



Dave Yost • Auditor of State

HOCKING COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

TABLE OF CONTENTS

Title	Page
Independent Auditors' Report	1
Recommendation: Completeness of Acuity Assessments	4
Paid Claims - Recoverable Findings – 2010.....	8
Paid Claims - Recoverable Findings – 2011.....	9
Recommendation: Reporting Gain or Loss from Disposed Assets.....	12
Recommendation: Documentation of RMTS Observed Moments.....	14
Appendix A: Income and Expenditure Report Adjustments – 2010.....	16
Appendix B: Income and Expenditure Report Adjustments – 2011.....	20

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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 Hocking 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 in the Statistics – Attendance section 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 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, discussed square footage changes with the County Board, and noted significant changes have occurred. Based on this, we performed the procedures below.

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*.

The County Board provided an original summary that contained square footage but did not reflect correct usage of space for 2010 or 2011. We measured three rooms and compared the square footage to the square footage listed on the County Board's original summary.

We found no square footage variances for rooms that were measured exceeding 10 percent.

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 the County Board did not have an accurate summary showing how square footage was used during 2010 or 2011. With assistance from the County Board, we prepared a revised summary for each year that reflected the correct usage of the space. We compared square footage for each room on the 1369 E. Front Street building's floor plan to the revised summary for each year to ensure completeness. All rooms on the floor plan were accounted for in the revised summaries.

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 compared the revised summaries to the square footage reported for each cell in *Schedule B-1, Section A, Square Footage*.

We found variances exceeding 10 percent and we reported these variances in Appendix A (2010) and Appendix B (2011).

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 could not perform this procedure as the County Board did not have a summary that accurately reflected usage of space. In developing the revised summary for each year with the County Board assistance, we ensured that areas shared by more than one type of service were allocated by program based on the reported usage of each area.

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 there were no individuals served or units of service omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which resulted in unassigned program or general expenses-all program costs. However, we noted that there were individuals served in preschool and school age programs in 2011 but no corresponding expenses for these programs. The County Board indicated these statistics were reported in error.

We reported variances to remove attendance statistics for preschool and school age programs 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 the typical hours of service for Supported Employment -Enclave services was omitted from the Cost Reports in 2010 and 2011 and we obtained the County Board's supporting documentation for typical hours of Supported Employment -Enclave service.

We reported the typical hours of service in Appendix A (2010) and Appendix B (2011).

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

We compared the County Board's list of individuals served report for the number of individuals served and days of attendance with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation and Enclave on *Schedule B-1, Section B, Attendance Statistics* 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. See also procedure 5 for additional variances identified for Enclave services in 2011.

We reported variances exceeding two percent 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 audited 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, Section B, Attendance Statistics* 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* 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 for both Facility Based and Enclave services, 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 in 2010. We found differences exceeding three individuals in 2011 and, as a result, we obtained revised attendance report for Enclave services from the County Board. We compared the 15 individual names selected for 2011 to the revised Enclave attendance report and found no differences. We reported variances to reflect the updated attendance statistics for Enclave services in Appendix B (2011).

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.

The County Board did not provide Supported Employment - Community Employment services, therefore we did not perform this procedure.

Acuity Testing

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

We compared the County Board's attendance by 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 and 2009. We did not perform this procedure for 2010 and 2011 because the County Board did not provide the Supplemental Acuity Spreadsheet for those years.

We found variances in 2008 and 2009. We found the following days on the Days of Attendance by Acuity supplemental Cost Report worksheet should be reclassified for Facility Based services:

- In 2008, we found 93 days that should be reclassified from acuity level A to B; and
 - In 2009, we found 383 days that should be added to acuity level A, and 153 days that should be reduced from acuity level A-1.
2. We also compared two individuals from each acuity level on the County Board's 2008 and 2009, 2010, and 2011 attendance by acuity reports to the Acuity Assessment Instrument for each individual for the corresponding year.

We found no acuity variances for any individuals and days of attendance reported on the Days of Attendance and Individuals Served by Acuity supplemental cost report worksheet for 2008, 2009, and 2011. The County Board could not provide support for one Enclave individual in 2010. We noted several Acuity Assessment Instruments (AAIs) were not dated.

Recommendation:

We recommend the County Board ensure the proper effective date is listed on each AAI to ensure the acuity level assigned on the spreadsheet is properly supported.

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 Transportation Details reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no variances or computational errors exceeding two percent.

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 adult individuals for one month in 2010 and for one month in 2011 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no differences exceeding 10 percent.

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 any cost of bus tokens, cabs on *Schedule B-3* for 2010 or 2011. However, we did review the County Board's detailed expenditure reports for any of these costs not identified by the County Board (see procedures and results in the Non-Payroll Expenditures and Reconciliation to the County Audit Report Section).

We found no unreported costs in our review of the County Board's detailed expenditure reports; however, we found that per mile transportation services for both 2010 and 2011 were included in the one-way trips reported on *Schedule B-3*. We obtained miles and authorized costs from the County Board for these transports and we calculated the corresponding number of one-way trips included in the statistics reported on *Schedule B-3*.

We reported differences in number of trips and costs in Appendix A (2010) and Appendix B (2011).

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 Receivable Billing Reimbursable Detail and the Services Provided Detail reports with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*. We also footed the County Board's Receivable Billing Reimbursable Detail and Services Provided Detail reports for accuracy.

