\$	180	To record depreciation for administration assets
5. Movable Equipment (W) Program Supervision	\$ -	\$	63	\$	63	To record depreciation fo program supervision assets
Worksheet 2						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 257,402	\$	(33,501)	\$		To reallocate worker's compensation
		\$	4,885	\$	228,786	To reallocate worker's compensation
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	1,145			To reclassify non-Federal reimbursable expenses
		\$	79			To reclassify non-Federal reimbursable expenses
		\$	4,449	\$	5,673	To reclassify non-Federal reimbursable expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 92,459	\$	(1,145)			To reclassify non-Federal reimbursable expenses
		\$	(4,449)			To reclassify non-Federal reimbursable expenses
		\$	(2,588)			To reclassify special olympic expenses
		\$	(175)	\$		To reclassify psychology expenses
		\$	(250)		83,852	To reclassify field trip expenses
10. Unallowable Fees (O) Non-Federal	\$ 75,197	\$	7,740	\$	82,937	To reclassify admin fees
Worksheet 2A						
2. Employee Benefits (H) Unasgn Adult Program	\$ 41,012	\$	1,643	\$	42,655	To reallocate worker's compensation
Worksheet 3						
2. Employee Benefits (E) Facility Based Services	\$ 92	\$	11	\$	103	To reallocate worker's compensation
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 22,419	\$	673	\$	23,092	To reallocate worker's compensation
4. Other Expenses (E) Facility Based Services	\$ 12,275	\$	(7,100)	\$	5,175	To reclassify purchases > \$5,000
4. Other Expenses (X) Gen Expense All Prgm.	\$ 155,607	\$	(58,635)	\$	96,972	To reclassify purchases > \$5,000
Worksheet 4						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 20,690	\$	512	\$	21,202	To reallocate worker's compensation
Worksheet 5						
1. Salaries (C) School Age	\$ 110,689	\$	6,433	\$	117,122	To reclassify payroll expenses
2. Employee Benefits (A) Early Intervention	\$ 16,163	\$	440	\$	16,603	To reallocate worker's compensation
2. Employee Benefits (B) Pre-School	\$ 42,913	\$	1,472	\$	44,385	To reallocate worker's compensation
2. Employee Benefits (C) School Age	\$ 72,473	\$	2,095	\$	74,568	To reallocate worker's compensation
3. Service Contracts (B) Pre-School	\$ 23,176	\$	(5,199)	\$		To reclassify supported living expenses
			(14,013)			To reclassify room and board expenses
			(3,385)		579	To reclassify developmental center expenses

Appendix A (Page 3)
Highland County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
Worksheet 5 (Continued)						
3. Service Contracts (M) Family Support Services	\$ 900	\$	(596)	\$	304	To reclassify respite expenses
4. Other Expenses (B) Pre-School	\$ 860	\$	(65)	\$	795	To reclassify non-Federal reimbursable expenses
4. Other Expenses (C) School Age	\$ 33,065	\$	(6,433)	\$		To reclassify payroll expenses
		\$	(900)	\$		To reclassify non-Federal reimbursable expenses
		\$	(15,519)	\$	10,213	To reclassify purchases > \$5,000
4. Other Expenses (D) Unasgn Children Program	\$ 32,877	\$	(30,710)	\$	2,167	To reclassify purchases > \$5,000
4. Other Expenses (L) Community Residential	\$ 19,701	\$	2,588	\$		To reclassify special olympic expenses
		\$	5,199	\$		To reclassify supported living expenses
		\$	(7,740)	\$		To reclassify admin fees
		\$	1,218	\$		To reclassify supported living expenses
		\$	250	\$		To reclassify field trip expenses
		\$	(11,912)	\$	9,304	To reclassify room and board expenses
4. Other Expenses (M) Family Support Services	\$ 11,814	\$	(1,479)	\$		To reclassify respite expenses
		\$	250	\$	10,585	To reclassify field trip expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	65	\$		To reclassify non-Federal reimbursable expenses
		\$	900	\$	965	To reclassify non-Federal reimbursable expenses
5. COG Expenses (C) School Age	\$ -	\$	584	\$	584	To match COG report
Worksheet 7-B						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 14,121	\$	1,019	\$	15,140	To reallocate worker's compensation
Worksheet 7-D						
3. Service Contracts (E) Facility Based Services	\$ -	\$	700	\$	700	To reclassify psychology expenses
4. Other Expenses (E) Facility Based Services	\$ -	\$	175	\$		To reclassify psychology expenses
		\$	525	\$		To reclassify psychology expenses
		\$	175	\$	875	To reclassify psychology expenses
Worksheet 8						
2. Employee Benefits (E) Facility Based Services	\$ 16	\$	2	\$	18	To reallocate worker's compensation
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 176,054	\$	5,888	\$	181,942	To reallocate worker's compensation
4. Other Expenses (X) Gen Expense All Prgm.	\$ 161,851	\$	(79)	\$		To reclassify non-Federal reimbursable expenses
		\$	(19,305)	\$		To reclassify purchases > \$5,000
		\$	(25,755)	\$	116,712	To reclassify purchases > \$5,000
Worksheet 9						
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 111,769	\$	5,158	\$	116,927	To reallocate worker's compensation
4. Other Expenses (N) Service & Support Admin. Costs	\$ 14,511	\$	(1,218)	\$		To reclassify supported living expenses
		\$	(6,625)	\$	6,668	To reclassify TCM match
Worksheet 10						
2. Employee Benefits (H) Unasgn Adult Program	\$ 242,074	\$	9,701	\$	251,775	To reallocate worker's compensation
3. Service Contracts (H) Unasgn Adult Program	\$ 107,877	\$	(700)	\$		To reclassify psychology expenses
		\$	(175)	\$	107,002	To reclassify psychology expenses
4. Other Expenses (H) Unasgn Adult Program	\$ 22,225	\$	(1,436)	\$		To reclassify non-Federal reimbursable expenses
		\$	(525)	\$	20,264	To reclassify psychology expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	1,436	\$	1,436	To reclassify non-Federal reimbursable expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$	195	\$	195	To match COG report

