



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

## Independent Accountants' Report on Applying Agreed-Upon Procedures

Halina Schroeder, Audit Chief  
Division of Fiscal Administration, Audit Office  
Ohio Department of Developmental Disabilities  
30 East Broad Street, 8<sup>th</sup> 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 Defiance County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2012 and 2013 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2012 and 2013 (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.

### **Statistics – Square Footage**

1. We compared program costs and statistics to square footage reported in the Cost Reports to identify potential square footage errors. We inquired with the County Board to obtain explanation of any potential errors.

We found no differences.

We also compared the 2012 and 2013 square footage totals to the final 2011 totals and found variances above 10 percent.

The County Board stated that the final 2011 square footage reflects the correct square footage usage by program in 2012 and 2013 with the exception of one room in 2013 in which the usage changed from Pre-School to School Age. We reported these variances in Appendix A (2012) and Appendix B (2013).

2. DODD asked that we compare each room on the floor plan of one building to the County Board's summary for each year which rolls up to *Schedule B-1, Section A, Square Footage* to ensure that square footage was allocated in accordance with the Cost Report Guides and identify variances greater than 10 percent.

### Statistics – Square Footage (Continued)

We did not perform this procedure (see procedure 1 above).

3. DODD asked that we compare the County Board's square footage summary for each year to the square footage reported in each cell in *Schedule B-1, Section A, Square Footage* and identify variances greater than 10 percent for any cell in *Schedule B-1*.

We did not perform this procedure (see procedure 1 above).

4. DODD asked that we review differences from our payroll testing procedures to determine if they resulted in square footage variances greater than 10 percent for any cell in *Schedule B-1*.

We did not perform this procedure (see procedure 1 above).

### Statistics – Attendance

1. We reviewed the Cost Reports and determined 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 resulted in program or general expenses-all program costs not being allocated to the County Board's programs.

We found no unassigned program or general expenses-all program costs.

2. We compared the County Board's 2012 and 2013 Adults Served by Acuity reports for the number of individuals served and 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 identified any variances greater than two percent of reported attendance statistics at each acuity level. We also footed the County Board's reports on attendance statistics for accuracy.

We found no variances.

3. We traced the number of total attendance days for five Adult Day Service individuals for two months in 2012 and 2013 between the County Board's monthly attendance documentation and 2012 and 2013 Adults Served by Acuity reports and the number of days reported on *Schedule B-1, Section B, Attendance Statistics*. We then compared the acuity level on the County Board's acuity reports to the Acuity Assessment Instrument or other documentation for each individual. We also selected an additional two individuals in both 2012 and 2013 to ensure at least two individuals from each acuity level were tested, and performed the same acuity level comparison. For differences in acuity or attendance days noted, we compared the paid claims in the Medicaid Billing System (MBS) data to the County Board's monthly attendance documentation or Acuity Assessment Instrument to ensure the County Board was reimbursed for the proper number of attendance days and at the correct acuity level.

We reported variances in Appendix A (2012) and Appendix B (2013). We found overpayments in 2012 and 2013; see Paid Claims Testing section for recoverable findings.

4. DODD asked that we select 30 Supported Employment-Community Employment units from the Community Employment reports and determine if the units were calculated in accordance with the Cost Report Guides and meet the service documentation requirements of Ohio Admin. Code § 5123:2-9 to identify variances greater than 10 percent to *Schedule B-1, Section B, Attendance Statistics*.

**Statistics – Attendance (Continued)**

We did not perform this procedure as the County Board did not provide Community Employment service, except for the Opportunities for Ohioans with Disabilities (formerly the Ohio Rehabilitation Services Commission) and Bridges to Transition services. See Revenue Cost Reporting and Reconciliation to the County Auditor report section regarding the offset of corresponding *Worksheet 10, Adult Program* costs on *Schedule a1, adult* for those program services.

**Statistics – Transportation**

1. We compared the number of one-way trips from the County Board's Number of Trips for Transportation reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services* and identified any variances greater than two percent of either total children or adult program trips. We also footed the County Board's transportation reports for accuracy.

We found no variances.

2. We traced the number of trips for four adults and one child for two weeks in April 2012 and August 2013 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services* and identified any variances greater than 10 percent of the total trips tested each year.

