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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, 8th 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 Williams 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 costs for Medicaid Administration Claiming (MAC) but no square footage reported in 2012. We obtained the percentage of time devoted to MAC and calculated the square footage as reported in Appendix A (2012). We found no differences for 2013.

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

2. We compared the square footage for each room on the floor plan of the Enrichment Center building to the County Board's summary for 2012 and 2013 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 identified any variances greater than 10 percent.

We found no variances.

Statistics – Square Footage (Continued)

3. We compared 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 identified variances greater than 10 percent for any cell in *Schedule B-1*.

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

4. We reviewed differences from our payroll testing procedures to determine if they resulted in additional square footage variances greater than 10 percent for any cell in *Schedule B-1*.

We found no variances.

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 MR Williams County Attendance, FH Habilitation Center Attendance, Trinity HAB Center Billing and PeopleWorks Attendance - Days Paid 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 contract Supported Employment-Community Employment individuals and 15 minute units were omitted as part of the Non-Payroll Expenditures and Reconciliation to the County Auditor Report section and added these statistics as reported in Appendix A (2012) and Appendix B (2013). We reported additional variances in Adult Day Services in Appendix A (2012) and Appendix B (2013).

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 MR Williams County Attendance 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 reports to the Acuity Assessment Instrument or other documentation for each individual. We also selected an additional three individuals in 2012 and one individual in 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 differences in Appendix A (2012) and Appendix B (2013). We found no overpayment.

We also found two individuals where the acuity assessment instrument or equivalent document could not be located by the County Board.

Statistics – Attendance (Continued)

4. We selected 37 Supported Employment – Community Employment units from the Partners in Employment, Inc. invoices and determined if the units were calculated in accordance with the Cost Report Guides and met 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*.

We found no variances or instances of non-compliance.

Statistics – Transportation

1. We compared the number of one-way trips from the County Board's Billing History reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services* and identified any variances greater than two percent of total units reported on each row. We also footed the County Board's transportation reports for accuracy.

We found contract adult day transportation were omitted as part of the Non-Payroll Expenditures and Reconciliation to the County Auditor Report section and reported these statistics in Appendix A (2012) and Appendix B (2013). We found additional variances in Adult Day Services transportation as reported in Appendix A (2012) and Appendix B (2013).

2. We traced the number of monthly trips for five adults for one month in 2012 and 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.

3. We compared the cost of bus tokens/cabs from the County Board's State Expenses Without Payroll or Benefits (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 units reported on each row.

We found no variances.

Statistics – Service and Support Administration (SSA)

1. We compared the number of Targeted Case Management (TCM), Other SSA Allowable, Home Choice and SSA Unallowable units from the County Board's Receivable Billing Reimbursable Summary by Funding Source and Service 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 each row's total units. We also footed the County Board's SSA reports for accuracy.

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

Statistics – Service and Support Administration (Continued)

3. We haphazardly selected two samples of 30 SSA Unallowable 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 reported variances in Appendix A (2012). We found no variances in 2013.

4. We determined 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.

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.

We haphazardly selected two samples of 60 general time units for both 2012 and 2013 from the Receivable Billing Reimbursable Detail by Consumer, Service and Date 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 to identify any variances greater than 10 percent of total units tested in each year.

We found no variances.

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the county auditor's 2012 and 2013 Estimated Revenue Budget Reports for the Enrichment Center (S50), Help Me Grow (S75), Enrichment Center Family Services (T90), Enrichment Center Gift (U04) and Enrichment Center Capital Recreation (U06) funds to the county auditor's report total reported on the *Reconciliation to County Auditor Worksheet*.

We found differences in both 2012 and 2013. We then compared the total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* to the corrected county auditor's receipt totals to determine if the Cost Reports reconciled within acceptable limits.

The Cost Reports did not reconcile within allowable limits and we returned the 2012 and 2013 Cost Reports to the County Board to perform reconciliation of the Cost Report to the County Auditor records and notified DODD of the issue. We received revised 2012 and 2013 Cost Reports and 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.