We found differences as reported in Appendix A (2010) and Appendix B (2011). In addition, we determined Home Choice Units in 2010 and 2011 were reimbursed through TCM claims; therefore, we reported findings in the amount of \$831.52 which is included in Paid Claims - Recoverable Finding - 2010 and \$63.22 which is included in Paid Claims - Recoverable Finding - 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 Receivable Billing Reimbursable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D) and 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 and we reported these differences in Appendix A (2010). In 2011, the units found to be in error did not exceed 10 percent of our sample.

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 Unallowable SSA service units for both 2010 and 2011 from the Receivable Billing Reimbursable Detail and the Services Provided Detail reports, and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D) and included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error did not exceed 10 percent of our sample for 2010. In 2011, the units found to be in error exceeded 10 percent of our sample and we reported these differences in Appendix B.

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 units did not decrease by more than five percent from the prior year's *Schedule B-4* in 2010. In 2011, the final Home Choice and Unallowable SSA units decreased by more than five percent from the prior year's *Schedule B-4* and we obtained the County Board's explanation that there were no individuals participating in the Home Choice Program and the SSA staff received training to improve documentation practices. We reported no variances in Appendix A (2010) and Appendix B (2011).

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 audited *Schedule B-4* plus any recorded general time units, DODD requested us to determine if they were properly classified and report any variances with an error rate exceeding 10 percent and indicating a systemic issue.

We did not perform this test in 2010 as the general time units did not exceed 10 percent of total SSA units. In 2011, we haphazardly selected a sample of 60 General Time Units from the Receivable Billing Reimbursable Detail and the Services Provided 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 2011 sample.

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 Revenue Account Reports for the Permanent Improvement (N42), General Fund (S19), Reserve Balance, Pathways Two Grant (S32), and Family Resources (S35) funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found no differences in 2010. In 2011, we found differences as reported in Appendix B.

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.

In 2010, total County Board receipts were within 1/4 percent of the County Auditor's yearly receipt totals reported for these funds. In 2011, total County Board receipts were not within 1/4 percent of the County Auditor yearly receipt totals reported for these funds. We determined the difference was due to the County Board not including transfers of \$360,000 on the *Reconciliation to County Auditor Worksheet*. We reported this adjustment in Appendix B (see procedure 1 above) and with this adjustment, the total County Board receipts reconciled within 1/4 percent.

3. DODD asked that we 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 Detailed Report and other supporting documentation.

We did not perform this procedure since the total County Board receipts were within 1/4 percent of the County Auditor's yearly receipt totals in procedure 2 above.

4. We compared revenue entries on *Schedule C Income Report* to the Mid East Ohio Regional and The Employment Connection Councils of Government (COGs) prepared County Board Summary Workbooks.

We found no differences.

5. We reviewed the County Board's 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 \$73,423 in 2010 and \$62,386 in 2011;
- Renovation reimbursements in the amount of \$64,096 in 2010 and \$35,966 in 2011;
- Title XX revenues in the amount of \$15,010 in 2010 and \$26,428 in 2011;
- Help Me Grow revenues in the amount of \$155,786 in 2010 and \$67,507 in 2011;
- Dental Insurance reimbursements in the amount of \$2,980 in 2010 and \$4,044 in 2011;
- Payroll reimbursements in the amount of \$61,051 in 2010 and \$11,145 in 2011;
- Public utility reimbursements in the amount of \$22,4701 in 2010; and
- Project Launch revenue in the amount of \$18,165 in 2011.

Pathways revenues were identified in the amount of \$635,461 in 2010 and \$572,668 in 2011; however, corresponding expenses were offset on *Schedule a1, Adult Program Worksheet* as reported in Appendix A (2010) and Appendix B (2011).

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 Sections 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 (for homemaker/personal care, type must include if routine, on-site/on-call, or level one emergency);
- 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 these documentation requirements for 2010 and/or 2011. Based on our initial results, we selected an additional sample of 19 units in 2010 and 57 in 2011. We noted the following findings.

Recoverable Finding - 2010 Finding \$980.56

We determined the County Board was over reimbursed for 77 units of Adult Day and Vocational Habilitation Combination - 15 minute units (AXF) service in which the service documentation did not match the units billed and 111 units of TCM service in which the County Board billed for Home Choice units.

Service Code	Units	Review Results	Finding
AXF	77	Units billed did not match units documented	\$149.04
TCM	111	Home Choice units are not eligible to be reimbursed as Targeted Case Management	\$831.52
TOTAL			\$980.56

Recoverable Finding - 2011 Finding \$612.84

We determined the County Board was over reimbursed for one unit of Vocational Habilitation – Daily unit (FVH) service in which the County Board billed the wrong procedure code. We

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).

determined the County Board was over reimbursed for 30 units of Adult Day and Vocational Habilitation Combination -15 minute unit (FXF) service and one unit of Vocational Habilitation – 15 minute unit (FVF) in which no documentation to support the reimbursement was provided. In addition, the County Board incorrectly billed for administrative fees on two units of Environmental Accessibility Adaptations and/or Modification and Supplies (FAE) service. We also found that the County Board was over reimbursed for nine units of TCM service in which the County Board billed for Home Choice units.

Service Code	Units	Review Results	Finding
FVH	1	Billed wrong procedure code	\$3.98
FXF	30	Lack of supporting documentation	\$30.60
FVF	7	Lack of supporting documentation	\$7.14
FAE	2	Incorrectly billed for administrative fees	\$507.90
TCM	9	Home Choice units are not eligible to be reimbursed as Targeted Case Management	\$63.22
TOTAL			\$612.84

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 audited 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 report.