We found no variances exceeding 10 percent in 2012. We found no variances in 2013.

3. We compared the cost of bus tokens/cabs from the County Board's State Expenses Detailed Reports to the amount reported in *Schedule B-3, Quarterly Summary of Transportation Services* and identified any variances greater than two percent of total costs reported on each row. We also determined if the costs were correctly reported on *Worksheet 8, Transportation Services*.

We found no variances.

**Statistics – Service and Support Administration (SSA)**

1. We compared the number of Targeted Case Management (TCM) and Other SSA Allowable units from the County Board's Receivable Billing Reimbursable Detail by Consumer, Service and Date reports with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service-Service and Support Administration* and identified any variances greater than two percent of total units reported on each row of *Schedule B-4*. We also footed the County Board's SSA reports for accuracy.

We found no variances exceeding two percent in 2012. We reported variances in Appendix B (2013).

2. We haphazardly selected two samples of 60 Other SSA Allowable units for both 2012 and 2013 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 included the elements required by Ohio Admin. Code § 5101:3-48-01(F) to identify any variances greater than 10 percent of total units tested in each year.

We found no variances.

**Statistics – Service and Support Administration (Continued)**

3. DODD asked that we haphazardly select two samples of SSA Unallowable units for both 2012 and 2013 from the Receivable Billing Reimbursable Detail by Consumer, Service and Date reports and determine 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) to identify any variances greater than 10 percent of total units tested in each year.

We did not perform this procedure as the County Board stated it did not track SSA Unallowable units.

**Recommendation:**

We recommend the County Board maintain the required documentation for services as required by the Cost Report Guide in section Schedule B-4, Quarterly Summary of Service and Support Administration Units which states in pertinent part, "Units of service, for purposes of this schedule, are to be separated into two categories as denoted in the grid below (Allowable Units, SSA Unallowable units). These activities generate units of service for statistical purposes. However, SSA's also perform other functions that do not generate units for the purposes of statistical reporting (e.g., administrative tasks, professional development, etc.). Only activities that generate units, as detailed in the grid below, should be reported on Schedule B-4."

4. DODD asked that we 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 asked us to perform additional testing.

We determined that the County Board did not record general time units.

**Revenue Cost Reporting and Reconciliation to the County Auditor Report**

1. We compared the receipt totals from the county auditor's 2012 and 2013 MTD/YTD Revenue Reports by Fund for the Board of DD (010), Capital Housing Grant (034) Early Childhood Special - IDEA (044), Family Support Service (046) Part B - IDEA Special Education (205) and Gifts and Donations (214) funds to the county auditor's report total reported on the *Reconciliation to County Auditor Worksheet*.

We then compared the total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* to the county auditor's receipt totals to determine if the Cost Reports reconciled within acceptable limits.

We found no differences and the Cost Reports reconciled within acceptable limits.

2. We compared revenue entries on *Schedule C, Income Report* to the final Quadco Rehabilitation Center Administrative Board and Non-Profit Operation and the Northwest Ohio Waiver Administration Council (COGs) County Board Summary Workbooks for 2012 and 2013.

We reported differences in Appendix A (2012). We found no differences in 2013.

3. We reviewed the County Board's Revenue Received 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.

### Revenue Cost Reporting and Reconciliation to the County Auditor Report (Continued)

We identified the following sources of potential revenue credits for which the County Board did not offset costs or areas where costs may need separated between federal programs 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 \$24,614 in 2012 and \$19,800 in 2013;
- Part B-IDEA revenues in the amount of \$46,792 in 2012 and \$46,493 in 2013;
- IDEA Early Childhood Special Education revenues in the amount of \$21,586 in 2012 and \$21,614 in 2013;
- School Lunch Program revenues in the amount of \$13,628 in 2012 and \$18,355 in 2013;
- Title XX revenues in the amount of \$11,079 in 2012; and
- Help Me Grow revenues in the amount of \$49,041 in 2012 and \$79,931 in 2013.