The revised Cost Reports matched the county auditor's report totals and reconciled within 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) and Appendix B (2013).

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

3. 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 \$8,382 in 2012 and \$10,676 in 2013;
- Title XX revenues in the amount of \$4,878 in 2012; and
- Help Me Grow revenues in the amount of \$18,711 in 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 the following service codes: Adult Day Support and Vocational Habilitation Combination – Daily Unit (AXD and FXD) and Vocational Habilitation – Daily Unit (FVH) (see Recoverable Findings). We made corresponding unit adjustments on *Schedule B-1* as reported in Appendix A (2012) and Appendix B (2013).

2. For selected commercial transportation services codes that have contracted services, we compared 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:
 - The driver holds a valid driver's license; has a Bureau of Motor Vehicles 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.

Paid Claims Testing (Continued)

Additionally, for any other selected services codes that have contracted services, DODD asked that we compare 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, DODD requested that we obtain documentation and identify all overpayments related to reimbursements exceeding the contract rate.

In our testing of paid claims, we found contracted transportation services rendered by Quadco Rehabilitation Center Administrative Board (Quadco). We determined that these services met the requirements for per trip non-medical transportation; however, we found instances in which the service documentation did not report the beginning and ending odometer readings, total miles driven, 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 did not specify a per trip rate. Instead the contract included a yearly fixed amount with an unspecified amount of additional indirect costs (such as staffing and utilities). As the County Board's contract did not establish a usual and customary rate, we were unable to perform a comparison with the reimbursed rates.

We also found instances of other contracted services in the sample. The contract with Quadco for Adult Services included 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. As the County Board's contract did not establish a usual and customary rate, we were unable to perform a comparison with the reimbursed rates.

Recoverable Finding – 2012

Finding \$284.13

Service Code	Units	Review Results	Finding
ATB	10	Non-compliance of service documentation requirements	\$122.21
AXD	1	Lack of supporting documentation	\$25.59
FTB	9	Non-compliance of service documentation requirements	\$110.19
FXD	1	Lack of supporting documentation	\$26.14
		Total	\$284.13

Recoverable Findings – 2013

Finding \$125.18

Service Code	Units	Review Results	Finding
ATB	4	Non-compliance of service documentation requirements	\$48.41
FTB	4	Non-compliance of service documentation requirements	\$48.86
FVH	1	Lack of supporting documentation	\$25.37
ATW	2	Non-compliance of service documentation requirements	\$2.54
		Total	\$125.18

Paid Claims Testing (Continued)

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 units.

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 Department Budget Reports for the Enrichment Center (S50), Help Me Grow (S75), Enrichment Center Family Services (T90), Enrichment Center Gift (U04) and Enrichment Center Capital Recreation (U06) funds.

We found differences in both 2012 and 2013. We then compared the total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* to the corrected county auditor's disbursement totals to determine if the Cost Reports reconciled within acceptable limits.

The Cost Reports did not reconcile within allowable limits and we returned the 2012 and 2013 Cost Reports to the County Board to perform the reconciliation of the Cost Report to the county auditor records and notified DODD of the issue. We received revised 2012 and 2013 Cost Reports and 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.

The revised Cost Reports matched the county auditor's report totals and reconciled within limits.

2. We compared the County Board's State Expenses Without Payroll or Benefits (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).

Non-Payroll Expenditures and Reconciliation to the County Auditor Report (Continued)

4. We scanned the County Board's 2012 and 2013 State Expenses Without Payroll or Benefits (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 and non-federal reimbursable 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.

In addition to the program costs that lacked statistics already reported in Statistics - Attendance and Statistics – Transportation, we found costs reported on *Worksheet 9* with no corresponding statistics in 2012. We inquired with the County Board and determined these were misclassified costs. We reported the differences in Appendix A (2012).

5. We scanned the County Board's State Expenses Without Payroll or Benefits (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 Schedule.

We found no unrecorded purchases meeting the capitalization criteria.

6. We determined that the County Board did not have supporting documentation for March 2012 and September 2013 showing that it reconciled its income and expenditures on a monthly basis with the county auditor.