We found no differences in 2010. Because reimbursements exceeded the amount reported by two percent in 2011, we obtained the County Board's explanation. The variance was due to the County Board incorrectly billing for administrative fees for which the County Board did not incur an expense; therefore, under 45 CFR 74.81, we reported a finding in the amount of \$507.90 which is included above in the Paid Claims-Recoverable Finding - 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 Appropriation Report balances for the Permanent Improvement (N42), General (S19), Reserve Balance (S22), Pathways Two Grant (S32), and Family Resources (S35) funds.

We found no differences.

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 within 1/4 percent of the County Auditor's yearly disbursement totals reported for these funds.

3. DODD asked that we compare the account description and amount for each reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's State Expense Detailed reports and other supporting documentation unless procedure 2 above reconciled within the 1/4 percent threshold.

We did not perform this procedure since total County Board disbursements were within 1/4 percent of the County Auditor's yearly disbursement totals in procedure 2 above.

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 Without Payroll or Benefits (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 Without Payroll or Benefits (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.

7. We scanned the County Board's State Expenses without Payroll or Benefits (Detailed) Reports 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 in Appendix A (2010) and Appendix B (2011). We reported differences for 2010 purchases to record their first year's depreciation in Appendix B (2011). However, we did not determine if 2011 purchases were properly capitalized in 2012.

8. We haphazardly selected 20 disbursements from 2010 and 2011 from the County Board's State Expenses Without Payroll and Benefits (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.

In 2010, we reported differences in Appendix A for misclassified costs and non-federal reimbursable costs. In 2011, we found no differences exceeding two percent.

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 no differences in 2010. In 2011, we reported differences exceeding \$100 in Appendix B.

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 reported differences for assets that were not properly capitalized in Appendix A (2010) and Appendix B (2011).

5. We haphazardly selected the lesser of 10 of the County Board's fixed assets or 10 percent of items which meet the County Board's or 10 percent of items 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 as reported in Appendix A (2010) and Appendix B (2011).

6. We haphazardly selected all of disposed assets from 2010 and 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. We also recalculated 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.

In 2010, we did not perform this procedure because the County Board stated that no capital assets were disposed of in 2010. We also scanned the County Board's Revenue Received Reports and did not find any proceeds from the sale or disposal of fixed assets.

In 2011, we found difference in one item selected for testing and, as a result, selected the remaining two disposed assets for testing. We found variances as reported in Appendix B.

Recommendation:

We recommend the County Board implement a process to report any gain or loss from disposed assets to meet the requirements contained in the Cost Report Guidelines which specify that, "when depreciable assets with salvage value are disposed of an adjustment will be necessary in the County Board's allowable cost. The amount of loss to be included on the 'Income and Expense Report' is limited to the non-depreciated basis of the asset. The loss should be handled in the same manner as was the depreciation. Gains should be used to offset depreciation in the current year manner as was the depreciation."

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 Permanent Improvement (N42), General (S19), Reserve Balance (S22), Pathways Two Grant (S32), and Family Resources (S35) funds.

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 Appropriation Reports. Because the variance was greater than two percent 2010 we obtained the County Board's explanation and scanned the County Board's State Expenses Payroll Only (Detailed) Report to identify misclassified costs.

In 2010, the County Board's variance was due to payroll transactions misclassified in benefits. We reported this variance in Appendix A. With this adjustment; the variance was less than two percent. 2. DODD asked us to compare the County Board disbursements on the detailed payroll reports 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 2010 State Expenses Payroll Only (Detailed) Report and the 2011 Salaries and Benefits report.

In 2010, we found no differences exceeding \$100 on any worksheet. In 2011, we found differences as reported in Appendix B.

3. We selected 12 employees and compared the County Board's organizational chart, staffing/payroll journal 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 reported differences from these procedures in Appendix A (2010) and Appendix B (2011) and because misclassification errors exceeded 10 percent of the sample size in 2010 and 2011, we performed procedure 4 below.

4. DODD asked us to scan the County Board's detailed payroll 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 scanned the County Board's State Expenses Payroll Only (Detailed) Report for 2010 and the Salaries and Benefits report for 2011 and compared 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.

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

Medicaid Administrative Claiming (MAC)

1. DODD asked us to contact its Office of Audits to report differences if the MAC salary and benefits versus the County Board's payroll records exceeded one percent or more.

We compared the salary and benefits entered on the Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) reports to the County Board's 2010 State Expenses Payroll Only (Detailed) and 2011 Salaries and Benefits reports.

We found no variance exceeding one percent. However, in 2010 there were significant variances for misclassified individuals identified during payroll testing and, accordingly, DODD adjusted the Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) Report to reflect these payroll related adjustments.

2. We compared the adjusted 2010 and original 2011 Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) Report(s) to Worksheet 6, columns (I) and (O).

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

3. We compared Ancillary Costs on the Roll Up Report for the Ohio Department of Job and Family Services to Lines 6-10 of the *MAC Reconciliation Worksheet*.

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

4. We selected 13 RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the fourth quarter of 2010 and 11 RMTS observed moments from the third quarter of 2011 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the County Board employees' activity for each observed moment was

maintained and the observed moment was properly classified in accordance with DODD's Guide to MAC using the RMTS Methodology for 2010 and 2011.

