



Dave Yost • Auditor of State

PAULDING 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 Paulding 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 the 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 noted significant variances. The County Board stated that the final 2009 square footage reflects the correct square footage usage by program in 2010 and 2011. We reported variances in Appendix A (2010) and Appendix B (2011) to match to the final 2009 square footage. We performed no further procedures.

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*.

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 (see 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 (see 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 (see procedure 1 above).

5. DODD asked us to obtain 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 (see 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 in 2011 that the number of individuals served for *Worksheet 7-C, Speech Therapy* needed to be obtained as costs were reported in Column (D) Unassigned Children Program and were not being assigned to Column (A) Early Intervention.

The County Board provided support for these omitted statistics as reported 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.

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 PC Workshop Attendance by Daily Inputs Reports for the number of individuals served, days of attendance, with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation, 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.

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 final 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, for 2010 and then we compared 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 did not change by more than 10 percent from the prior year's *Schedule B-1*.

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 did not perform this test since the number of reported individuals in procedure 4 above did not change by more than 10 percent from prior year's *Schedule B-1*.

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 did not perform this procedure as the County Board stated it did not provide Community Employment services.

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 with the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009, 2010, and 2011.

We found no variances for 2008, 2010 and 2011.

For 2009, we found 2,351 Adult Day Services attendance days should be reclassified from acuity level A-1 to A.

We reported these differences on the 2009 Days of Attendance by Acuity supplemental Cost Report worksheet and submitted to DODD.

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

We found no acuity variances for days of attendance reported on the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009, 2010, and 2011.

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 PC Workshop Transportation Reports and School Age Kids reports with those statistics as reported in *Schedule B-3*. We also footed the County Board's transportation reports for accuracy.

We found differences as reported in Appendix A (2010) and 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 four adult individuals and one child from January through September 2010 and January through October 2011 from the County Board's daily reporting documentation to *Schedule B-3*.

We found no differences exceeding 10 percent in 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*.

The County Board did not report any cost of bus tokens, cabs on *Schedule B-3* for 2010 and 2011. We reviewed the County Board's 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report for any of these costs not identified by the County Board.

We found no unreported costs.

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, and SSA Unallowable) from the County Board's Receivable Billing Reimbursable 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 Receivable Billing Reimbursable Detail By Consumer, Service, and Date reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation required by Ohio Admin. Code § 5101:3-48-01(F).

We found no errors in 2010 or 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 92 Unallowable SSA service units for 2010 and 60 units for 2011 from the Receivable Billing Reimbursable Detail By Consumer, Service, and Date reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation required by Ohio Admin. Code § 5101:3-48-01(F).

From the population of 580 units from the Non-TCM (Not-Reimbursable) units for 2010, we selected our sample of 92 units and found 100 percent of those units were for non-individual specific activities (general time units) and we removed the population of these units from *Schedule B-4* as reported in Appendix A (2010).

We also selected 28 of the 54 non-TCM (Reimbursable units) for 2010 and noted they were for allowable activities and reclassified all 54 units as TCM units in Appendix A (2010).

From the population of 2,970 units from the Non-TCM (Not-Reimbursable) units for 2011, we selected our sample of 60 units and found 100 percent of those units were for non-individual specific activities (general time units) and we removed the population of 2,970 units from *Schedule B-4* as reported in Appendix B (2011).

We also selected 31 of the 179 non-TCM (Reimbursable units) for 2011 and noted they were for allowable activities and reclassified all 179 units as TCM units in Appendix B (2011).

Officials' Response:

The County Board contracted with NOWAC for the TCM case note review and billing during 2010 and 2011. The County Board has since contracted with another billing agent in 2013 when errors were found. We hope this will correct any of these errors in the future.

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 Unallowable SSA Units and 2011 TCM units decreased by more than five percent from the prior year's *Schedule B-4* and we obtained the County Board's explanation that units are dependent on the type of case management services needed by the clients.

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 *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 did not perform this procedure because the County Board did not track General Time Units. However, see testing under procedure 4 above for identification of general time units as part of the Unallowable SSA testing.

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 Summary Revenue Report for the Board of Developmental Disabilities (014) fund to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found no differences.

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 within 1/4 percent of the county auditor's yearly receipt totals reported for these funds.

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 detailed revenue reports and other supporting documentation such as county tax settlement sheets.

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 Northwest Ohio Waiver Administration Council (NOWAC or COG) prepared County Board Summary Workbooks.