We also noted Opportunities for Ohioans with Disabilities and Bridges to Transition revenue in the amount of \$96,348 in 2012 and \$126,545 in 2013; however, corresponding expenses were offset on *Schedule a1, Adult Program* and match payments were reclassified to the *Reconciliation to County Auditor Worksheet* as reported in Appendix A (2012) and Appendix B (2013).

### Paid Claims Testing

1. We selected 100 paid claims among all service codes from 2012 and 2013 from the MBS data and compared these services to the County Board's service documentation and determined if the documentation matched requirements of each respective service code per Ohio Admin. Code § 5123:2-9. We applied the service documentation rules in effect at the time of service delivery.

If there is no documentation to support paid claims or the units paid are not supported by service documentation per the Ohio Admin. Code, we calculated a recoverable finding and made corresponding unit adjustments to *Schedule B-1, B-3 or B-4*. Recoverable findings are subject to interest collection pursuant to Ohio Rev. Code § 5164.60.

We found instances of non-compliance in 2012 in the Non-Medical Transportation – Per Trip (FTB) and Adult Day Support and Vocational Habilitation Combination - 15 minute unit (FXF) service codes (see Recoverable Finding) and made corresponding unit adjustments on *Schedule B-3* as reported in Appendix A (2012). We found no instances of non-compliance in 2013.

We also reported findings in 2012 and 2013 for Adult Day Support – 15 minute unit (ADF); Adult Day Support – Daily unit (FDS); Adult Day Support and Vocational Habilitation Combination – Daily unit (FXD) and Adult Day Support and Vocational Habilitation Combination – 15 minute unit (FXF) in which the County Board billed with no supporting documentation as reported in the Statistics – Attendance section.

2. For selected commercial transportation services codes that have contracted services, DODD asked that we compare the County Board's usual and customary rate with the reimbursed rate to ensure that the County Board was reimbursed the lesser of the two as per Ohio Admin. Code § 5123:2-9-06. For any errors found, DODD requested that we obtain documentation and identify all overpayments related to reimbursements exceeding the usual and customary rate. Additionally, we determined if the provision of services met the following provider and staff qualification requirements as applicable under Ohio Admin. Code § 5123:2-9-18:

### **Paid Claims Testing (Continued)**

- The driver holds a valid driver's license; has a Bureau of Motor Vehicles (BMV) driving record showing less than six points and has passed a controlled substance test as applicable;
- Proof of liability insurance and verification of policies and procedures on driver requirements as applicable;
- Performance of daily vehicle inspection by the driver and annual inspection, as applicable to per-mile and per-trip transportation;
- Provided transportation in a modified vehicle (any size) or non-modified vehicle with a capacity of nine or more passengers and drivers had physical examinations ensuring that they are qualified to provide non-medical transportation, as applicable to per-trip transportation;
- Provided transportation in a non-modified vehicle with the capacity of eight or less passengers, as applicable to per-mile transportation; and
- The transport vehicle met the definition of a commercial vehicle.

Additionally, for any other selected services codes that have contracted services, we compared the County Board's contract rate with the reimbursed rate to ensure that the County Board was reimbursed no more than the contracted rate. For any errors found, we obtained documentation and identified all overpayments related to reimbursements exceeding the contract rate.

From the paid claims sample selected, we found contracted transportation services rendered by Persons Centered Services, Inc. (PCS) and Quadco Rehabilitation Center Administrative Board (Quadco). We determined that the selected services met the requirements for per trip non-medical transportation; however, we noted instances of non-compliance with provider qualifications and service documentation requirements. One of the 10 drivers tested did not have proof of liability insurance or a controlled substance test, one of the eight vehicles tested did not have an annual inspection, and one of the 23 dates of service tested did not have a daily inspection log. In addition, we found instances in which the service documentation did not include the beginning and ending odometer readings and/or beginning and ending times of the trip. As a result, we identified recoverable findings for trips associated with these errors.

In addition, we noted the County Board's contract with Quadco did not specify a per trip rate. Instead the contract included a yearly fixed amount with additional indirect costs, such as staffing and utilities, which applied to multiple services. We noted the County Board's contract with PCS also did not specify a per trip rate. Instead this contract specified that transportation services are included with adult day services in a flat rate. As a result, no finding was identified for the difference between the contracted and reimbursed rates.

