



Dave Yost • Auditor of State

JACKSON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

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Independent Auditor's Report on Applying Agreed-Upon Procedures

Halina Schroeder, Audit Chief
Division of Fiscal Administration, Audit Office
Ohio Department of Developmental Disabilities
30 E. Broad Street, 13th Floor
Columbus, Ohio 43215

Dear Ms. Schroeder:

As permitted by Ohio Rev. Code § 5123.05 and as required by the *Application for a § 1915(c) Home and Community Based Services Waiver*, Appendix I-2(c), the Auditor of State's Office performed the procedures enumerated below, to which the Ohio Department of Developmental Disabilities (DODD) agreed. The purpose is to assist you in evaluating whether the Jackson County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2010 and 2011 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2010 and 2011 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*), and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The Auditor of State, under the same authority noted above, also performed the Acuity Testing procedures below for the 2008, 2009, 2010, and 2011 Cost Reports.

Statistics – Square Footage

1. DODD requested us to tour the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle space and, if final 2009 square footage totals are the same and no significant changes in the floor plan have occurred, to perform no additional procedures.

We toured the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle floor space. We found no unreported rented or idle floor space

We also compared 2010 and 2011 square footage totals to final 2009 square footage totals and discussed square footage changes with the County Board. We noted no significant changes had occurred except for the Service and Support Administration (SSA) program as identified in the pre-engagement questionnaire. The County Board did not update the 2010 and 2011 Cost Reports to reflect final 2009 square footage. We used the final 2009 square footage summary in procedure 4, taking into account the SSA program change in 2011.

Statistics – Square Footage (Continued)

2. DODD requested us to report variances if the County Board's square footage for three rooms varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage*.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 Cost Report through 2010 and 2011 except for the SSA change noted in procedure 1 above.

3. DODD requested us to report variances if the County Board's square footage for one floor plan varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage*.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 Cost Report through 2010 and 2011 (see procedure 1 above).

4. DODD requested us to report variances if the County Board's square footage summary varied by more than 10 percent when comparing the County Board's summary to the Cost Report for any cell within *Schedule B-1, Section A, Square Footage*.

We compared the County Board's final 2009 square footage summary, with the adjustment for SSA program area, to the square footage reported for each cell in *Schedule B-1*.

We found variances exceeding 10 percent as reported in Appendix A (2010) and Appendix B (2011).

5. We obtained the County Board's methodology for allocating square footage between programs and reviewed the methodology to ensure that square footage for areas shared by more than one type of service is allocated by program based on reported usage of the area in accordance with the Cost Report Guides.

We did not perform this procedure as there were no significant changes in square footage allocated between programs from the square footage reported in the final 2009 Cost Report through 2010 and 2011 (see procedure 1 above). However, we noted from the procedures performed in the Payroll Testing section that square footage should not be allocated to Program Supervision for adults on *Schedule B-1*. We obtained the County Board's input on allocating this square footage.

We reported these variances in Appendix A (2010) and Appendix B (2011).

Statistics – Attendance

1. We reviewed the Cost Reports to determine if individuals served or units of service were omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which result in unassigned program or general expenses-all program costs.

We determined that there were no individuals served or units of service omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7D and 7F to 7H which resulted in unassigned program or general expenses-all program costs. However, we determined that individuals served needed to be obtained for worksheets 7E as we added square footage for the occupational therapy program to match the final 2009 square footage (see Statistics - Square Footage section, procedure 1). Adding the square footage resulted in general costs that needed to be allocated to the pre-school and school age programs. The County Board provided support for these omitted statistics.

These statistics are reported in Appendix A (2010) and Appendix B (2011).

2. DODD asked us to compare the County Board's final 2009 typical hours of service reported on *Schedule B-1, Section B, Attendance statistics* to the typical hours of service reported on *Schedule B-1* for 2010 and 2011 and, if the hours are the same, to do no additional procedures.

