



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Department of Developmental Disabilities
30 East Broad Street
Columbus, Ohio 43215

We have performed the procedures enumerated below on the disbursements and statistics recorded in the County Board Cost Report System (Cost Report) of the North East Ohio Network (the Council) for the year ended December 31, 2022 and certain compliance requirements. The Council's management is responsible for the financial and statistical data in the Cost Report and certain compliance requirements related to these transactions included in the information provided to us by the Council.

The Ohio Department of Developmental Disabilities (Department) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the Council's financial and statistical data recorded in the Cost Report for the year ended December 31, 2022 and certain compliance requirements related to these transactions. 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 the report and may not meet the needs of all users of the 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 Department. 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:

Trial Balance and Expenditures

The procedures in this section were performed on the following categories: Indirect Costs, Program Supervision, Transportation Services, Service and Support Administration and Adult Programs.

1. We compared the disbursements from the Employee Earnings Record and Monthly Employee Benefit worksheet to the Payroll Allocation worksheet and from the Payroll Allocation worksheet and General Ledger to the *COG Reconciliation*, *COG Master*, and *Summary of Expenditures and County Expenditures forms* and to the Department's Guide to Preparing Income and Expenditure Reports for use by Council of Governments. There were no variances.
2. We selected 60 non-payroll disbursements from the General Ledger. We inspected the Council's supporting documentation and compared the cost classification to the *Guide to Preparing Income and Expenditure Reports for use by Council of Governments and for use by County Boards of Developmental Disabilities* (Cost Report Guides) and 2 CFR 200.420 - .475.

We reclassified variances over \$500 and non-reimbursable costs as reported in the Appendix. We scanned the detailed expenditure report for other like errors in the same cost center and found none.

Trial Balance and Expenditures (Continued)

3. We inquired with the Council if any statistics were not reported in the Cost Report and/or not communicated to member county boards. We confirmed through inquiry with the Council that they paid for adult and transportation services for Richland CBDD and tracked statistics for both. The Council reported transportation statistics on the COG Cost report and communicated adult statistics to Richland CBDD. We confirmed with Richland CBDD that Council statistics were reported in the CBDD's Cost Report.
4. We scanned the Payroll Allocation worksheet and compared classification of employees and basis of allocation to entries on the COG Master and County Expenditure forms and to the Cost Report Guides. There were no variances.

Medicaid Administrative Claiming (MAC)

1. We compared the actual salaries and benefits for the Random Moment Time Study (RMTS) participants for the first quarter from the Employee Earnings report to the Wage Worksheet and from the worksheet to the salaries and benefits submitted on the Cost by Individual Report. We confirmed that the actual salaries and benefits equaled MAC reimbursed salaries and benefits.
2. For the 11 RMTS observed moments selected by the Department, we compared the entry in the "Comment" section of the RMTS screenshot and any uploaded supporting documentation to the responses in the "Moment Information" and "Moment Answers" sections. We found no variances.

We were engaged by the Department to perform this agreed-upon procedures engagement and 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 Council's Cost Report and its compliance with certain requirements and regulations. 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 Council and to meet our other 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

August 13, 2024

**Appendix
North East Ohio Network
2022 Income and Expense Report and County Board Summary Form Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
North East Ohio Network				
Capital Cost COG				
Movable Equipment	\$ 5,840	\$ 567	\$ 6,407	To reclassify capital asset depreciation
Indirect Cost COG				
Other Expenses	\$ 113,368	\$ (1,806)		To reclassify travel expenses based on employee allocation
		\$ (900)		To reclassify building repairs
		\$ (881)		To reclassify gifts to employees as non-reimbursable costs
		\$ (6,806)	\$ 102,975	To reclassify capital asset
Building Services Cost COG				
Other Expenses	\$ 41,410	\$ 900	\$ 42,310	To reclassify building repairs
Other Services Not Performed COG				
Other Expenses	\$ -	\$ 286		To reclassify travel expenses based on employee allocation
		\$ 881	\$ 1,167	To reclassify gifts to employees as non-reimbursable costs
COG Reconcile Expenses Details				
Capital Expenses	\$ 7,135	\$ 6,806	\$ 13,941	To reclassify capital asset
Ashtabula County				
Direct Services COG Expenses				
Community Residential	\$ 111,294	\$ 190	\$ 111,484	To reclassify travel expenses based on employee allocation
Geauga County				
Direct Services COG Expenses				
Community Residential	\$ 2,168	\$ 43	\$ 2,211	To reclassify travel expenses based on employee allocation
Lake County				
Direct Services COG Expenses				
Community Residential	\$ 37,493	\$ 159	\$ 37,652	To reclassify travel expenses based on employee allocation
Lorain County				
Direct Services COG Expenses				
Community Residential	\$ 7,804	\$ 154	\$ 7,958	To reclassify travel expenses based on employee allocation
Medina County				
Direct Services COG Expenses				
Community Residential	\$ 125,429	\$ 199	\$ 125,628	To reclassify travel expenses based on employee allocation
Portage County				
Direct Services COG Expenses				
Community Residential	\$ 208,928	\$ 119	\$ 209,047	To reclassify travel expenses based on employee allocation

**Appendix
North East Ohio Network
2022 Income and Expense Report and County Board Summary Form Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Richland County				
Direct Services COG Expenses				
Community Residential	\$ 562,633	\$ 202	\$ 562,835	To reclassify travel expenses based on employee allocation
Direct Services Service Contracts				
Non-Federal Reimbursable	\$ 6,987	\$ 291	\$ 7,278	To reclassify travel expenses based on employee allocation
Trumbull County				
Direct Services COG Expenses				
Community Residential	\$ 8,238	\$ 163	\$ 8,401	To reclassify travel expenses based on employee allocation

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NORTH EAST OHIO NETWORK

MAHONING 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 9/3/2024

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This report is a matter of public record and is available online at
www.ohioauditor.gov