We also found instances of contracted Adult Services in the sample. As neither of the County Board's contracts established a usual and customary rate, we were unable to perform a comparison with the billed rate. The contract with Quadco is a weekly or daily rate based on the individual's acuity and full or part-time status. In addition, the rate included some unspecified portion of indirect costs. The contract with PCS included a monthly or daily rate based on the full or part-time status of the individual and, in addition, included an administrative fee based on the average daily membership for the month.

**Paid Claims Testing (Continued)**

**Recoverable Finding – 2012**

**Finding \$486.81**

<b>Service Code</b>	<b>Units</b>	<b>Review Results</b>	<b>Finding</b>
ADF	14	Lack of supporting documentation	\$14.28
FDS	1	Lack of supporting documentation	\$25.27
FTB	6	Units billed in excess of service delivery; non-compliance of provider qualifications and/or service documentation requirements	\$72.43
FXD	14	Lack of supporting documentation	\$353.78
FXF	20	Units billed in excess of service delivery	\$21.05
		<b>Total</b>	<b>\$486.81</b>

**Recoverable Finding – 2013**

**Finding \$373.23**

<b>Service Code</b>	<b>Units</b>	<b>Review Results</b>	<b>Finding</b>
ATB	6	Non-compliance of provider qualifications and/or service documentation requirements	\$72.51
FDS	11	Lack of supporting documentation	\$276.65
FTB	2	Non-compliance of provider qualifications and/or service documentation requirements	\$24.07
		<b>Total</b>	<b>\$373.23</b>

3. 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 to determine whether Medicaid reimbursed units were greater than final TCM and Supported Employment-Community Employment units.

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.

4. 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 2012 and 2013 on the MBS Summary by Service Code report to determine whether any reimbursements exceeded disbursements on *Schedule A* by two percent.

We found no differences.

### **Non-Payroll Expenditures and Reconciliation to the County Auditor Report**

1. We compared the disbursement totals from the county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's MTD/YTD Total Expense Reports by Fund for the Board of DD (010), Capital Housing Grant (034) Early Childhood Special - IDEA (044), Family Support Service (046) Part B - IDEA Special Education (205) and Gifts and Donations (214) funds.

We then compared the total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* to the county auditor's disbursement totals to determine if the Cost Reports reconciled within acceptable limits.

We found no differences and the Cost Report reconciled within acceptable limits.

2. We compared the County Board's State Expense Detailed Reports to all service contract and other expenses entries on worksheets 2 through 10 to identify variances resulting in reclassification to another program or worksheet exceeding \$250.

We reported variances in Appendix A (2012) and Appendix B (2013).

3. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 1 through 10 to the final COGs' County Board Summary Workbooks.

We reported differences in Appendix A (2012) and Appendix B (2013).

4. We scanned the County Board's 2012 and 2013 State Expenses Detailed reports and judgmentally selected 20 disbursements from the service contracts and other expenses reported on worksheets 2 through 10. We determined if supporting documentation was maintained, the costs were allowable and properly classified according to the Cost Report Guides and 2 CFR 225, and identified any variances greater than two percent of total service contracts and other expenses on any worksheet or costs which are non-federal reimbursable under 2 CFR 225 Appendix B and greater than \$250.

We reported misclassified costs in Appendix A (2012) and Appendix B (2013).

We also scanned for contracted services or COG expenses on *Worksheet 8, Transportation Services; Worksheet 9, Service and Support Administration Costs; and Worksheet 10, Adult Program* without corresponding statistics that are non-federal reimbursable because they do not demonstrate that the County Board's programs received a measurable benefit as required under Appendix A, section (C)(3)(a) and the Cost Report Guides.

We found no program costs that lacked corresponding statistics.

5. We scanned the County Board's State Expenses Detailed reports for items purchased during 2012 and 2013 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Depreciation Schedules.

We found no unrecorded purchases meeting the capitalization criteria.

6. We determined that the County Board had supporting documentation for April 2012 and August 2013 showing that it reconciled its income and expenditures with the county auditor.

### **Property, Depreciation, and Asset Verification Testing**

1. We compared the depreciation costs reported in the County Board's Depreciation Schedules to the amounts reported on *Worksheet 1, Capital Costs* and identified any variances greater than \$250.