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

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 \$36,167 in 2010 and \$42,161 in 2011;
- IDEA Part B revenues in the amount of \$11,261 in 2010 and \$17,734 in 2011; and
- Title XX revenues in the amount of \$19,606 in 2010 and \$19,140 in 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 §§ 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 Non-Medical Transportation - One-way trip - Eligible vehicle - Per Trip (ATB/FTB) and the Adult Day Support - Daily unit (FDS) service codes as described below.

Recoverable Finding - 2010 Finding \$28.95

Service Code	Units	Review Results	Finding
ATB	2	Units billed in Excess of Actual Service Delivery	\$27.82
FDS	1	Units billed in Excess of Actual Service Delivery	\$ 1.13
			TOTAL \$28.95

Recoverable Finding - 2011 Finding \$50.41

Service Code	Units	Review Results	Finding
ATB	2	Units billed in Excess of Actual Service Delivery	\$24.29
FTB	2	Units billed in Excess of Actual Service Delivery	\$26.12
			TOTAL \$50.41

Officials' Response:

NOWAC was the County Board billing agent during this time period. NOWAC input billing into the system in error as this data was not on our monthly billing documentation. The County Board has since switched billing agents.

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*

¹ For non-medical transportation, 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).

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 units. The County Board was not reimbursed for Supported Employment - Community Employment during 2010 or 2011.

3. DODD requested us to report whether any reimbursements exceeded disbursements on *Schedule A, Summary of Service Costs- By Program* worksheet 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, 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 Summary Expense Report for the Board of Developmental Disabilities (014) fund.

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

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 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report.

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

5. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 2 through 10 to the NOWAC 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 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report 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, 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 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report 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 Depreciation Schedule.

We found unrecorded purchases meeting the capitalization criteria in 2010 as reported in Appendix A (2010). We found no unrecorded purchases in 2011.

8. We haphazardly selected 20 disbursements from 2010 and 2011 from the County Board's 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report 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 no differences in 2010. We found computational errors as reported in 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 fixed assets which meet the County Board's capitalization policy and were 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 no differences.

6. DODD asked us to haphazardly select the lesser of five percent or 20 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. DODD also asked us to recalculate depreciation and any gain or loss applicable to 2010 (and 2011, if applicable) 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 because the County Board stated that no capital assets were disposed of in 2010 or 2011. We scanned the County Board's State Account Code Detailed Reports and found no proceeds from the sale or exchange of fixed assets.

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 (014) 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 Summary Expense Reports. Because the variance was greater than two percent in 2010, we scanned the County Board's 2010 State Expenses Detail Report to identify misclassified costs.

The variance was related to misclassified benefit costs as reported in Appendix A (2010). The variance was less than two percent for 2011.

2. DODD asked us to compare the County Board 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 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report and Payroll Totals By Job Description By Date Span report.

We found no differences exceeding \$100 on any worksheet in 2010 or 2011.

3. We selected 13 employees and compared the County Board's organizational chart, job descriptions, 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report and Payroll Totals By Job Description By Date Span report 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 in Appendix A (2010) and Appendix B (2011) and because misclassification errors exceeded 10 percent of the sample size we performed procedure 4 below. In addition, we reported differences in benefit allocation costs for 2011 to correspond with reclassified salary expenses as reported in Appendix B (2011).

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 2010 State Expenses Detailed Report and 2011 State Expenses Without Payroll or Benefits Detailed Report and Payroll Totals By Job Description By Date Span report 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 no differences.

We received a response from officials to exceptions noted above under Statistics – Service and Support Administration (procedure 3) and Paid Claims Testing (procedure 1). 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 16, 2014

cc: Lisa Recker, Superintendent, Paulding County Board of Developmental Disabilities
Melinda Walters, Business Manager, Paulding County Board of Developmental Disabilities
Jane Gochenour, Board President, Paulding County Board of Developmental Disabilities