Recommendation:

Reconciliation of income and expenditures on a monthly basis is considered to be a best practice. Additionally, monthly reconciliations of income and expenditures is now required by the county board in accordance with Ohio Admin. Code § 5123:2-1-02 (L)(1) (effective 01-01-15).

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 cell variances greater than \$250.

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

Property, Depreciation, and Asset Verification Testing (Continued)

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

Recommendation:

We recommend that the County Board update and ensure the accuracy of its depreciation schedule in accordance with the Cost Report Guide in section Worksheet 1, Capital Costs which states in pertinent part, "in order to determine capital costs to be reported on Worksheet 1 and substantiate that determination, each county board must establish and maintain an ongoing record or ledger of asset acquisition and placed in service and depreciation calculation." The County Board should review its depreciation schedule and ensure that it meets these requirements.

3. We verified 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 2013 and determined if the useful lives agreed to the estimated useful lives prescribed in the 2013 American Hospital Association (AHA) Asset Guide. We 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 did not perform this procedure for 2012 as the County Board had no fixed assets that met the capitalization threshold and were being depreciated in their first year in 2012. We reported variances in Appendix B (2013).

4. DODD asked that we haphazardly select the lesser of 10 percent or 10 disposed assets from 2012 and 2013 from the County Board's list of disposed assets and determine if the asset was removed from the County Board's fixed asset ledger. DODD asked that we also recalculate depreciation and any gain or loss for the disposed item tested, 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.

The County Board stated that there no disposed capital assets. We scanned the County Board's State Account Code Detailed Reports and found proceeds from the sale of fixed assets in 2013. We haphazardly selected one of the proceeds; however, we could not determine any gain or loss as the County Board was unable to provide historical information on the asset. We further reviewed prior depreciation schedules and were unable to locate any historical information.

Recommendation:

We recommend the County Board implement a process to track and report any gain or loss from disposed assets to meet the requirements in accordance with the Cost Report Guide 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. We compared total salaries and benefits from worksheets 2 through 10 and the yearly totals to the payroll disbursements on the county auditor's Department Budget Reports for the Enrichment Center (S50) fund to identify variances greater than two percent of the county auditor's report totals for this fund.

We identified variances and scanned the County Board's payroll worksheets to identify misclassified costs. The variance was due to the incorrect allocation of employee benefit expenses. We reallocated the benefit expenses based on the correct county auditor totals and, with these adjustments, the Cost Report reconciled within two percent. We reported these differences in Appendix A (2012) and Appendix B (2013).

2. We compared the salaries and benefit costs on the County Board's payroll worksheets 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 differences in 2012. We reported differences in Appendix B (2013).

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 four selected, we compared the County Board's table of organization, 2012 Cost Report Information Personnel Related Expenses report, 2013 detailed payroll report, Earnings and Deduction Register report 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) and Appendix B (2013) and because misclassification errors exceeded 10 percent, we performed procedure 4 below.

4. We scanned the County Board's 2012 Cost Report Information Personnel Related Expenses and 2013 detailed payroll reports 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 reported differences in Appendix A (2012). We found no differences in 2013.

Medicaid Administrative Claiming

1. We compared the salary and benefits entered on the MAC Cost by Individual reports to the County Board's Earnings and Deduction Register reports and determined 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 found MAC salary and benefits exceeded the County Board salary and benefits by more than one percent in 2012. Accordingly, DODD adjusted the MAC Costs by Individual report to reflect the correct salaries and benefits. We found County Board salary and benefits exceeded MAC salary and benefits in 2013.

2. We compared the 2012 adjusted and 2013 original MAC Cost by Individual reports to *Worksheet 6, Medicaid Administration Worksheet*.

Medicaid Administrative Claiming

We reported differences impacting *Worksheet 6* and differences for employees participating in MAC that impacted one other worksheet in Appendix A (2012). We found no differences in 2013.