We found no differences exceeding \$250.

2. We compared the County Board's final 2011 Depreciation Schedule and prior year depreciation adjustments to the County Board's 2012 and 2013 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review, 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 to identify any cell variances greater than \$250.

We reported variances in Appendix A (2012). We found no variances in 2013.

3. We determined the County Board's capitalization threshold and haphazardly selected the lesser of 10 or 10 percent of the County Board's fixed assets which meet the capitalization threshold and were being depreciated in their first year in either 2012 or 2013 and determined if the useful lives agreed to the estimated useful lives prescribed in the 2008 or 2013 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for the two assets tested, based on their cost, acquisition date and useful life to determine compliance with the Cost Report Guides and AHA Asset Guide and identified any variances.

We found no differences.

4. We haphazardly selected the lesser of 10 percent or 10 disposed assets from 2013 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 for the one disposed items tested, based on the 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 found no differences in 2013.

We did not perform this procedure for 2012 as the County Board stated that no capital assets were disposed. We scanned the County Board's Revenue Report and did not find any proceeds from the sale or exchange of fixed assets.

### **Payroll Testing**

1. We compared total salaries and benefits from worksheets 2 through 10 and the yearly totals to the payroll disbursements on the county auditor's MTD/YTD Total Expense Reports by Fund for the Board of DD (010) fund to identify variances greater than two percent of the county auditor's report total for this fund.

The variance was less than two percent.

2. We compared the salaries and benefits on the County Board's State Expenses Detailed Reports to the amounts reported on worksheets 2 through 10 to identify variances resulting in differences to another program or worksheet exceeding \$250.

We found no variances in 2012. We reported variances on Appendix B (2013).

### **Payroll Testing (Continued)**

3. We calculated a sample size of the lesser of 40 employees or 25 percent of the average number of total employees over the two year period. For the sample of 22 selected, we compared the County Board's organizational chart, State Expenses Detailed Reports and job descriptions to the worksheet in which each employee's salary and benefit costs were allocated to ensure the allocation is consistent with the Cost Report Guides. We identified any misclassification errors and, if the misclassification errors are greater than 10 percent of the sample tested, we would perform procedure 4.

We reported differences in Appendix A (2012). We also noted final payouts in the amount of \$54,590 in 2012 potentially related to retirement incentives and/or leave accruals for four employees tested in our sample. Without additional supporting documentation, we were unable to determine the proper classification of these amounts. We found no differences in 2013.

4. DODD asked that we scan the County Board's State Expenses Detailed Reports for 2012 and 2013 and compared the 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 did not perform this procedure as the errors in procedure 3 did not exceed 10 percent.

### **Medicaid Administrative Claiming (MAC)**

1. DODD asked that we compare the salary and benefits entered on the MAC Cost by Individual reports to the County Board's payroll reports and determine if the MAC salary and benefits were greater. If the variance was greater than one percent, we would contact DODD's Random Moment Time Study (RMTS) Coordinator to correct the misstatements identified.

We did not perform this procedure as the County Board did not participate in MAC.

2. DODD asked that we compare the MAC Cost by Individual reports to *Worksheet 6, Medicaid Administration Worksheet* for both years.

We did not perform this procedure as the County Board did not participate in MAC.

3. DODD asked that we select 10 RMTS observed moments and 10 percent of any RMTS moments above that amount that were completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the 2nd quarter of 2012 and the 1st quarter of 2013. DODD requested that we determine if supporting documentation was maintained and the moments were properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2012.

We did not perform this procedure as the County Board did not participate in MAC.

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.

Defiance County Board of Developmental Disabilities  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures

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.