We compared the final 2009 typical hours of service to the typical hours of service reported on *Schedule B-1* for 2010 and 2011.

We found differences as reported in Appendix A (2010) and Appendix B (2011).

3. DODD requested us to report variances if the Board's attendance statistics were not within two percent of the attendance statistics reported.

We compared the County Board's 2010 and 2011 Attendance 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 and Enclave on *Schedule B-1, Section B, Attendance Statistics* and determined if the statistics were reported in accordance with the Cost Report Guides. We also footed the County Board's reports on attendance statistics for accuracy.

In 2010, we found variances exceeding two percent for Day Habilitation/Adult Day Services/Vocational Habilitation and Enclave and we reported these variances in Appendix A (2010). We found no variances exceeding two percent for Day Habilitation/Adult Day Services/Vocational Habilitation in 2011; however, we found variances exceeding two percent for Enclave services and we reported these variances in Appendix B (2011).

4. DODD requested us to report variances if the County Board's number of individuals served varied by more than 10 percent when comparing to the prior period's attendance statistics on *Schedule B-1, Section B, Attendance Statistics*.

We compared the County Board's final 2009 number of individuals served to the final individuals served for Day Habilitation/Adult Day Services/Vocational Habilitation and Enclave for 2010 and the final 2010 individuals served to the final individuals served for 2011 on *Schedule B-1*, and determined if the variances were over 10 percent.

Statistics – Attendance (Continued)

The number of reported individuals served did not change by more than 10 percent from the prior year's *Schedule B-1* for Day Habilitation/Adult Day Services/Vocational Habilitation. The number of individuals served for Enclave changed more than 10 percent from the prior year's *Schedule B-1* in 2010 and from 2010's *Schedule B-1* to 2011.

We reported no variances on Appendix A (2010) or Appendix B (2011).

5. DODD requested us to report variances if the individuals served on *Schedule B-1, Section B, Attendance Statistics* were not within three of the individuals documented on the attendance sheets.

The County Board used its payroll reports to compile the Enclave statistics and the payroll reports were the lowest level of documentation maintained. We did not perform this procedure as the variances identified in procedures 3 and 4 above for Enclave services represent 100 percent of the population identified from the payroll records.

6. DODD requested us to haphazardly select 15 Community Employment units from both 2010 and 2011 from the County Board's detailed Community Employment units report. DODD asked us then to report variances to *Schedule B-1, Section B, Attendance Statistics* if more than three of the 15 minute Community Employment units tested were not calculated in accordance with the Cost Report Guide.

We did not perform this procedure as the County Board did not have a Community Employment program in 2010 or 2011.

Acuity Testing

1. DODD requested us to report variances if days of attendance on the Days of Attendance by Acuity supplemental Cost Report worksheets for 2008, 2009, 2010, and 2011 did not agree to the County Board's supporting documentation.

We compared the County Board's Attendance by Acuity reports for the days of attendance for Day Habilitation/Adult Day Services/ Vocational Habilitation and Enclave with the Days of Attendance by Acuity supplemental Cost Report worksheets for 2008, 2009, 2010, and 2011.

We found no variances in 2008, 2010 and 2011.

For 2009, we found 76 facility based days of attendance should be removed from acuity level A.

2. We also compared two individuals from each acuity level on the County Board's 2008, 2009, 2010, and 2011 Attendance by Acuity Reports to the Acuity Assessment Instrument for each individual for each year, respectively.
 - For 2008, we found no variances;
 - For 2009, we found 30 facility based days of attendance that should be reclassified from acuity level B to level C;
 - For 2010, we found no variances; and
 - For 2011, we found 25 facility based days of attendance that should be reclassified from acuity level A-1 to A.

Acuity Testing (Continued)

We also found four individuals in 2008, four individuals in 2009, and one individual in 2010 where the acuity assessment instrument or equivalent document could not be located by the County Board and one individual in 2009 where the acuity assessment instrument was completed after the year of acuity that was tested.