In 2010, we found three RMTS observed moments for Activity Code 18-General Administrative; one for Activity Code 13-Medicaid Related Provider Relations; two for Activity Code 17-Investigating Unusual and Major Unusual Incidents; two for Activity Code 7-Referral, Coordination and Monitoring of Medicaid Services; one for Activity Code 1-Direct Care; one for Activity Code 2-Targeted Case Management; and one for incomplete activity that lacked supporting documentation.

In 2011, we found one RMTS observed moments for Activity Code 18-General Administrative; one for Activity Code 17-Investigating Unusual and Major Unusual Incidents; and one for Activity Code 7-Referral, Coordination and Monitoring of Medicaid Services that lacked supporting documentation.

The County Board was aware of the lack of documentation during the review period and stated they have since corrected the problem.

We reported these instances of non-compliance to DODD. DODD is currently working with the Ohio Department of Medicaid (ODM) to determine an acceptable methodology to calculate the findings for recovery.

Recommendation:

We recommended the County Board maintain documentation for RMTS observed moments in accordance with DODD's Guide to Medicaid Administrative Claiming using the Random Moment Time Studies Methodology in the section Response and Documentation of Random Moment says in pertinent part, "Appropriate documentation should provide the detail needed to support the activity selected for the sample moment and clearly identify the date and time corresponding to the sampled moment."

We did not receive a response from officials to the exceptions noted above.

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.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

March 18, 2014

cc: David Couch, Superintendent, Hocking County Board of Developmental Disabilities
Karon Fisher, Business Manager, Hocking County Board of Developmental Disabilities
Brenda Clary, Board President, Hocking County Board of Developmental Disabilities

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A				
20. Environmental Accessibility Adaptations And/Or Modifications And Supplies (L) Community Residential	\$ -	\$ 5,894	\$ 5,894	To reclassify home modification expense
21. Adaptive And Assistive Equipment (L) Community Residential	\$ -	\$ 558	\$ 558	To reclassify home modification expense
27. Home Choice Community Transition Services (L)	\$ -	\$ 2,158	\$ 2,158	To reclassify home choice expenses
Schedule B-1, Section A				
15. Supported Emp. -Enclave (B) Adult	-	401	401	To correct square footage
17. Medicaid Administration (A) MAC	-	9	9	To reclassify MAC square footage
20. Family Support Services (D) General	81	(81)	-	To correct square footage
22. Program Supervision (B) Adult	2,047	(1,867)	180	To correct square footage
23. Administration (D) General	1,499	(163)	1,490	To correct square footage
		(9)	1,327	To reclassify MAC square footage
24. Transportation (D) General	762	(437)	325	To correct square footage
25. Non-Reimbursable (D) General	-	1,220	1,220	To correct square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	-	19	19	To record individuals served
2. Days Of Attendance (B) Supported Emp. -Enclave	-	1,911	1,911	To record days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	5.7	5.7	To record typical hours of service
Schedule B-3				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	5,201	(1,165)	4,036	To remove per mile transportation reported as trips
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 43,479	\$ 43,479	To record per mile expenses
Schedule B-4				
1. TCM Units (D) 4th Quarter	4,741	(3,560)	1,070	To correct TCM units
		(111)		To reclassify home choice units
2. Other SSA Allowable Units (D) 4th Quarter	-	997		To record other allowable units
		(7)	990	To reclassify unallowable units
3. Home Choice Units (D) 4th Quarter	-	111		To reclassify home choice units
		3	114	To reclassify home choice units
5. SSA Unallowable Units (D) 4th Quarter	-	879		To record unallowable units
		7		To reclassify unallowable units
		(3)	883	To reclassify home choice units
Worksheet 1				
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 71,080	\$ 412		To correct depreciation expense
		\$ (16,060)	\$ 55,432	To remove depreciation on capital asset acquisitions
5. Movable Equipment (U) Transportation	\$ 19,739	\$ 11,993		To correct depreciation expense
		\$ (1,952)	\$ 29,780	To remove depreciation on capital asset acquisitions
8. COG Expenses (L) Community Residential	\$ 88	\$ (59)	\$ 29	To match audited COG workbook
8. COG Expenses (N) Service & Support Admin	\$ 235	\$ (157)	\$ 78	To match audited COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 10	\$ 10	To match audited COG workbook