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

August 29, 2016

**Appendix A**  
**Defiance County Board of Developmental Disabilities**  
**2012 Income and Expenditure Report Adjustments**

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
<b>Schedule A</b>						
19. Room and Board/Cost to Live (L) Community Residential	\$ 62,130	\$	(2,686)	\$	59,444	To match final COG workbook
<b>Schedule B-1, Section A</b>						
14. Facility Based Services (B) Adult	2,096		(273)		1,823	To match 2011 square footage
22. Program Supervision (B) Adult	56		(56)		-	To match 2011 square footage
25. Non-Reimbursable (B) Adult	-		329		329	To match 2011 square footage
<b>Schedule B-1, Section B</b>						
10. A (A) Facility Based Services	10,749		(2)		10,747	To correct days of attendance
<b>Schedule B-3</b>						
5. Facility Based Services (G) One Way Trips - Fourth Quarter	6,400		(1)		6,399	To remove trip due to paid claim error
<b>Schedule C</b>						
<b>II. Department of MR/DD</b>						
(B) County Board Subsidy (501) - COG Revenue	\$ 170,975	\$	(90,000)	\$	80,975	To match final COG workbook
<b>Worksheet 1</b>						
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 48,965	\$	520	\$	49,485	To match 2011 depreciation
5. Movable Equipment (U) Transportation	\$ 35,575	\$	1,838	\$	37,413	To match 2011 depreciation
8. COG Expenses (E) Facility Based Services	\$ -	\$	24,577	\$	24,577	To match final COG workbook
<b>Worksheet 2</b>						
3. Service Contracts (X) Gen Expense All Prgm.	\$ 14,369	\$	(3,309)	\$	11,060	To reclassify fees paid to COG
4. Service Contracts (X) Gen Expense All Prgm.	\$ 25,518	\$	(20)	\$	25,498	To reclassify fees paid to COG
5. COG Expense (E) Facility Based Services	\$ -	\$	148,130	\$	148,130	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 18,499	\$	(2,497)	\$	16,002	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ 1,262	\$	3,034	\$	4,296	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 34,791	\$	(936)	\$	33,855	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 64,827	\$	1,481	\$	66,308	To match expenditure report
<b>Worksheet 2A</b>						
1. Salaries (D) Unasgn Children Program	\$ 102,613	\$	(76,538)	\$	26,075	To reclassify Principal salary
1. Salaries (E) Facility Based Services	\$ 26,523	\$	(26,523)	\$	-	To reclassify Senior Program Coordinator salary
2. Employee Benefits (D) Unasgn Children Program	\$ 27,324	\$	(12,875)	\$	14,449	To reclassify Principal benefits
2. Employee Benefits (E) Facility Based Services	\$ 14,819	\$	(14,819)	\$	-	To reclassify Senior Program Coordinator benefits
5. COG Expenses (E) Facility Based Services	\$ -	\$	27,974	\$	27,974	To match final COG workbook
<b>Worksheet 3</b>						
4. Other Expenses (N) Service & Support Admin	\$ -	\$	1,755	\$	1,755	To reclassify utility expenses
4. Service Contracts (X) Gen Expense All Prgm.	\$ 36,601	\$	10,773	\$	47,374	To reclassify maintenance expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$	61,156	\$	61,156	To match final COG workbook
<b>Worksheet 5</b>						
1. Salaries (D) Unasgn Children Program	\$ 65,116	\$	76,538	\$	141,654	To reclassify Principal salary
2. Employee Benefits (D) Unasgn Children Program	\$ 16,064	\$	12,875	\$	28,939	To reclassify Principal benefits
4. Other Expenses (L) Community Residential	\$ 179,002	\$	(135,000)	\$	44,002	To reclassify fees paid to COG
5. COG Expenses (L) Community Residential	\$ 40,326	\$	(2,640)	\$	37,686	To match final COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ 3,889	\$	(1,689)	\$	2,200	To match final COG workbook
<b>Worksheet 7-B</b>						
3. Service Contracts (X) Gen Expense All Prgm.	\$ 1,589	\$	(1,368)	\$	221	To reclassify fees paid to COG
5. COG Expenses (E) Facility Based Services	\$ -	\$	10,503	\$	10,503	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$	3,778	\$	3,778	To match final COG workbook

**Appendix A (Page 2)**  
**Defiance County Board of Developmental Disabilities**  
**2012 Income and Expenditure Report Adjustments**