3. We selected 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. We selected four observed moments in 2012 and 10 observed moments in 2013 and determined 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 found two observed moments for Activity Code 17-Investigating Unusual and Major Unusual Incidents in 2012, three observed moments for Activity Code 17 in 2013, and one observed moment for Activity Code 18-General Administration in 2013 in which the accompanying supporting documentation was unclear or vague to support the response to the sampled moment as required by the RMTS guide, section on examples of unacceptable documentation. We also found one observed moment for Activity Code 17 that lacked supporting documentation in 2013.

We reported these instances of non-compliance to DODD. In response, DODD communicated to us that it is working with the Ohio Department of Medicaid (ODM) to calculate findings for recovery, if needed.

Recommendation:

We recommend the County Board maintain documentation for RMTS observed moments in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) 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 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, ODM 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

August 29, 2016

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A				
19. Room and Board/Cost to Live (L) Community Residential	\$ -	\$ 3,412	\$ 3,412	To match final COG workbook
Schedule B-1, Section A				
1. Building Services (B) Adult	397	(397)	-	To match square footage summary
1. Building Services (C) Child	1,020	299	1,319	To match square footage summary
5. Speech/Audiology (C) Child	438	(336)	102	To match square footage summary
7. Occupational Therapy (C) Child	438	(387)	51	To match square footage summary
8. Physical Therapy (C) Child	438	(387)	51	To match square footage summary
11. Early Intervention (C) Child	2,147	1,088	3,235	To match square footage summary
14. Facility Based Services (B) Adult	1,467	(648)	819	To match square footage summary
17. Medicaid Administration (A) MAC	-	31	31	To reclassify to MAC square footage
21. Service And Support Admin (D) General	789	(381)	408	To match square footage summary
22. Program Supervision (C) Child	171	(171)	-	To match square footage summary
23. Administration (D) General	2,023	1,364	3,356	To match square footage summary
		(31)	3,356	To reclassify to MAC square footage
25. Non-Reimbursable (C) Child	1,350	(1,350)	-	To match square footage summary
25. Non-Reimbursable (D) General	828	2,692	3,520	To match square footage summary
Schedule B-1, Section B				
1. Total Individuals Served By Program (C) Supported Emp. - Community Employment	-	1	1	To record PIE individuals served
4. 15 Minute Units (C) Supported Emp. - Community Employment	-	98	98	To record PIE 15 minute units
6. A (A) Facility Based Services	52	(2)	50	To match supporting documentation
7. A-1 (A) Facility Based Services	2	1	3	To match supporting documentation
8. B (A) Facility Based Services	16	2	18	To match supporting documentation
9. C (A) Facility Based Services	22	(3)	19	To match supporting documentation
10. A (A) Facility Based Services	6,609	2,209	8,817	To match supporting documentation
		(2)	8,817	To remove days of attendance due to paid claims testing
		1	8,817	To add unrecorded day of attendance
11. A-1 (A) Facility Based Services	457	224	681	To match supporting documentation
12. B (A) Facility Based Services	2,958	943	3,897	To match supporting documentation
		(4)	3,897	To remove days of attendance
13. C (A) Facility Based Services	3,620	428	4,048	To match supporting documentation
Schedule B-3				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	4,404	9,742	16,998	To match supporting documentation
		2,852	16,998	To record Filling Home trips
Schedule B-4				
2. Other SSA Allowable Units (C) 3rd Quarter	34	3	24	To reclassify Other SSA Allowable units
		(13)	24	To match supporting documentation
2. Other SSA Allowable Units (D) 4th Quarter	20	(20)	-	To match supporting documentation
5. SSA Unallowable Units (C) 3rd Quarter	122	(73)	46	To match supporting documentation
		(3)	46	To reclassify Other SSA Allowable units
5. SSA Unallowable Units (D) 4th Quarter	50	(50)	-	To match supporting documentation
Schedule C				
I. County				
(B) Interest- COG Revenue	\$ -	\$ 333	\$ 333	To match final COG workbook
II. Department of MR/DD				
(A) Family Support Services- COG Revenue	\$ -	\$ 58,840	\$ 58,840	To match final COG workbook
(E) Waiver Administration- COG Revenue	\$ -	\$ 961	\$ 961	To match final COG workbook
Worksheet 1				
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ -	\$ 14,306	\$ 14,775	To match depreciation schedule
		\$ 469	\$ 14,775	To record depreciation for 2007 addition
5. Movable Equipment (U) Transportation	\$ -	\$ 10,456	-	To match depreciation schedule
		\$ (10,456)	-	To remove fully depreciated asset