Appendix A (page 2)
Hocking County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 213,322	\$ (3,681)		To reclassify Sheila Hall's salary
		\$ (209,641)	\$ -	To reclassify MAC salaries
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 106,220	\$ (758)		To reclassify Sheila Hall's benefits
		\$ (6,242)	\$ 99,220	To reclassify MAC salaries
3. Service Contracts (X) Gen Expense All Prgm	\$ 116,063	\$ (35,000)	\$ 81,063	To reclassify children expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 57,192	\$ (3,847)		To reclassify capital asset purchase
		\$ 2,629		To reclassify administrative expense
		\$ 10,434		To reclassify administrative expense
		\$ (1,514)	\$ 64,894	To reclassify non-federal reimbursable expenses
5. COG Expenses (L) Community Residential	\$ 1,988	\$ (188)	\$ 1,800	To match audited COG workbook
5. COG Expense (N) Service & Support Admin	\$ 5,337	\$ (507)	\$ 4,830	To match audited COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ -	\$ 2,912	\$ 2,912	To match audited COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 83,113	\$ 1,514	\$ 84,627	To reclassify non-federal reimbursable expenses
Worksheet 2A				
1. Salaries (A) Early Intervention	\$ 30,001	\$ (30,001)	\$ -	To reclassify Sarah Winters' salary
1. Salaries (E) Facility Based Services	\$ 50,168	\$ (33,040)		To reclassify Kelli Walters' salary
		\$ (11,538)		To reclassify MAC salaries
		\$ (5,590)	\$ -	To reclassify Dennis Hoffer's salary
1. Salaries (N) Service & Support Admin	\$ 50,052	\$ (50,052)	\$ -	To reclassify Matthew Nobile's salary
2. Employee Benefits (A) Early Intervention	\$ 7,376	\$ (7,376)	\$ -	To reclassify Sarah Winters' benefits
2. Employee Benefits (E) Facility Based Services	\$ 18,177	\$ (12,383)		To reclassify Kelli Walters' benefits
		\$ (3,326)		To reclassify MAC salaries
		\$ (1,546)	\$ 922	To reclassify Dennis Hoffer's benefits
2. Employee Benefits (N) Service & Support Admin	\$ 23,156	\$ (23,156)	\$ -	To reclassify Matthew Nobile's benefits
4. Other Expenses (A) Early Intervention	\$ 150	\$ (150)	\$ -	To reclassify direct service expense
4. Other Expenses (E) Facility Based Services	\$ 1,083	\$ (264)	\$ 819	To reclassify direct service expenses
4. Other Expenses (N) Service & Support Admin	\$ 3,708	\$ (3,708)	\$ -	To reclassify direct SSA expenses
Worksheet 3				
4. Other Expenses (A) Early Intervention	\$ 1,117	\$ (999)		To reclassify capital asset purchase
		\$ 5,753	\$ 5,871	To reclassify building expenses
4. Other Expenses (E) Facility Based Services	\$ 64,992	\$ (8,617)	\$ 56,375	To reclassify capital asset purchase
4. Other Expenses (X) Gen Expense All Prgm.	\$ 109,966	\$ (26,543)	\$ 83,423	To reclassify capital asset purchases
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 17	\$ 17	To match audited COG workbook

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 5				
1. Salaries (A) Early Intervention	\$ 103,951	\$ 30,001	\$ 133,952	To reclassify Sarah Winters' salary
1. Salaries (M) Family Support Services	\$ -	\$ 3,681	\$ 3,681	To reclassify Sheila Hall's salary
2. Employee Benefits (A) Early Intervention	\$ 15,696	\$ 7,376	\$ 23,072	To reclassify Sarah Winters' benefits
2. Employee Benefits (M) Family Support Services	\$ -	\$ 758	\$ 758	To reclassify Sheila Hall's benefits
4. Other Expenses (A) Early Intervention	\$ 27,028	\$ (5,753)		To reclassify building expenses
		\$ 35,000		To reclassify children expenses
		\$ (442)		To reclassify non-federal reimbursable costs
		\$ 150	\$ 55,983	To reclassify direct service expense
4. Other Expenses (L) Community Residential	\$ 27,451	\$ (2,158)		To reclassify home choice expenses
		\$ (558)		To reclassify home modification expense
		\$ (5,894)	\$ 18,841	To reclassify home modification expense
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 442	\$ 442	To reclassify non-federal reimbursable costs
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 3,027	\$ 3,027	To match audited COG workbook
Worksheet 6				
1. Salaries (I) Medicaid Admin	\$ -	\$ 208,035	\$ 208,035	To record MAC salaries
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 258,704	\$ 258,704	To record MAC salaries
Worksheet 7-B				
1. Salaries (E) Facility Based Services	\$ 46,090	\$ (31,659)	\$ 14,431	To reclassify MAC salaries
2. Employee Benefits (E) Facility Based Services	\$ 21,337	\$ 304		To reclassify Amanda Spradlin's benefit expense
		\$ 607	\$ 22,248	To reclassify Amanda Spradlin's benefit expense
4. Other Expenses (E) Facility Based Services	\$ 3,827	\$ (304)	\$ 3,523	To reclassify Amanda Spradlin's benefit expense
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 247,492	\$ 50,052		To reclassify Matthew Nobile's salary
		\$ (129,914)	\$ 167,630	To reclassify MAC salaries
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 88,532	\$ 23,156	\$ 111,688	To reclassify Matthew Nobile's benefits
3. Service Contracts (N) Service & Support Admin. Costs	\$ 3,116	\$ (2,629)		To reclassify administrative expense
		\$ (445)	\$ 42	To reclassify fees paid to COG
4. Other Expenses (N) Service & Support Admin. Costs	\$ 17,910	\$ 3,708	\$ 21,618	To reclassify SSA expense