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
<b>Worksheet 8</b>				
3. Service Contracts (D) Unasgn Children Program	\$ 4,606	\$ 1,649	\$ 6,255	To reclassify interest expense
3. Service Contracts (E) Facility Based Services	\$ 398,146	\$ (250,118)	\$ 148,028	To reclassify fees paid to COG
5. COG Costs (E) Facility Based Services	\$ -	\$ 250,118	\$ 250,118	To match final COG workbook
<b>Worksheet 9</b>				
4. Other Expenses (N) Service & Support Admin. Costs	\$ 22,439	\$ (1,755)	\$ 20,684	To reclassify utility expenses
5. COG Expenses (N) Service & Support Admin. Costs	\$ 2,752	\$ 8,379	\$ 11,131	To match final COG workbook
<b>Worksheet 10</b>				
1. Salaries (E) Facility Based Services	\$ 28,917	\$ 26,523	\$ 55,440	To reclassify Senior Program Coordinator salary
2. Employee Benefits (E) Facility Based Services	\$ 11,581	\$ 14,819	\$ 26,400	To reclassify Senior Program Coordinator benefits
3. Service Contracts (E) Facility Based Services	\$ 804,663	\$ (384,614)	\$ 420,049	To reclassify fees paid to COG
3. Service Contracts (G) Community Employment	\$ 54,383	\$ (41,609)		To reclassify match payments
		\$ 4,800	\$ 17,574	To reclassify rent expenses
4. Other Expenses (E) Facility Based Services	\$ 9,518	\$ (4,800)		To reclassify rent expenses
		\$ (450)	\$ 4,268	To reclassify fees paid to COG
5. COG Expenses (E) Facility Based Services	\$ -	\$ 383,491	\$ 383,491	To match final COG workbook
<b>a1 Adult</b>				
10. Community Employment (B) Less Revenue	\$ -	\$ 118,288	\$ 118,288	To record RSC expenses
<b>Reconciliation to County Auditor Worksheet</b>				
<b>Expense:</b>				
Plus: Transfers Out-General	\$ 69,860	\$ (1,482)	\$ 68,378	To match expenditure report
Plus: Purchases Greater Than \$5,000	\$ 73,634	\$ (10,773)		To reclassify maintenance expenses
		\$ (1,649)	\$ 61,212	To reclassify interest expense
Plus: Fees paid to COG	\$ -	\$ 135,000		To reclassify fees paid to COG
		\$ 250,118		To reclassify fees paid to COG
		\$ 384,614		To reclassify fees paid to COG
		\$ 3,309		To reclassify fees paid to COG
		\$ 20		To reclassify fees paid to COG
		\$ 1,368		To reclassify fees paid to COG
		\$ 450	\$ 774,879	To reclassify fees paid to COG
Plus: Bridges Match	\$ -	\$ 41,609	\$ 41,609	To reclassify match payments
Less: Capital Costs	\$ (100,629)	\$ (520)		To reconcile off depreciation adjustment
		\$ (1,838)	\$ (102,987)	To reconcile off depreciation adjustment
Less: COG Expenses Posted on Schedule A	\$ (62,130)	\$ 2,686	\$ (59,444)	To match final COG workbook

**Appendix B**  
**Defiance County Board of Developmental Disabilities**  
**2013 Income and Expenditure Report Adjustments**