Appendix A (Page 2)

**Williams County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 1 (Continued)				
5. Movable Equipment (X) Gen Expense All	\$ -	\$ 997		To match depreciation schedule
		\$ (765)	\$ 232	To remove fully depreciated asset
6. Capital Leases (X) Gen Expense All Prgm.	\$ 12,246	\$ (12,246)	\$ -	To match depreciation schedule
8. COG Expenses (E) Facility Based Services	\$ -	\$ 41,960	\$ 41,960	To match final COG workbook
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 109,433	\$ 1,922	\$ 111,355	To reclassify MAC salaries
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 59,158	\$ (6,660)	\$ 52,498	To correctly allocate benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 114,161	\$ (13,810)	\$ 100,351	To match expenditure report
5. COG Expense (E) Facility Based Services	\$ -	\$ 252,903	\$ 252,903	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 3,628	\$ 3,628	To match final COG workbook
5. COG Expense (M) Family Support Services	\$ -	\$ 3,617	\$ 3,617	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ -	\$ 7,800	\$ 7,800	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ -	\$ 1,803	\$ 1,803	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 66,320	\$ 42,152	\$ 108,472	To match expenditure report and record auditor fees
Worksheet 2A				
1. Salaries (A) Early Intervention	\$ 65,979	\$ (65,979)	\$ -	To reclassify Director of Children Services salary
1. Salaries (M) Family Support Services	\$ 3,078	\$ (3,078)	\$ -	To reclassify Family Support Specialist salary
2. Employee Benefits (A) Early Intervention	\$ 16,235	\$ 6,799		To correctly allocate benefits
		\$ (23,034)	\$ -	To reclassify Director of Children Services benefits
2. Employee Benefits (M) Family Support Services	\$ 1,350	\$ (1,350)	\$ -	To reclassify Family Support Specialist benefits
5. COG Expenses (E) Facility Based Services	\$ -	\$ 47,761	\$ 47,761	To match final COG workbook
Worksheet 3				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 10,007	\$ (3,639)	\$ 6,368	To correctly allocate benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 12,528	\$ 37,753	\$ 50,281	To match expenditure report
5. COG Expenses (E) Facility Based Services	\$ -	\$ 104,412	\$ 104,412	To match final COG workbook
Worksheet 5				
1. Salaries (A) Early Intervention	\$ 106,891	\$ 65,979	\$ 172,870	To reclassify Director of Children Services salary
1. Salaries (M) Family Support Services	\$ -	\$ 3,078	\$ 3,078	To reclassify Family Support Specialist salary
2. Employee Benefits (A) Early Intervention	\$ 49,028	\$ (10,999)		To correctly allocate benefits
		\$ 23,034	\$ 61,063	To reclassify Director of Children Services benefits
2. Employee Benefits (M) Family Support Services	\$ -	\$ 1,350	\$ 1,350	To reclassify Family Support Specialist benefits
3. Service Contracts (C) School Age	\$ 12,811	\$ (12,811)	\$ -	To reclassify fees paid to COG
3. Service Contracts (D) Unasn Children Program	\$ 21,253	\$ 4,839	\$ 26,092	To reclassify behavior support contract expenses
4. Other Expenses (A) Early Intervention	\$ 87,684	\$ (82,962)	\$ 4,722	To match expenditure report
4. Other Expenses (M) Family Support Services	\$ 47,555	\$ (22,013)	\$ 25,542	To match expenditure report
5. COG Expenses (L) Community Residential	\$ -	\$ 9,402	\$ 9,402	To match final COG workbook
5. COG Expenses (M) Family Support Services	\$ -	\$ 9,373	\$ 9,373	To match final COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 4,671	\$ 4,671	To match final COG workbook
Worksheet 6				
1. Salaries (I) Medicaid Admin	\$ 26,713	\$ (1,467)	\$ 25,246	To correct MAC salaries
1. Salaries (O) Non-Federal Reimbursable	\$ 8,277	\$ (455)	\$ 7,822	To correct MAC salaries
Worksheet 7-B				
5. COG Expenses (E) Facility Based Services	\$ -	\$ 17,827	\$ 17,827	To match final COG workbook