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 302,594	\$ 19,824		To reclassify facility based portion of Kelli Walters' salary
		\$ (46,994)		To reclassify MAC salaries
		\$ 5,590	\$ 281,014	To reclassify Dennis Hoffer's salary
1. Salaries (F) Enclave	\$ -	\$ 13,216	\$ 13,216	To reclassify enclave portion of Kelli Walters' salary
1. Salaries (G) Community Employment	\$ 8,778	\$ (4,918)	\$ 3,860	To reclassify Tammy Alvoid's MAC salary
2. Employee Benefits (E) Facility Based Services	\$ 196,208	\$ 7,430		To reclassify facility based portion of Kelli Walter's benefits
		\$ (22,507)		To reclassify MAC salaries
		\$ 1,546	\$ 182,677	To reclassify Dennis Hoffer's benefits
2. Employee Benefits (F) Enclave	\$ -	\$ 4,953	\$ 4,953	To reclassify enclave portion of Kelli Walter's benefits
4. Other Expenses (E) Facility Based Services	\$ 121,740	\$ (607)		To reclassify Amanda Spradlin's benefit expense
		\$ (12,413)		To reclassify capital asset purchases
		\$ (10,434)		To reclassify administrative expense
		\$ (651)		To reclassify non-federal reimbursable advertising
		\$ 264	\$ 97,899	To reclassify direct service expenses
4. Other Expenses (G) Community Employment	\$ -	\$ 581,484	\$ 581,484	To reclassify RSC expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 651	\$ 651	To reclassify non-federal reimbursable advertising
a1 adult				
10. Community Employment (B) Less Revenue	\$ -	\$ 581,484		To offset RSC expenses
		\$ 3,860		To offset Tammy Alvoid's salary
		\$ 1,962	\$ 587,306	To offset Tammy Alvoid's benefits
Reconciliation to County Auditor Expense:				
Plus: Purchases Greater Than \$5,000	\$ 275,023	\$ 3,847		To reclassify capital asset purchases
		\$ 999		To reclassify capital asset purchase
		\$ 26,543		To reclassify capital asset purchases
		\$ 12,413		To reclassify capital asset purchases
		\$ 8,617	\$ 327,442	To reclassify capital asset purchase
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 445	\$ 445	To reclassify fees paid to COG
Plus: Lifeworks pass thru; lifeworks match	\$ 716,911	\$ (581,484)	\$ 135,427	To reclassify RSC expenses
Less: Capital Costs	\$ (94,845)	\$ (412)		To reconcile depreciation expenses
		\$ 16,060		To reconcile depreciation expenses
		\$ 1,952		To reconcile depreciation expenses
		\$ (11,993)	\$ (89,238)	To reconcile depreciation expenses
Medicaid Administration Worksheet				
6. Other Costs (A) Reimbursement Requested Through Calendar Year				
7. Capital Costs (A) Reimbursement Requested Through Calendar Year				
8. Indirect Costs (A) Reimbursement Requested Through Calendar Year	\$ -	\$ 12,783	\$ 12,783	To correct ancillary costs
9. Program Supervision Costs (A) Reimbursement Requested Through Calendar Year				

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A				
20. Environmental Accessibility Adaptations And/Or Modifications And Supplies (L) Community Residential	\$ 320	\$ 12		To match audited COG workbook
		\$ 11,769	\$ 12,101	To reclassify home modifications expenses
21. Adaptive And Assistive Equipment (L) Community Residential	\$ -	\$ 10	\$ 10	To match audited COG workbook
23. Homemaker/Personal Care (L) Community Residential	\$ 1,550	\$ 1,178	\$ 2,728	To match audited COG workbook
27. Home Choice Community Transition Services (L)	\$ -	\$ 3,876	\$ 3,876	To reclassify home choice expenses
Schedule B-1, Section A				
1. Building Services (B) Adult	2,201	(302)	1,899	To correct square footage
15. Supported Emp. -Enclave (B) Adult	266	87	353	To correct square footage
17. Medicaid Administration (A) MAC	-	9	9	To reclassify MAC square footage
22. Program Supervision (B) Adult	938	(746)	192	To correct square footage
23. Administration (D) General	1,948	(618)		To correct square footage
		(9)	1,321	To reclassify MAC square footage
25. Non-Reimbursable (B) Adult	1,529	(1,529)	-	To correct square footage
25. Non-Reimbursable (D) General	911	756	1,667	To correct square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	-	16	16	To record individuals served
		7	23	To record additional individuals served
2. Days Of Attendance (B) Supported Emp. - Enclave	-	1,282	1,282	To record days of attendance
		850	2,132	To record additional days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	5.7	5.7	To record typical hours of service
5. Total Individuals Served by Age Group (B) Pre-School	26	(26)	-	To remove individuals served
5. Total Individuals Served by Age Group (C) School Age	62	(62)	-	To remove individuals served
Schedule B-3				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	5,494	(235)	5,259	To remove per mile transportation reported as trips
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 12,036	\$ 12,036	To record per mile expenses
Schedule B-4				
1. TCM Units (D) 4th Quarter	3,963	(1,664)		To match TCM units
		(9)	2,290	To reclassify Home Choice units
2. Other SSA Allowable Units (A) 1st Quarter	1,934	(955)		To match other allowable units
		8	987	To reclassify other allowable units
2. Other SSA Allowable Units (B) 2nd Quarter	2,381	(2,381)	-	To match other allowable units
2. Other SSA Allowable Units (C) 3rd Quarter	1,634	(1,634)	-	To match other allowable units
2. Other SSA Allowable Units (D) 4th Quarter	943	(943)	-	To match other allowable units
3. Home Choice Units (D) 4th Quarter	-	9	9	To reclassify Home Choice units
5. SSA Unallowable Units (D) 4th Quarter	-	677		To record unallowable units
		(8)	669	To reclassify other allowable units