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (B) Adult	1,440	160	1,600	To match final 2009 square footage
2. Dietary Services (C) Child	4,085	(2,977)	1,108	To match final 2009 square footage
4. Nursing Services (C) Child	38	226	264	To match final 2009 square footage
5. Speech/Audiology (C) Child	358	(216)	142	To match final 2009 square footage
7. Occupational Therapy (C) Child	161	(19)	142	To match final 2009 square footage
8. Physical Therapy (C) Child	89	53	142	To match final 2009 square footage
11. Early Intervention (C) Child	681	1,473	2,154	To match final 2009 square footage
13. School Age (C) Child	1,379	788	2,167	To match final 2009 square footage
14. Facility Based Services (B) Adult	10,591	13,017	23,608	To match final 2009 square footage
20. Family Support Services (D) General	25	81	106	To match final 2009 square footage
21. Service And Support Admin (D) General	820	(244)	576	To match final 2009 square footage
22. Program Supervision (B) Adult	121	236	357	To match final 2009 square footage
23. Administration (D) General	620	295	915	To match final 2009 square footage
24. Transportation (D) General	8,064	(4,046)	4,018	To match final 2009 square footage
25. Non-Reimbursable (B) Adult	2,400	(2,400)	-	To match final 2009 square footage
25. Non-Reimbursable (C) Child	627	(51)	576	To match final 2009 square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	77	(3)	74	To correct individuals served
2. Days Of Attendance (A) Facility Based Services	12,199	(1,055)	11,144	To correct days of attendance
Schedule B-3				
3. School Age (G) One Way Trips- Fourth Quarter	-	2,061	2,061	To report correct number of one-way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	2,698	1,088	3,786	To report correct number of one-way trips
Schedule B-4				
1. TCM Units (D) 4th Quarter	2,514	(1,548)		To report SSA units to match Gatekeeper report
		54	1,020	To reclassify NTCM (reimbursable units) as TCM Allowable Units.
2. Other SSA Allowable Units (D) 4th Quarter	-	669	669	To correctly report SSA units
5. SSA Unallowable Units (D) 4th Quarter	-	634		To report SSA units to match Gatekeeper report
		(580)		To remove general time units
		\$ (54)	-	To reclassify NTCM (reimbursable units) as TCM Allowable Units.
Schedule C				
I. County				
(B) Interest- COG Revenue	\$ -	\$ 978	\$ 978	To match COG report
II. Department of MR/DD				
(D) Other (Detail on Separate Sheet) - COG Revenue	\$ -	\$ 20,544	\$ 20,544	To match COG report
Worksheet 1				
3. Buildings/Improve (E) Facility Based Services	\$ -	\$ 16,327	\$ 16,327	To reclassify as Building improvements.
4. Fixtures (E) Facility Based Services	\$ 16,327	\$ (16,327)	\$ -	To reclassify as Building improvements.
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 76,659	\$ 67,350	\$ 144,009	To reclassify assistant superintendent salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 56,508	\$ 10,084		To reclassify assistant superintendent benefits
		\$ (12,256)		To allocate worker's compensation costs
		\$ 50,599		To reclassify and allocate payroll benefits
		\$ 4,519	\$ 109,454	To reclassify PERS pick-up
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 2,093	\$ 2,093	To reclassify non-federal reimbursable amounts

Appendix A (Page 2)
Paulding 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>
Worksheet 1 (Continued)				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 255,771	\$ (14,565)		To reclassify payments to COG
		\$ (13,315)		To reclassify non-federal reimbursable amounts
		\$ (1,247)		To reclassify nursing services
		\$ (17,711)		To reclassify payments to COG
		\$ (3,289)		To reclassify CAFS settlement
		\$ (143,308)		To reclassify payroll benefits
		\$ (14,082)		To reclassify building costs (utilities/insurance)
		\$ (4,519)	\$ 43,735	To reclassify PERS pick-up
5. COG Expense (O) Non-Federal Reimbursable	\$ -	\$ 2,350	\$ 2,350	To match COG report
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 34,076	\$ 33,996		To adjust to report tax settlement fees.
		\$ 11,222	\$ 79,294	To reclassify non-federal reimbursable amounts
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 73,193	\$ (33,017)	\$ 40,176	To reclassify PC Workshop Director of Operations salary
1. Salaries (N) Service & Support Admin	\$ 67,350	\$ (67,350)	\$ -	To reclassify assistant superintendent salary
2. Employee Benefits (E) Facility Based Services	\$ 33,946	\$ (5,057)		To reclassify PC Workshop Director of Operations benefits
		\$ (2,778)	\$ 26,111	To reclassify and allocate payroll benefits
2. Employee Benefits (N) Service & Support Admin	\$ 32,046	\$ (10,084)		To reclassify assistant superintendent benefits
		\$ (21,962)	\$ -	To reclassify and allocate payroll benefits
4. Other Expenses (E) Facility Based Services	\$ 6,496	\$ (984)	\$ 5,512	To reclassify payments to COG
Worksheet 3				
1. Salaries (X) Gen Expense All Prgm.	\$ 34,070	\$ (25,553)	\$ 8,517	To reclassify maintenance and transportation supervisor salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 16,330	\$ (3,915)		To reclassify maintenance and transportation supervisor benefits
		\$ (6,639)	\$ 5,776	To reclassify and allocate payroll benefits
4. Other Expenses (D) Unassigned Children Program	\$ -	\$ 4,100	\$ 4,100	To reclassify gym lights & installation
4. Other Expenses (X) Gen Expense All Prgm.	\$ 106,786	\$ (14,314)		To reclassify air conditioner as purchases greater than \$5,000.
		\$ 14,082	\$ 106,554	To reclassify building costs (utilities/insurance)
Worksheet 5				
2. Employee Benefits (A) Early Intervention	\$ 17,149	\$ 7,095	\$ 24,244	To reclassify and allocate payroll benefits
2. Employee Benefits (C) School Age	\$ 36,658	\$ 15,202	\$ 51,860	To reclassify and allocate payroll benefits
2. Employee Benefits (D) Unasgn Children Program	\$ 4,038	\$ 1,673	\$ 5,711	To reclassify and allocate payroll benefits
4. Other Expenses (D) Unassigned Children Program	\$ 4,495	\$ (4,100)	\$ 395	To reclassify gym lights & installation
Worksheet 7-B				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 3,004	\$ 1,247	\$ 4,251	To reclassify nursing expenses.
Worksheet 8				
1. Salaries (X) Gen Expense All Prgm.	\$ 70,275	\$ 25,553	\$ 95,828	To reclassify maintenance and transportation supervisor salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 33,026	\$ 3,915		To reclassify maintenance and transportation supervisor benefits
		\$ 27,388	\$ 64,329	To reclassify and allocate payroll benefits