Appendix A (Page 3)
Williams County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 7-C				
3. Service Contracts (D) Unasgn Children Program	\$ 20,774	\$ 14,169		To match expenditure report
		\$ 6,155		To reclassify speech therapy costs
		\$ 7,019	\$ 48,117	To reclassify speech therapy costs
Worksheet 7-E				
3. Service Contracts (D) Unasgn Children Program	\$ 27,233	\$ (11,738)		To match expenditure report
		\$ (6,155)		To reclassify speech therapy costs
		\$ (6,511)		To reclassify physical therapy costs
		\$ 9,126	\$ 11,955	To reclassify occupational therapy costs
Worksheet 7-F				
3. Service Contracts (D) Unasgn Children Program	\$ 18,827	\$ 15,702		To match expenditure report
		\$ 6,511		To reclassify physical therapy costs
		\$ (9,126)		To reclassify occupational therapy costs
		\$ (7,019)	\$ 24,895	To reclassify speech therapy costs
Worksheet 8				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 382,318	\$ (18,101)		To match expenditure report
		\$ (341,930)	\$ 22,287	To reclassify fees paid to COG
4. Other Expenses (E) Facility Based Services	\$ 8,315	\$ (8,315)	\$ -	To reclassify fees paid to COG
5. COG Costs (E) Facility Based Services	\$ -	\$ 430,951	\$ 430,951	To match final COG workbook
Worksheet 9				
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 99,048	\$ (28,334)	\$ 70,714	To correctly allocate benefits
4. Other Expenses (N) Service & Support Admin. Costs	\$ 30,102	\$ 963		To match expenditure report
		\$ (11,853)		To reclassify fees paid to COG
		\$ (15,097)	\$ 4,115	To reclassify behavior support contract expenses
5. COG Expenses (N) Service & Support Admin. Costs	\$ -	\$ 20,210	\$ 20,210	To match final COG workbook
Worksheet 10				
2. Employee Benefits (E) Facility Based Services	\$ 16,782	\$ (1,102)	\$ 15,680	To correctly allocate benefits
3. Service Contracts (E) Facility Based Services	\$ 914,388	\$ (914,388)		To reclassify fees paid to COG
		\$ 10,258	\$ 10,258	To reclassify behavior support contract expenses
4. Other Expenses (E) Facility Based Services	\$ 100,596	\$ (559)		To match expenditure report
		\$ (39,001)	\$ 61,036	To reclassify fees paid to COG
5. COG Expenses (E) Facility Based Services	\$ -	\$ 650,913	\$ 650,913	To match final COG workbook
Reconciliation to County Auditor Worksheet Expense:				
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ 327,848	\$ 70,867		To match expenditure report
		\$ 12,811		To reclassify fees paid to COG
		\$ 341,930		To reclassify fees paid to COG
		\$ 8,315		To reclassify fees paid to COG
		\$ 11,853		To reclassify fees paid to COG
		\$ 914,388		To reclassify fees paid to COG
		\$ 39,001	\$ 1,727,013	To reclassify fees paid to COG
Plus: Match Paid To DODD For TCM	\$ 77,678	\$ 26,249	\$ 103,927	To match expenditure report
Less: COG Expenses	\$ -	\$ (3,412)	\$ (3,412)	To reconcile off Schedule A COG expense