Appendix A (Page 4)
 Highland County Board of Developmental Disabilities
 2010 Income and Expenditure Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
Reconciliation to County Auditor Worksheet						
Expense:						
Plus: Capital Improvement	\$ 103,509	\$	(31,509)	\$	72,000	To reclassify purchases > \$5,000
Plus: Leases And Rentals	\$ -	\$	19,305	\$	19,305	To reclassify leases and rentals
Plus: Purchases Greater Than \$5,000	\$ -	\$	7,100			To reclassify purchases > \$5,000
		\$	58,635			To reclassify purchases > \$5,000
		\$	15,519			To reclassify purchases > \$5,000
		\$	30,710			To reclassify purchases > \$5,000
		\$	25,755			To reclassify purchases > \$5,000
		\$	31,509	\$	169,228	To reclassify purchases > \$5,000
Plus: Match Paid To ODMRDD For TCM	\$ 44,886	\$	6,625	\$	51,511	To reclassify TCM match
Plus: HMG Pass-through	\$ -	\$	165,484	\$	165,484	To record Help Me Grow pass-through
Less: COG Expenses	\$ -	\$	(779)	\$	(779)	To reconcile to COG report
Less: Capital Costs	\$ (28,752)	\$	(19,305)	\$		To record depreciation for bus lease
			(45,779)		(93,836)	To record depreciation
Less: Developmental Centers	\$ -	\$	3,385	\$	3,385	To reclassify developmental center expenses
Total from 12/31 County Auditor's Report	\$ 3,912,589	\$	165,484	\$	4,078,073	To match County Auditor total
Revenue:						
Plus: HMG Pass-through	\$ -	\$	143,654	\$		To record Help Me Grow pass-through
		\$	13,440	\$	157,094	To record Help Me Grow pass-through
Total from 12/31 County Auditor's Report	\$ 4,822,221	\$	157,094	\$	4,979,315	To match County Auditor total