We reported the differences from procedures 1 and 2 above on revised Days of Attendance by Acuity supplemental Cost Report worksheets for 2008, 2009, 2010, and 2011 and submitted them to DODD.

Statistics – Transportation

1. DODD requested us to report variances if the County Board's transportation units were not within two percent of total units reported on each line of *Schedule B-3 Quarterly Summary of Transportation Services*.

We compared the number of one-way trips from the County Board's 2010 NMT by Age Summary and the 2011 Transportation Summary with those statistics as reported in *Schedule B-3*. We also footed the County Board's 2010 NMT by Age Summary and the 2011 Transportation Summary for accuracy.

We found differences as reported in Appendix A (2010)

2. DODD requested us to report variances of more than 10 percent of the total trips taken for five individuals for both 2010 and 2011, between the County Board's internal documentation versus the amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We traced the number of trips for two adult individuals and three children for March 2010 and four adult individuals and one child for June for 2011 from the County Board's daily reporting documentation to *Schedule B-3*.

We found no differences.

3. DODD requested us to report variances if the County Board's cost of bus tokens/cabs was not within two percent of the total amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We did not perform this procedure as the County Board did not report the cost of bus tokens, cabs on *Schedule B-3* for 2010 and 2011. However, we did review the County Board's detailed expenditure reports for any of these costs not identified by the County Board. We found unreported costs of bus tokens/cabs in 2010. We found no unreported costs in 2011.

We reported difference for unreported expenses in Appendix A (2010).

Statistics – Service and Support Administration (SSA)

1. DODD requested us to report variances if the County Board's SSA units were not within two percent of total units reported on each line of *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*.

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

We compared the number of SSA units (Targeted Case Management (TCM), Other SSA Allowable, and SSA Unallowable) from the County Board's TCM Allowable/Unallowable Detail reports with those statistics reported in *Schedule B-4*. We also footed the County Board's TCM Allowable/Unallowable Detail reports for accuracy.

We found differences exceeding two percent as reported in Appendix A (2010). We found no differences or computational errors in 2011.

2. DODD requested us to report variances if the Other SSA Allowable units tested had an error rate exceeding 10 percent.

We haphazardly selected two samples of 60 Other SSA Allowable units for both 2010 and 2011 from the TCM Allowable/Un-Allowable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error did not exceed 10 percent of our sample for 2010. In 2011, the units found to be in error exceeded 10 percent of our Other SSA Allowable services sample. The errors noted did not appear to be part of a systemic issue; therefore, we reported the known differences in Appendix B (2011).

3. DODD requested us to report variances if the SSA Unallowable units tested had an error rate exceeding 10 percent.

We haphazardly selected a sample of 60 Unallowable SSA service units for both 2010 and 2011 from the TCM Allowable/Un-Allowable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error did not exceed 10 percent of our samples for 2010 and 2011.

4. DODD requested us to report decreases exceeding five percent in total SSA units by line on *Schedule B-4* when compared to the prior year's final Cost Report.

We compared the final 2009 SSA units to the final 2010 SSA units and compared the final 2010 SSA units to the final 2011 SSA units.

The final 2010 Other SSA Allowable units and 2010 Unallowable units decreased by more than five percent from the prior year's *Schedule B-4* and we obtained the County Board's explanation that the variance may have been related to staff turnover, fewer services to individuals residing in institutions, and the impact of eligibility determinations. The final 2011 units did not decrease by more than five percent from the prior year's *Schedule B-4*.

5. DODD requested us to determine if the County Board maintained case note documentation for non-individual specific activities (general time units) as described in *Worksheet 9, Service and Support Administration Costs* of the Cost Report Guides. If the County Board did record general time units and they accounted for over 10 percent of total SSA units on the final *Schedule B-4* plus any general time units recorded, DODD requested us to determine if they were properly classified and report any variances with an error rate exceeding 10 percent and indicated a systemic issue.