Appendix A (Page 3)
Paulding 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>
Worksheet 8 (Continued)						
4. Other Expenses (B) Pre-School	\$ -	\$	210	\$	210	To reclassify to agree to CB expenditure ledger.
4. Other Expenses (C) School Age	\$ 210	\$	(210)	\$	-	To reclassify to agree to CB expenditure ledger.
Worksheet 9						
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 44,422	\$	18,654	\$	63,076	To reclassify and allocate payroll benefits
5. COG Expenses (N) Service & Support Admin. Costs	\$ -	\$	8,211	\$	8,211	To match COG report
Worksheet 10						
1. Salaries (E) Facility Based Services	\$ 246,422	\$	33,017	\$	279,439	To reclassify PC Workshop Director of Operations salary
2. Employee Benefits (E) Facility Based Services	\$ 117,333	\$	5,057			To reclassify PC Workshop Director of Operations benefits
		\$	66,333	\$	188,723	To reclassify and allocate payroll benefits
Reconciliation to County Auditor Worksheet Expense:						
Plus: Real Estate Fees	\$ -	\$	(33,996)	\$	(33,996)	To adjust to report tax settlement fees.
Plus: Purchases Greater Than \$5,000	\$ -	\$	14,314	\$	14,314	To reclassify air conditioner as purchases greater than \$5,000.
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$	14,565			To reclassify payments to COG
			18,695		33,260	To reclassify payments to COG
Plus: 2004-2006 CAFS Payment	\$ -	\$	3,289	\$	3,289	To reclassify CAFS payment