Appendix B
Highland County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A				
19. Room and Board/Cost to Live (L) Community Residential	\$ 30,873	\$ 9,086		To reclassify room and board expenses
		\$ (4,232)	\$ 35,727	To reclassify developmental center expenses
22. Respite (L) Community Residential	\$ -	\$ 3,007	\$ 3,007	To reclassify respite expenses
Schedule B-1, Section A				
2. Dietary Services (B) Adult	-	854	854	To adjust square footage to prior audited amount
2. Dietary Services (C) Child	2,670	(1,817)	853	To adjust square footage to prior audited amount
5. Speech/Audiology (C) Child	240	120		To adjust square footage to prior audited amount
		(360)	-	To reclassify non-Federal reimbursable square footage
7. Occupational Therapy (C) Child	240	(240)	-	To adjust square footage to prior audited amount
8. Physical Therapy (C) Child	240	120		To adjust square footage to prior audited amount
		(360)	-	To reclassify non-Federal reimbursable square footage
11. Early Intervention (C) Child	64	321	385	To adjust square footage to prior audited amount
12. Pre-School (C) Child	1,438	321	1,759	To adjust square footage to prior audited amount
13. School Age (C) Child	1,438	321	1,759	To adjust square footage to prior audited amount
14. Facility Based Services (B) Adult	9,858	2,750	12,608	To adjust square footage to prior audited amount
15. Supported Emp. -Enclave (B) Adult	-	32	32	To adjust for Enclave square footage
16. Supported Emp. -Comm Emp. (B) Adult	-	50		To adjust square footage to prior audited amount
		5	55	To adjust for Community Employment square footage
21. Service And Support Admin (D) General	315	1	316	To adjust square footage to prior audited amount
22. Program Supervision (B) Adult	1,799	(5)		To adjust for Community Employment square footage
		(32)	1,762	To adjust for Enclave square footage
25. Non-Reimbursable (C) Child	-	360		To reclassify non-Federal reimbursable square footage
		360	720	To reclassify non-Federal reimbursable square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	126	(27)	99	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	-	25	25	To correct individuals served
1. Total Individuals Served By Program (C) Supported Emp. -Community Employment	-	4	4	To correct individuals served
2. Days Of Attendance (A) Facility Based	13,432	4,455	17,887	To correct days of attendance
2. Days Of Attendance (B) Supported Emp. - Enclave	-	1,078	1,078	To correct days of attendance
3. Typical Hours Of Service (B) Supported Emp. - Enclave	-	4.3	4.3	To correct typical hours of service
Schedule B-3				
2. Pre-School (C) One Way Trips- Second Quarter	1,345	(246)	1,099	To report correct number of one-way trips
2. Pre-School (E) One Way Trips- Third Quarter	1,074	(1,074)	-	To report correct number of one-way trips
2. Pre-School (G) One Way Trips- Fourth Quarter	424	(424)	-	To report correct number of one-way trips

Appendix B (Page 2)
Highland County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-3 (Continued)				
3. School Age (G) One Way Trips- Fourth Quarter	817	(210)	607	To report correct number of one-way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	7,687	(3,801)		To report correct number of one-way trips
		(119)	3,767	To remove field trips
Schedule B-4				
1. TCM Units (D) 4th Quarter	2,226	2,453		To correctly report SSA units
		6	4,679	To reclassify units from general time to allowable
1. TCM Units (E) COG Activity	-	319	319	To correctly report SSA units
2. Other SSA Allowable Units (D) 4th Quarter	440	(235)	205	To correctly report SSA units
5. SSA Unallowable Units (D) 2nd Quarter	163	(84)	79	To correctly report SSA units
5. SSA Unallowable Units (D) 3rd Quarter	179	(179)	-	To correctly report SSA units
5. SSA Unallowable Units (D) 4th Quarter	175	(175)	-	To correctly report SSA units
		3	3	To reclassify units from general time to unallowable
Schedule C				
I. County				
(B) Interest- COG Revenue	\$ -	\$ 16,564	\$ 16,564	To match COG report
II. Department of MR/DD				
(M) Other (Detail on Separate Sheet) - COG Revenue				
12 I/O waiver allocation refund	\$ -	\$ 159,583	\$ 159,583	To match COG report
Worksheet 1				
2. Land Improvements (X) Gen Expense All Prgm.	\$ -	\$ 37,834	\$ 37,834	To record depreciation for building improvements
3. Buildings/Improve (D) Unasgn Children	\$ -	\$ 3,882	\$ 3,882	To record depreciation for playground
3. Buildings/Improve (E) Facility Based Services	\$ -	\$ 4,710		To record depreciation for workshop storage building
		\$ 426	\$ 5,136	To record depreciation for bathroom renovation
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ -	\$ 1,804	\$ 1,804	To record depreciation for asphalt project
4. Fixtures (E) Facility Based Services	\$ -	\$ 1,170	\$ 1,170	To record depreciation for workshop fixtures
4. Fixtures (X) Gen Expense All Prgm.	\$ -	\$ 135		To record depreciation for all program assets
		\$ 1,616		To record depreciation for boilers
		\$ 301	\$ 2,052	To record depreciation for intercom system
5. Movable Equipment (D) Unasgn Children Programs	\$ -	\$ 2,346	\$ 2,346	To record depreciation for smartboard
5. Movable Equipment (U) Transportation	\$ -	\$ 19,305		To record depreciation for bus lease
		\$ 22,427		To record transportation depreciation
		\$ 4,636		To record transportation depreciation
		\$ (214)	\$ 46,154	To record gain on sale of asset
5. Movable Equipment (V) Admin	\$ -	\$ 180	\$ 180	To record depreciation for administration assets
5. Movable Equipment (W) Program Supervision	\$ -	\$ 63	\$ 63	To record depreciation for program supervision assets
8. COG Expenses (C) School Age	\$ -	\$ 18	\$ 18	To match COG report
8. COG Expenses (D) Unasgn Children Programs	\$ -	\$ 6	\$ 6	To match COG report
Worksheet 2				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 159,313	\$ (24,245)		To match County Board's report
		\$ 3,267	\$ 138,335	To allocate workers compensation