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 1				
2. Land Improvements (X) Gen Expense All Prgm.	\$ -	\$ 4,027	\$ 4,027	To correct audited cell total
3. Buildings/Improve (A) Early Intervention	\$ -	\$ 955	\$ 955	To add depreciation expense
3. Buildings/Improve (E) Facility Based Services	\$ 41,504	\$ (41,504)	\$ -	To correct audited cell total
3. Buildings/Improve (L) Community Residential	\$ -	\$ 4,125	\$ 4,125	To add depreciation expense
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 26,576	\$ 49,767		To correct audited cell total
		\$ (5,260)		To remove depreciation on capital asset acquisition
		\$ 1,189		To correct depreciation expense
		\$ 1,024		To add depreciation expense
		\$ 412	\$ 73,708	To correct depreciation expense
4. Fixtures (X) Gen Expense All Prgm.	\$ -	\$ 2,228	\$ 2,228	To add depreciation expense
5. Movable Equipment (U) Transportation	\$ 28,943	\$ 7,877		To correct audited cell total
		\$ (9,715)		To remove depreciation on capital asset acquisition
		\$ 1,125		To add depreciation expense
		\$ 5,482		To record loss on disposed assets
		\$ 11,993	\$ 45,705	To correct depreciation expense
8. COG Expenses (N) Service & Support Admin	\$ 494	\$ (364)	\$ 130	To match audited COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ 65	\$ (49)	\$ 16	To match audited COG workbook
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 71,966	\$ (33,613)		To reclassify Kelli Walters' salary
		\$ (1,154)	\$ 37,199	To reclassify Sarah Winter's salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 117,864	\$ 2,954		To correct audited cell total
		\$ (12,428)		To reclassify Kelli Walters' benefits
		\$ 5,812		To reclassify Brianne Chamber's benefits
		\$ (280)	\$ 113,922	To reclassify Sarah Winter's benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 77,586	\$ (11,406)		To correct audited cell total
		\$ (290)	\$ 65,890	To reclassify non-federal reimbursable expenses
5. COG Expense (E) Facility Based Services	\$ -	\$ 161	\$ 161	To match audited COG total
5. COG Expense (F) Enclave	\$ -	\$ 2	\$ 2	To match audited COG total
5. COG Expense (G) Community Employment	\$ -	\$ 69,744	\$ 69,744	To match audited COG total
5. COG Expenses (L) Community Residential	\$ -	\$ 45	\$ 45	To match audited COG total
5. COG Expense (N) Service & Support Admin	\$ 5,767	\$ (639)	\$ 5,128	To match audited COG total
5. COG Expense (O) Non-Federal Reimbursable	\$ 3,093	\$ 148	\$ 3,241	To match audited COG total
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 142,063	\$ 267		To correct audited cell total
		\$ 290		To reclassify non-federal reimbursable expenses
		\$ (12,136)	\$ 130,484	To reconcile fees paid to COG

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 22,662	\$ (22,662)	\$	- To reclassify Amanda Steven's salary
1. Salaries (N) Service & Support Admin	\$ (12,891)	\$ 12,942 \$ (51)	\$	- To correct adjustment for MAC - To correct error due to miscalculation
2. Employee Benefits (E) Facility Based Services	\$ 10,353	\$ (10,353)	\$	- To reclassify Amanda Steven's benefits
2. Employee Benefits (N) Service & Support Admin	\$ 23,257	\$ (12,942) \$ (10,315)	\$	- To correct adjustment for MAC - To reclassify Matthew Nobile's benefits
4. Other Expenses (N) Service & Support Admin	\$ 536	\$ (536)	\$	- To reclassify direct SSA expenses
5. COG Expenses (G) Community Employment	\$ -	\$ 6,322	\$ 6,322	To match audited COG total
5. COG Expenses (N) Service & Support Admin	\$ 134	\$ (134)	\$	- To match audited COG total
5. COG Expenses (O) Non-Federal Reimbursable	\$ 18	\$ (18)	\$	- To match audited COG total
Worksheet 3				
4. Other Expenses (N) Service & Support Admin	\$ 877	\$ (589)	\$ 288	To reclassify capital asset purchase
4. Other Expenses (V) Admin	\$ 4,436	\$ (2,792)	\$ 1,644	To reclassify capital asset purchases
5. COG Expenses (N) Service & Support Admin	\$ -	\$ 113	\$ 113	To match audited COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 14	\$ 14	To match audited COG workbook
Worksheet 5				
1. Salaries (A) Early Intervention	\$ 110,989	\$ 16,403	\$	To reclassify Carrie Roberts' salary
2. Employee Benefits (A) Early Intervention	\$ 16,067	\$ 1,154 \$ 6,595	\$ 128,546	To reclassify Sarah Winter's salary To reclassify Carrie Roberts' benefits
		\$ 280	\$ 22,942	To reclassify Sarah Winter's benefits
3. Service Contracts (L) Community Residential	\$ 113,919	\$ (113,919)	\$	- To reclassify fees paid to COG
4. Other Expenses (L) Community Residential	\$ 26,879	\$ (3,876) \$ (11,769)	\$ 11,234	To reclassify home choice expenses To reclassify home modification expenses
5. COG Expenses (L) Community Residential	\$ -	\$ 201	\$ 201	To match audited COG workbook
Worksheet 7-B				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 8,878	\$ (876)	\$ 8,002	To reclassify Amanda Spradlin's benefit expense
4. Other Expenses (E) Facility Based Services	\$ 4,492	\$ (1,680) \$ 876	\$ 3,688	To reclassify fees paid to COG To reclassify Amanda Spradlin's benefit expense
Worksheet 8				
5. COG Costs (E) Facility Based Services	\$ -	\$ 307	\$ 307	To match audited COG workbook
5. COG Costs (G) Community Employment	\$ -	\$ 128	\$ 128	To match audited COG workbook