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
<b>Schedule B-1, Section A</b>				
14. Facility Based Services (B) Adult	2,096	(273)	1,823	To match 2011 square footage
22. Program Supervision (B) Adult	56	(56)	-	To match 2011 square footage
25. Non-Reimbursable (B) Adult	-	329	329	To match 2011 square footage
<b>Schedule B-1, Section B</b>				
10. A (A) Facility Based Services	9,293	(28)	9,265	To correct days of attendance
<b>Schedule B-4</b>				
1. TCM Units (D) 4th Quarter	2,686	453	3,139	To match SSA report
2. Other SSA Allowable Units (C) 3rd Quarter	358	(226)	132	To match SSA report
2. Other SSA Allowable Units (D) 4th Quarter	227	(227)	-	To match SSA report
<b>Worksheet 1</b>				
8. COG Expenses (F) Enclave	\$ -	\$ 18,178	\$ 18,178	To match final COG workbook
<b>Worksheet 2</b>				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 11,839	\$ (2,976)	\$ 8,863	To reclassify fees paid to COG
5. COG Expense (E) Facility Based Services	\$ -	\$ 105,137	\$ 105,137	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 18,165	\$ 2,084	\$ 20,249	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ 1,829	\$ 6,611	\$ 8,440	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 40,270	\$ 716	\$ 40,986	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 13,212	\$ 73,149		To match expenditure report
		\$ (12,000)	\$ 74,361	To reclassify fees paid to COG
<b>Worksheet 2A</b>				
4. Other Expenses (D) Unasgn Children Program	\$ 3,801	\$ (1,269)	\$ 2,532	To reclassify travel expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$ 26,755	\$ 26,755	To match final COG workbook
<b>Worksheet 3</b>				
5. COG Expenses (F) Enclave	\$ -	\$ 39,225	\$ 39,225	To match final COG workbook
<b>Worksheet 5</b>				
3. Service Contracts (L) Community Residential	\$ 455,000	\$ (455,000)	\$ -	To reclassify fees paid to COG
4. Other Expenses (D) Unasgn Children Program	\$ 5,312	\$ 1,269	\$ 6,581	To reclassify travel expenses
4. Other Expenses (M) Family Support Services	\$ 19,210	\$ (100)	\$ 19,110	To reclassify fees paid to COG
5. COG Expenses (O) Non-Federal Reimbursable	\$ 2,123	\$ 137	\$ 2,260	To match final COG workbook
<b>Worksheet 7-B</b>				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 25,626	\$ (2,000)	\$ 23,626	To match payroll report
3. Service Contracts (X) Gen Expense All Prgm.	\$ 429	\$ (228)	\$ 201	To reclassify fees paid to COG
5. COG Expenses (E) Facility Based Services	\$ -	\$ 12,390	\$ 12,390	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 1,131	\$ 2,738	\$ 3,869	To match final COG workbook
<b>Worksheet 8</b>				
3. Service Contracts (E) Facility Based Services	\$ 332,604	\$ (133,258)	\$ 199,346	To reclassify fees paid to COG
5. COG Costs (E) Facility Based Services	\$ -	\$ 133,258	\$ 133,258	To match final COG workbook
<b>Worksheet 9</b>				
3. Service Contracts (N) Service & Support Admin. Costs	\$ 20,529	\$ (16,318)	\$ 4,211	To reclassify fees paid to COG
5. COG Expenses (N) Service & Support Admin. Costs	\$ 4,212	\$ 14,362	\$ 18,574	To match final COG workbook
<b>Worksheet 10</b>				
3. Service Contracts (E) Facility Based Services	\$ 705,556	\$ (314,589)	\$ 390,967	To reclassify fees paid to COG
3. Service Contracts (G) Community Employment	\$ 21,544	\$ (20,730)	\$ 814	To reclassify match payment
5. COG Expenses (E) Facility Based Services	\$ -	\$ 303,835	\$ 303,835	To match final COG workbook

Appendix B (Page 2)

Defiance County Board of Developmental Disabilities

2013 Income and Expenditure Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
<b>a1 Adult</b>						
10. Community Employment (B) Less Revenue	\$ -	\$	104,708	\$	104,708	To record RSC expenses
<b>Reconciliation to County Auditor Worksheet</b>						
<b>Expense:</b>						
Plus: Real Estate Fees	\$ 71,910	\$	(71,910)	\$	-	To match expenditure report
Plus: Transfers Out-General	\$ 69,589	\$	(1,510)	\$	68,079	To match expenditure report
Plus: Bridges Match	\$ -	\$	20,730	\$	20,730	To reclassify match payment
Plus: Fees Paid to COG	\$ -	\$	455,000			To reclassify fees paid to COG
		\$	133,258			To reclassify fees paid to COG
		\$	314,589			To reclassify fees paid to COG
		\$	2,976			To reclassify fees paid to COG
		\$	12,000			To reclassify fees paid to COG
		\$	3,000			To reclassify fees paid to COG
		\$	100			To reclassify fees paid to COG
		\$	228			To reclassify fees paid to COG
		\$	16,318	\$	937,469	To reclassify fees paid to COG

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# Dave Yost • Auditor of State

**DEFIANCE COUNTY BOARD OF DEVELOPMENTAL DISABILITIES**

**DEFIANCE 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  
OCTOBER 4, 2016**