Appendix B (Page 3)
Highland County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

		<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 2 (Continued)							
3.	Service Contracts (X) Gen Expense All Prgm.	\$ 15,510	\$	(4,654)	\$	10,216	To reclassify non-Federal reimbursable expenses
				(640)	\$		To reclassify fees paid to COG
4.	Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	559	\$	3,603	To reclassify non-Federal reimbursable expenses
				3,044	\$		To reclassify non-Federal reimbursable expenses
4.	Other Expenses (X) Gen Expense All Prgm.	\$ 124,464	\$	6,099	\$		To match County Board's report
				(559)	\$		To reclassify non-Federal reimbursable expenses
				(2,414)	\$		To reclassify supported living expenses
				(6,208)	\$		To reclassify admin fees
				(3,044)	\$		To reclassify non-Federal reimbursable expenses
				(3,387)	\$		To reclassify special olympic expenses
				(248)	\$		To reclassify fees paid to COG
				2,440	\$	117,143	To reclassify indirect expenses
5.	COG Expense (C) School Age	\$ -	\$	840	\$	840	To match COG report
5.	COG Expense (E) Facility Based Services	\$ -	\$	280	\$	280	To match COG report
10.	Unallowable Fees (O) Non-Federal	\$ 37,177	\$	(6,202)	\$		To correct audited expenses
				4,654	\$		To reclassify non-Federal reimbursable expenses
				6,208	\$	41,837	To reclassify non-Federal reimbursable expenses
Worksheet 2A							
2.	Employee Benefits (E) Facility Based Services	\$ 14,921	\$	404	\$	15,325	To reallocate workers compensation
5.	COG Expenses (C) School Age	\$ -	\$	51	\$	51	To match COG report
5.	COG Expenses (E) Facility Based Services	\$ -	\$	17	\$	17	To match COG report
Worksheet 3							
2.	Employee Benefits (X) Gen Expense All Prgm.	\$ 20,309	\$	507	\$	20,816	To reallocate workers compensation
3.	Service Contracts (X) Gen Expense All Prgm.	\$ 4,826	\$	(2,386)	\$		To reclassify adult service expenses
				(2,440)	\$	-	To reclassify indirect expenses
4.	Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	30	\$	30	To reclassify non-Federal reimbursable expenses
4.	Other Expenses (X) Gen Expense All Prgm.	\$ 91,821	\$	10,007	\$		To match County Board's report
				2,621	\$		To reclassify building services expenses
				(2,830)	\$		To reclassify adult service expenses
				(30)	\$		To reclassify non-Federal reimbursable expenses
				(10,000)	\$	91,589	To reclassify purchases > \$5,000
5.	COG Expenses (C) School Age	\$ -	\$	4	\$	4	To match COG report
5.	COG Expenses (D) Unasgn Children Program	\$ -	\$	2	\$	2	To match COG report
Worksheet 4							
2.	Employee Benefits (X) Gen Expense All Prgm.	\$ 14,174	\$	384	\$	14,558	To reallocate workers compensation
14.	No. of Individual Meals Served (B) Pre-School	1		748		749	To report statistics for meals served
14.	No. of Individual Meals Served (C) School Age	1		1,014		1,015	To report statistics for meals served
14.	No. of Individual Meals Served (E) Facility Based Services	-		4,790		4,790	To report statistics for meals served
Worksheet 5							
2.	Employee Benefits (A) Early Intervention	\$ -	\$	9,040	\$	9,040	To reclassify unemployment benefits
2.	Employee Benefits (B) Pre-School	\$ 39,854	\$	1,118	\$	40,972	To reallocate workers compensation
2.	Employee Benefits (C) School Age	\$ 65,624	\$	1,790	\$	67,414	To reallocate workers compensation
4.	Other Expenses (A) Early Intervention	\$ 9,040	\$	(9,040)	\$	-	To reclassify payroll expense