Appendix B
Williams 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>
Schedule B-1, Section A				
1. Building Services (B) Adult	397	(397)	-	To match square footage summary
1. Building Services (C) Child	1,020	299	1,319	To match square footage summary
5. Speech/Audiology (C) Child	438	(344)	94	To match square footage summary
7. Occupational Therapy (C) Child	438	(365)	73	To match square footage summary
8. Physical Therapy (C) Child	438	(365)	73	To match square footage summary
11. Early Intervention (C) Child	2,147	(976)	1,171	To match square footage summary
14. Facility Based Services (B) Adult	1,467	(823)	644	To match square footage summary
22. Program Supervision (B) Adult	171	(171)	-	To match square footage summary
23. Administration (D) General	2,023	1,104	3,127	To match square footage summary
25. Non-Reimbursable (C) Child	1,350	(1,350)	-	To match square footage summary
25. Non-Reimbursable (D) General	828	4,872	5,700	To match square footage summary
Schedule B-1, Section B				
1. Total Individuals Served By Program (C) Supported Emp. - Community Employment	-	1	1	To record individuals served
4. 15 Minute Units (C) Supported Emp. - Community Employment	-	59	59	To record 15 Minute units
6. A (A) Facility Based Services	51	(7)	44	To match supporting documentation
7. A-1 (A) Facility Based Services	2	1	3	To match supporting documentation
8. B (A) Facility Based Services	15	3	18	To match supporting documentation
9. C (A) Facility Based Services	15	3	18	To match supporting documentation
10. A (A) Facility Based Services	6,834	737	7,570	To match supporting documentation
		(1)		To remove day of attendance
11. A-1 (A) Facility Based Services	677	(30)		To match supporting documentation
		(1)	646	To remove days of attendance due to paid claims testing
12. B (A) Facility Based Services	2,996	825		To match supporting documentation
		3	3,824	To add unrecorded days of attendance
13. C (A) Facility Based Services	2,870	533	3,403	To match supporting documentation
Schedule B-3				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	3,978	2,708		To record Filling Home trips
		8,800	15,486	To match supporting documentation
Schedule B-4				
2. Other SSA Allowable Units (D) 4th Quarter	315	(30)	285	To match supporting documentation
3. Home Choice Units (D) 4th Quarter	-	50	50	To match supporting documentation
Schedule C				
I. County				
(B) Interest- COG Revenue	\$ -	\$ 1,111	\$ 1,111	To match final COG workbook
Worksheet 1				
2. Land Improvements (X) Gen Expense All Prgm.	\$ 5,173	\$ (1,472)	\$ 3,701	To remove fully depreciated asset
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ -	\$ 14,306		To match depreciation schedule
		\$ (7,806)		To remove fully depreciated asset
		\$ 469	\$ 6,969	To record depreciation on 2007 addition
5. Movable Equipment (U) Transportation	\$ -	\$ 10,456		To match depreciation schedule
		\$ (10,456)	-	To remove fully depreciated asset
5. Movable Equipment (X) Gen Expense All Prgm.	\$ -	\$ 997		To match depreciation schedule
		\$ 1,232		To record depreciation for asset tested
		\$ (765)	\$ 1,464	To remove fully depreciated asset
6. Capital Leases (X) Gen Expense All Prgm.	\$ 12,246	\$ (12,246)	-	To match depreciation schedule
8. COG Expenses (E) Facility Based Services	\$ -	\$ 33,057	\$ 33,057	To match final COG workbook
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 45,351	\$ (43,001)	\$ 2,350	To match payroll worksheet
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 43,126	\$ 7,051	\$ 50,177	To correctly allocate benefits

