



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
88 East Broad Street  
Columbus, Ohio 43215  
(614) 466-3340  
ContactMCA@ohioauditor.gov

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

Ohio Department of Medicaid  
50 West Town Street, Suite 400  
Columbus, Ohio 43215

We have performed the procedures enumerated below on the Ohio District 5 Area Agency on Aging, Inc.'s Medicaid Waiver Cost Report (Cost Report) and certain compliance requirements related to contract monitoring for the year ended June 30, 2020 included in the information provided to us by the management of the Ohio District 5 Area Agency on Aging, Inc. The Ohio District 5 Area Agency on Aging, Inc. is responsible for completion of the Cost Report and contract monitoring as required by the Agreement between the Ohio Department of Medicaid (ODM) and the Ohio Department of Aging (ODA) and the PASSPORT Administrative Agency (PAA).

The ODM and the ODA have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the Cost Report. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

### **Revenue**

1. We compared the revenue on *Final Page A* to the Income Statement and the prior year Cost Report. There was a variance exceeding \$1,000 as reported in the Appendix.
2. We agreed the detailed Client Liability report to *Final Page A and C*. There were no differences exceeding \$1,000.

### **Square Footage**

1. We compared the square footage allocation percentages from the worksheet to the square footage allocation on one building service voucher used to allocate costs to the Cost Report. There were no cost allocation variances.

### **Trial Balance and Non-Payroll Expenses**

1. We compared the disbursements for each waiver from the General Ledger to the Cost Report Breakdown report and from the Breakdown report to *Worksheet 1, Total Allowable Expenses by Line Item*. There were no variances that resulted in decreased costs or reclassifications over \$1,000 to cost report accounts.

### **Trial Balance and Non-Payroll Expenses (Continued)**

We compared total PASSPORT Information Management System (PIMS) costs to total *Worksheet 2, Waiver Services Expenses Detail*. Total *Worksheet 2* costs exceeded PIMS costs by more than one half percent. The Cost Report contained no explanation of the variance.

2. We scanned the General Ledger and selected 60 disbursements from any cost report accounts on *Worksheet 1* exceeding five percent of total non-payroll costs on each waiver worksheet. We compared supporting documentation and classification of the disbursement to the Cost Report Instructions, 2 CFR part 200.400-.475, and the PAA's Cost Allocation Plan.

We totaled identified variances by Cost Report account. There were variances exceeding \$1,000 resulting in reclassifications to cost report accounts as reported in the Appendix. For any errors identified, we also scanned the corresponding voucher and found additional similar misclassifications as reported in the Appendix.

3. We compared the allocation methodology applied on *Worksheet 1* to the approved methodologies in the Cost Report Instructions and the PAA's Cost Allocation Plan. There were no differences.

### **Payroll**

1. We compared total salaries and benefits for each waiver from the General Ledger to the Cost Report Breakdown report and from the Breakdown report to *Worksheet 1*. There were no variances over \$1,000 resulting in reclassification or variances resulting in decreased costs.
2. We selected 10 employees and compared the hours for each cost center on the October 2019 Time Study report to the Bi-weekly Pay Comm reports and to the Payroll Allocation report. We compared the hours on the Payroll allocation worksheet to the salaries and benefits cost allocated on the Salaries Allocation worksheet and the worksheet to the General Ledger. We then compared the cost allocated to the General Ledger to the Cost Report Breakdown report and from the Breakdown report to *Worksheet 1*. We also compared the reported salaries and benefits to the Cost Report Instructions and 2 CFR part 200.400-.475 to confirm costs were properly allocated, classified and allowable. There were no variances.

### **Property**

1. We compared the capital costs on the Depreciation Analysis and the Cost Report Breakdown reports to *Worksheet 1*. There were no differences.
2. We compared the final FY 2020 Depreciation Analysis report to the FY 2019 Depreciation Analysis for changes in the depreciation amounts for assets purchased prior to FY 2020, depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years or depreciation which was not in compliance with the Cost Report Instructions. There were no variances.
3. We did not perform capital asset testing as no capital assets were depreciated in the first year in FY 2020.
4. We did not perform disposed asset testing as there were no disposed assets and/or corresponding gains or losses for fiscal year 2020.
5. We scanned the General Ledger for items purchased during the FY 2020 that met the capitalization criteria and traced them to the Depreciation Analysis report. We found no reclassifications or variances resulting in decreased costs.