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 186,112	\$ 20,350		To reclassify Andrea Osterbur's salary
		\$ (16,403)	\$ 190,059	To reclassify Carrie Roberts' salary
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 109,026	\$ 8,096		To reclassify Andrea Osterbur's benefits
		\$ (6,595)		To reclassify Carrie Roberts' benefits
		\$ (5,812)		To reclassify Brianne Chamber's benefits
		\$ 10,315	\$ 115,030	To reclassify Matthew Nobile's benefits
4. Other Expenses (N) Service & Support Admin. Costs	\$ 12,068	\$ 536	\$ 12,604	To reclassify direct SSA expenses
5. COG Expenses (N) Service & Support Admin. Costs	\$ 21,750	\$ 1,407	\$ 23,157	To match audited COG workbooks
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 483,532	\$ 20,168		To reclassify facility based portion of Kelli Walters' salary
		\$ (20,350)		To reclassify Andrea Osterbur's salary
		\$ 22,662		To reclassify Amanda Stevens' salary
		\$ (10,767)	\$ 495,245	To reclassify enclave portion of Dennis Hoffer's salary
1. Salaries (F) Enclave	\$ -	\$ 13,445		To reclassify enclave portion of Kelli Walters' salary
		\$ 10,767	\$ 24,212	To reclassify enclave portion of Dennis Hoffer's salary
2. Employee Benefits (E) Facility Based Services	\$ 187,781	\$ 7,457		To reclassify facility based portion of Kelli Walters' benefits
		\$ 10,353		To reclassify Amanda Stevens' benefits
		\$ (1,578)		To reclassify enclave portion of Dennis Hoffer's benefits
		\$ (8,096)	\$ 195,917	To reclassify Andrea Osterbur's benefits
2. Employee Benefits (F) Enclave	\$ -	\$ 4,971		To reclassify enclave portion of Kelli Walters' benefits
		\$ 1,578	\$ 6,549	To reclassify enclave portion of Dennis Hoffer's benefits
4. Other Expenses (E) Facility Based Services	\$ 34,783	\$ (539)	\$ 34,244	To reclassify non-federal reimbursable expenses
4. Other Expenses (G) Community Employment	\$ -	\$ 518,432	\$ 518,432	To reclassify RSC expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 539	\$ 539	To reclassify non-federal reimbursable expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$ 422	\$ 422	To match audited COG workbooks
5. COG Expenses (G) Community Employment	\$ -	\$ 243,031	\$ 243,031	To match audited COG workbooks
a1 adult				
10. Community Employment (B) Less Revenue	\$ -	\$ 243,009		To offset RSC COG expense
		\$ 518,432	\$ 761,441	To offset RSC expenses

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Reconciliation to County Auditor				
Expense:				
Plus: Real Estate Fees	\$ (55,424)	\$ (292)	\$ (55,716)	To correct auditor and treasurer fees
Plus: Purchases Greater Than \$5,000	\$ 247,589	\$ 589		To reclassify capital asset purchase
		\$ 2,792	\$ 250,970	To reclassify capital asset purchases
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 113,919		To reclassify fees paid to COG
		\$ 1,680		To reclassify fees paid to COG
		\$ 12,136	\$ 127,735	To reconcile fees paid to COG
Plus: lifeworks; grant match	\$ 550,932	\$ (518,432)	\$ 32,500	To reclassify RSC expenses
Less: Capital Costs	\$ (99,420)	\$ (49,767)		To reconcile off depreciation expenses
		\$ (5,482)		To record loss on disposal of assets
		\$ (7,877)		To reconcile depreciation expenses
		\$ 41,504		To reconcile depreciation expenses
		\$ 5,260		To reconcile depreciation expenses
		\$ 9,715		To reconcile depreciation expenses
		\$ (412)		To reconcile depreciation expenses
		\$ (11,993)		To reconcile depreciation expenses
		\$ (1,189)		To reconcile depreciation expenses
		\$ (1,024)		To reconcile depreciation expenses
		\$ (1,125)		To reconcile depreciation expenses
		\$ (955)		To reconcile depreciation expenses
		\$ (2,228)		To reconcile depreciation expenses
		\$ (4,125)		To reconcile depreciation expenses
		\$ (4,027)	\$ (133,145)	To reconcile depreciation expenses
Less: COG EXPENSES - posted to Schedule A	\$ (10,500)	\$ (1,200)	\$ (11,700)	To reconcile Schedule A COG expenses
Revenue:				
Less: Transfers	\$ -	\$ 360,000	\$ 360,000	To record revenue transfers
Total from 12/31 County Auditor's Report	\$4,052,019	\$ 360,001	\$4,412,020	To correct County Auditor total
Medicaid Administration Worksheet				
7. Capital Costs (A) Reimbursement Requested Through Calendar Year				
8. Indirect Costs (A) Reimbursement Requested Through Calendar Year	\$ -	\$ 12,918	\$ 12,918	To correct ancillary costs
9. Program Supervision Costs (A) Reimbursement Requested Through Calendar Year				

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Dave Yost • Auditor of State

HOCKING COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

HOCKING 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
MAY 15, 2014**