Appendix B (Page 2)
Williams County Board of Developmental Disabilities
2013 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2 (Continued)				
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 535		To match expenditure report
		\$ 1,000	\$ 1,535	To reclassify unallowable advertising expense
4. Other Expenses (X) Gen Expense All Prgm.	\$ 150,857	\$ 24,462		To match expenditure report
		\$ (109,542)		To reclassify fees paid to COG
		\$ (1,000)	\$ 64,777	To reclassify unallowable advertising expense
5. COG Expenses (B) Pre-School	\$ 158	\$ (158)	\$ -	To match final COG workbook
5. COG Expense (E) Facility Based Services	\$ -	\$ 191,084	\$ 191,084	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 2,682	\$ (317)	\$ 2,365	To match final COG workbook
5. COG Expense (M) Family Support Services	\$ 12,735	\$ (1,507)	\$ 11,228	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ 7,804	\$ (924)	\$ 6,880	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 2,130	\$ 358	\$ 2,488	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 19,292	\$ 30,801	\$ 50,093	To match expenditure report
Worksheet 2A				
1. Salaries (A) Early Intervention	\$ 66,463	\$ (66,463)	\$ -	To reclassify Director of Children Services salary
2. Employee Benefits (A) Early Intervention	\$ 17,577	\$ 3,437		To correctly allocate benefits
		\$ (21,014)	\$ -	To reclassify Director of Children Services benefits
5. COG Expenses (E) Facility Based Services	\$ -	\$ 48,656	\$ 48,656	To match final COG workbook
Worksheet 3				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 9,196	\$ (3,222)	\$ 5,974	To correctly allocate benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 32,680	\$ 41,012	\$ 73,692	To match expenditure report
5. COG Expenses (E) Facility Based Services	\$ -	\$ 71,332	\$ 71,332	To match final COG workbook
Worksheet 5				
1. Salaries (A) Early Intervention	\$ 113,332	\$ 66,463	\$ 179,795	To reclassify Director of Children Services salary
2. Employee Benefits (A) Early Intervention	\$ 49,282	\$ (12,439)		To correctly allocate benefits
		\$ 21,014	\$ 57,857	To reclassify Director of Children Services benefits
4. Other Expenses (A) Early Intervention	\$ 47,305	\$ (34,835)	\$ 12,470	To match expenditure report
4. Other Expenses (D) Unasgn Children Program	\$ -	\$ 36,993		To match expenditure report
		\$ (13,198)	\$ 23,795	To reclassify fees paid to COG
4. Other Expenses (M) Family Support Services	\$ 59,459	\$ (47,780)	\$ 11,679	To match expenditure report
5. COG Expenses (B) Pre-School	\$ 306	\$ (306)	\$ -	To match final COG workbook
Worksheet 7-B				
5. COG Costs (E) Facility Based Services	\$ -	\$ 21,477	\$ 21,477	To match final COG workbook
Worksheet 7-C				
3. Service Contracts (D) Unasgn Children Program	\$ 32,204	\$ (3,054)	\$ 29,150	To match expenditure report
Worksheet 7-E				
3. Service Contracts (D) Unasgn Children Program	\$ 29,150	\$ 3,128	\$ 32,278	To match expenditure report
Worksheet 8				
3. Service Contracts (E) Facility Based Services	\$ 380,916	\$ (380,916)	\$ -	To reclassify fees paid to COG
4. Other Expenses (E) Facility Based Services	\$ 49,926	\$ (10,670)	\$ 39,256	To reclassify fees paid to COG
5. COG Costs (E) Facility Based Services	\$ -	\$ 269,238	\$ 269,238	To match final COG workbook
Worksheet 9				
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 75,026	\$ (10,537)	\$ 64,489	To correctly allocate benefits

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Williams County Board of Developmental Disabilities
2013 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 10				
2. Employee Benefits (E) Facility Based Services	\$ 22,426	\$ (7,424)	\$ 15,002	To correctly allocate benefits
3. Service Contracts (E) Facility Based Services	\$ 1,060,161	\$ (1,019,084)	\$ 41,077	To reclassify fees paid to COG
4. Other Expenses (E) Facility Based Services	\$ 5,953	\$ (1,361)	\$ 4,592	To match expenditure report
5. COG Expenses (E) Facility Based Services	\$ -	\$ 526,449	\$ 526,449	To match final COG workbook
Reconciliation to County Auditor Worksheet Expense:				
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ 270,098	\$ 29,902		To match expenditure report
		\$ 109,542		To reclassify fees paid to COG
		\$ 13,198		To reclassify fees paid to COG
		\$ 10,670		To reclassify fees paid to COG
		\$ 1,019,084		To reclassify fees paid to COG
		\$ 380,916	\$ \$1,833,410	To reclassify fees paid to COG

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Dave Yost • Auditor of State

WILLIAMS COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

WILLIAMS 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**