### **Contract Monitoring**

1. We obtained the PAA's written procedures for provider oversight processes. We selected the two pre-certification reviews and five structural compliance reviews and obtained documentation of all oversight processes performed during FY 2020. We confirmed the documentation for provider oversight processes was maintained in accordance with the written procedure requirements and Section III (A)(3)(d)(ii) of the Three Party Agreement.

We conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the PAA's Cost Report and compliance with contract monitoring requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the PAA and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our agreed-upon procedures engagement.



Keith Faber  
Auditor of State  
Columbus, Ohio

October 21, 2021

Appendix  
Ohio District 5 Area Agency on Aging  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

PROGRAM Revenue

COST REPORT									
Finding Number	Work sheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
1	Part A - Cash Flow	A-4	Receipts from ODA/OMA	Cumulative Year-to-Date	To agree to Supporting Documentation	Cost Report Instructions	\$29,056,323.00	(\$35,781.00)	<b>\$29,020,542.00</b>

PROGRAM PASSPORT

COST REPORT									
Finding Number	Work sheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
2	1	5	Equipment <\$5,000	Assessment	Reclassification of TV and Phones	Cost Report Instructions	\$6,304.73	\$3,030.09	<b>\$9,334.82</b>
4	1	5	Equipment <\$5,000	Case Management	Reclassification of Computers and Furniture	Cost Report Instructions	\$31,152.52	\$15,916.64	
7	1	5	Equipment <\$5,000	Case Management	Reclassification of TV Mounts	Cost Report Instructions		\$250.00	<b>\$47,319.16</b>
5	1	5	Equipment <\$5,000	General Administration	Reclassification of Document Scanner and Furniture	Cost Report Instructions	\$23,508.72	\$2,129.40	
8	1	5	Equipment <\$5,000	General Administration	To reclassify TV Installation	Cost Report Instructions		\$860.00	<b>\$26,498.12</b>
3	1	7	Supplies	Provider Relations	Reclassification of Membership Dues	Cost Report Instructions	\$3,828.76	(\$4.74)	
6	1	7	Supplies	Provider Relations	Reclassification of Membership Dues	Cost Report Instructions		(\$200.00)	<b>\$3,624.02</b>
3	1	7	Supplies	General Administration	Reclassification of Membership Dues	Cost Report Instructions	\$22,177.39	(\$489.78)	
5	1	7	Supplies	General Administration	Reclassification of Document Scanner and Furniture	Cost Report Instructions		(\$2,129.40)	<b>\$19,558.21</b>
2	1	7	Supplies	Assessment	Reclassification of TV and Phones	Cost Report Instructions	\$11,108.34	(\$3,030.09)	<b>\$8,078.25</b>
4	1	7	Supplies	Case Management	Reclassification of Computers and Furniture	Cost Report Instructions	\$52,166.89	(\$15,916.64)	<b>\$36,250.25</b>
7	1	8	Building Services	Case Management	Reclassification of TV Mounts	Cost Report Instructions	\$193,363.31	(\$250.00)	<b>\$193,113.31</b>
8	1	8	Building Services	General Administration	To reclassify TV Installation	Cost Report Instructions	\$94,063.67	(\$860.00)	<b>\$93,203.67</b>
3	1	11	Other	Provider Relations	Reclassification of Membership Dues	Cost Report Instructions	\$42.48	\$4.74	
6	1	11	Other	Provider Relations	Reclassification of Membership Dues	Cost Report Instructions		\$200.00	<b>\$247.22</b>
3	1	11	Other	General Administration	Reclassification of Membership Dues	Cost Report Instructions	\$610.76	\$489.78	<b>\$1,100.54</b>

Total Effect on Cost Report

(\$0.00)

# OHIO AUDITOR OF STATE KEITH FABER



**OHIO DISTRICT 5 AREA AGENCY ON AGING, INC.**

**RICHLAND COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 11/9/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)