Appendix B (Page 4)
Highland County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
Worksheet 5 (Continued)						
4. Other Expenses (L) Community Residential	\$ 63,419	\$	2,414			To reclassify supported living expenses
				\$	3,387	To reclassify special olympic expenses
			(70)	\$		To reclassify non-Federal reimbursable expenses
			(44,161)			To reclassify developmental center expenses
			(9,086)		15,903	To reclassify room and board expenses
4. Other Expenses (M) Family Support Services	\$ 13,661	\$	(3,007)	\$	10,654	To reclassify respite expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ 23,268	\$	70			To reclassify non-Federal reimbursable expenses
		\$	(23,268)	\$	70	To reclassify fees paid by COG
5. COG Expenses (C) School Age	\$ -	\$	4,760	\$	4,760	To match COG report
Worksheet 7-B						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 29,197	\$	792	\$	29,989	To reallocate workers compensation
Worksheet 8						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 177,587	\$	4,818	\$	182,405	To reallocate workers compensation
4. Other Expenses (X) Gen Expense All Prgm.	\$ 184,991	\$	19,398			To match County Board's report
		\$	(19,394)	\$	184,995	To reclassify purchases > \$5,000
Worksheet 9						
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 147,159	\$	4,007	\$	151,166	To reallocate workers compensation
4. Other Expenses (N) Service & Support Admin. Costs	\$ 34,941	\$	(664)			To reclassify fees paid to COG
		\$	(6,996)	\$	27,281	To reclassify TCM match
Worksheet 10						
1. Salaries (E) Facility Based Services	\$ 504,614	\$	(504,614)	\$	-	To reclassify adult service salary
1. Salaries (H) Unasgn Adult Program	\$ -	\$	504,614	\$	504,614	To reclassify adult service salary
2. Employee Benefits (E) Facility Based Services	\$ 261,788	\$	7,157			To reallocate workers compensation
			(268,945)	\$	-	To reclassify adult service benefits
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$	268,945	\$	268,945	To reclassify adult service benefits
3. Service Contracts (E) Facility Based Services	\$ 77,485	\$	(537)			To reclassify fees paid to COG
		\$	(76,948)	\$	-	To reclassify adult service expenses
3. Service Contracts (H) Unasgn Adult Program	\$ -	\$	76,948	\$	76,948	To reclassify adult service expenses
4. Other Expenses (E) Facility Based Services	\$ 136,118	\$	(1,034)			To correct audited expenses
		\$	(115)			To reclassify non-Federal reimbursable expenses
		\$	(2,621)			To reclassify building services expenses
		\$	(1,120)			To reclassify fees paid to COG
		\$	(36,617)			To reclassify loan payments
		\$	(94,611)	\$	-	To reclassify adult service expenses
4. Other Expenses (H) Unasgn Adult Program	\$ -	\$	2,387			To reclassify adult service expenses
		\$	2,830			To reclassify adult service expenses
		\$	94,611	\$	99,828	To reclassify adult service expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	115	\$	115	To reclassify non-Federal reimbursable expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$	1,587	\$	1,587	To match COG report

Appendix B (Page 5)
Highland County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Leases And Rentals	\$ -	\$ 19,305	\$ 19,305	To reclassify leases and rentals
Plus: Purchases Greater Than \$5,000	\$ 58,571	\$ (29,337)		To correct audited purchases > \$5,000
		\$ 10,000		To reclassify purchases > \$5,000
		\$ 19,394	\$ 58,628	To reclassify purchases > \$5,000
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 537		To reclassify fees paid to COG
		\$ 1,120		To reclassify fees paid to COG
		\$ 640		To reclassify fees paid to COG
		\$ 248		To reclassify fees paid to COG
		\$ 23,268		To reclassify fees paid to COG
		\$ 664	\$ 26,477	To reclassify fees paid to COG
Plus: Match Paid To DODD For TCM	\$ 20,370	\$ 6,996	\$ 27,366	To reclassify TCM match
Plus: Loan Payment, FCFC Payment	\$ 79,002	\$ 36,617		To reclassify loan payments
		\$ (19,305)	\$ 96,314	
Less: COG Expenses	\$ -	\$ (7,565)	\$ (7,565)	To reconcile to COG report
Less: Capital Costs	\$ -	\$ (19,305)		To record depreciation for bus lease
		\$ (22,427)		To record transportation depreciation
		\$ (54,468)		To record depreciation
		\$ (4,636)		To record transportation depreciation
		\$ 214	\$ (100,622)	To record gain on sale of asset
Less: Developmental Center	\$ -	\$ 4,232		To reclassify developmental center expenses
		44,161	48,393	To reclassify developmental center expenses
Revenue:				
Less: COG Revenue	\$ -	\$ (176,147)	\$ (176,147)	To reconcile to COG report

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Dave Yost • Auditor of State

HIGHLAND COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

HIGHLAND COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 26, 2014**