Appendix B
Paulding 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>
Schedule B-1, Section A				
5. Speech/Audiology (C) Child	40	102	142	To match final 2009 square footage
7. Occupational Therapy (C) Child	40	102	142	To match final 2009 square footage
8. Physical Therapy (C) Child	40	102	142	To match final 2009 square footage
13. School Age (C) Child	2,636	(469)	2,167	To match final 2009 square footage
23. Administration (D) General	713	202	915	To match final 2009 square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	73	(3)	70	To correct individuals served
2. Days Of Attendance (A) Facility Based Services	11,120	(1,199)	9,921	To correct days of attendance
Schedule B-3				
3. School Age (G) One Way Trips- Fourth Quarter	-	1,550	1,550	To report correct number of one-way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	11,382	271	11,653	To report correct number of one-way trips
Schedule B-4				
1. TCM Units (A) 1st Quarter	7,449	(179)		To report SSA units to match Gatekeeper report
		179	7,449	To reclassify NTCM (reimbursable units) as TCM Allowable Units.
5. SSA Unallowable Units (A) 1st Quarter	2,970	179		To report SSA units to match Gatekeeper report
		(2,970)		To remove general time units
		(179)	-	To reclassify NTCM (reimbursable units) as TCM Allowable Units.
Worksheet 1				
3. Buildings/Improve (D) Unasgn Children Programs	\$ 25,557	\$ 644	\$ 26,201	To record depreciation for 2010 air
3. Buildings/Improve (E) Facility Based Services	\$ -	\$ 16,327	\$ 16,327	To reclassify as facility based services.
3. Buildings/Improve (H) Unasgn Adult Programs	\$ 16,327	\$ (16,327)	\$ -	To reclassify as facility based services.
5. Movable Equipment (E) Facility Based Services	\$ -	\$ 13,807	\$ 13,807	To reclassify as facility based services.
5. Movable Equipment (H) Unasgn Adult Programs	\$ 13,807	\$ (13,807)	\$ -	To reclassify as facility based services.
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 181,129	\$ (34,008)	\$ 147,121	To reclassify PC Workshop Director of Operations salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 132,585	\$ (24,894)	\$ 107,691	To reclassify and allocate payroll benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 162		To reclassify non-federal reimbursable expenses.
		\$ 500	\$ 662	To reclassify donation
4. Other Expenses (X) Gen Expense All Prgm.	\$ 39,336	\$ (160)		To reclassify payments to COG
		\$ (162)		To reclassify non-federal reimbursable expenses.
		\$ (1,658)	\$ 37,356	To reclassify building costs (utilities/inspections)
5. COG Expenses (L) Community Residential	\$ -	\$ 840	\$ 840	To match COG report
5. COG Expense (N) Service & Support Admin	\$ 5,461	\$ (3,711)	\$ 1,750	To match COG report
5. COG Expense (O) Non-Federal Reimbursable	\$ -	\$ 405	\$ 405	To match COG report
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 108,244	\$ (36,997)	\$ 71,247	To adjust tax settlement fees - posted
Worksheet 3				
1. Salaries (X) Gen Expense All Prgm.	\$ 10,495	\$ (7,871)		To reclassify maintenance and transportation supervisor salary
		\$ 6,177	\$ 8,801	To reclassify maintenance and transportation supervisor salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 7,682	\$ (1,240)	\$ 6,442	To reclassify and allocate payroll benefits

Appendix B (Page 2)
Paulding 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 3 (Continued)				
4. Other Expenses (C) School-Age	\$ 9,536	\$ 4,291	\$ 13,827	To reclassify playground structure
4. Other Expenses (E) Facility Based Services	\$ 32,810	\$ 3,547		To reclassify building costs (utilities/insurance/inspections)
		\$ 1,658	\$ 38,015	To reclassify building costs (utilities/inspections)
Worksheet 5				
3. Service Contracts (L) Community Residential	\$ 9,934	\$ (634)	\$ 9,300	To reclassify nursing services
3. Service Contracts (O) Non-Federal Reimbursable	\$ 15,000	\$ (15,000)	\$ -	To reclassify payments to COG
4. Other Expenses (C) School Age	\$ 9,275	\$ (750)		To reclassify non-federal reimbursable costs
		\$ (116)		To reclassify non-federal reimbursable costs
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ (4,291)	\$ 4,118	To reclassify playground structure
		\$ 750		To reclassify non-federal reimbursable costs
		\$ 116	\$ 866	To reclassify non-federal reimbursable costs
5. COG Expenses (L) Community Residential	\$ -	\$ 3,596	\$ 3,596	To match COG report
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,732	\$ 1,732	To match COG report
Worksheet 7-B				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 1,537	\$ 634	\$ 2,171	To reclassify nursing expenses.
Worksheet 7-C				
13. Number of Individuals Served (A) Early Intervention	-	23	23	To add individuals served
Worksheet 8				
1. Salaries (X) Gen Expense All Prgm.	\$ 90,646	\$ 7,871		To reclassify maintenance and transportation supervisor salary
		\$ (6,177)	\$ 92,340	To reclassify maintenance and transportation supervisor salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 66,352	\$ 1,240	\$ 67,592	To reclassify and allocate payroll benefits
Worksheet 9				
4. Other Expenses (N) Service & Support Admin. Costs	\$ 2,453	\$ (1,063)		To reclassify payments to COG
		\$ (500)	\$ 890	To reclassify donation
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 259,597	\$ 34,008	\$ 293,605	To reclassify PC Workshop Director of Operations salary
2. Employee Benefits (E) Facility Based Services	\$ 190,023	\$ 24,894	\$ 214,917	To reclassify and allocate payroll benefits
4. Other Expenses (E) Facility Based Services	\$ 6,051	\$ (3,547)	\$ 2,504	To reclassify building costs (utilities/insurance/inspections)
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Real Estate Fees	\$ (36,997)	\$ 36,997	\$ -	To adjust tax settlement fees
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 1,063		To reclassify payments to COG
		\$ 15,160	\$ 16,223	To reclassify payments to COG

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Dave Yost • Auditor of State

PAULDING COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

PAULDING 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
JULY 29, 2014**