We did not perform this procedure in 2010 as the County Board did not track General Time units. We haphazardly selected a sample of 60 general time units for 2011 from the TCM

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

Allowable/Unallowable Detail 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 Guide.

We found no errors in our sample for 2011.

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the 12/31/2010 and 12/31/2011 county auditor's Statement of Cash Position Report for the General (219), Family Resources (221), Residential Services (246), Capital Improvement (419), and Hope Haven Trust (722) funds to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

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

2. DODD asked us to determine whether total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total receipts for these funds.

Total County Board receipts were not within 1/4 percent of the county auditor's yearly receipt totals reported for these funds for 2010. Receipts in the county auditor's report exceeded the County Board receipts by \$100,000 and we performed procedure 3 below. Total County Board receipts were within 1/4 percent of the county auditor's yearly receipt total for these funds for 2011.

3. We compared the account description and amount for each revenue reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's State Account Code Detail Reports and other supporting documentation such as county tax settlement sheets.

We found differences for an unreported transfer in 2010 and reported difference in Appendix A. The final 2010 *Reconciliation to County Auditor Worksheet* is within 1/4 percent of the county auditor's yearly receipt total for these funds.

4. We compared revenue entries on *Schedule C Income Report* to the Southern Ohio Council of Governments (SOCOG) prepared County Board Summary Workbooks.

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

5. We reviewed the County Board's detailed revenue report 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 \$8,214 in 2010 and \$6,087 in 2011;
- Reimbursements from local schools districts in the amount of \$114,234 in 2010 and \$160,747 in 2011;
- IDEA Early Childhood Special Education revenues in the amount of \$4,114 in 2010 and \$5,099 in 2011;

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

- IDEA Part B revenues in the amount of \$39,328 in 2010 and \$21,090 in 2011; and
- Title XX revenues in the amount of \$18,224 in 2010 and \$18,073 in 2011.

Paid Claims Testing

1. We selected 100 paid claims among all service codes from 2010 and 2011 from the Medicaid Billing System (MBS) data and determined if the claims met the following service documentation requirements of Ohio Admin. Code §§ 5123:2-9-05, 5123-2-9-18 (H) (1)-(2), and 5101:3-48-01(F):

- Date of service;
- Place of service;
- Name of the recipient;
- Name of the provider;
- Signature of the person delivering the service or initials of the person delivering the service if the signature and corresponding initials are on file with the provider;
- Type of service;
- Number of units of the delivered service or continuous amount of uninterrupted time during which the service was provided; and
- Arrival and departure times of the provider of service's site visit to the recipient's location or of the recipient's visit to the provider of service's location.¹

We found instances of non-compliance with these documentation requirements for 2010 and 2011.

Recoverable Finding - 2010 Finding \$45.77

We determined the County Board was over reimbursed for Non-Medical Transportation - Per Trip - Eligible Vehicle (ATB/FTB) services.

Service Code	Units	Review Results	Finding
ATB	1	No supporting documentation for billed units	\$18.93
FTB	2	No supporting documentation for billed units	\$26.84
			TOTAL \$45.77

Recoverable Finding - 2011 Finding \$163.32

We determined the County Board was over reimbursed for Non-Medical Transportation - Per Trip - Eligible Vehicle (ATB) services and Targeted Case Management (TCM) services.

Service Code	Units	Review Results	Finding
ATB	2	No supporting documentation for billed units	\$24.29
TCM	14	No supporting documentation for billed units	\$139.03
			TOTAL \$163.32

2. DODD requested us to report variances if units reimbursed by Medicaid were more than the units reported in the Cost Reports.

¹ For non-medical transportation services, we reviewed similar service documentation requirements to ensure compliance with Ohio Admin. Code § 5123:2-9-18 (H)(1)-(2) excluding H(1)(d),(f),(j) and H(2)(d),(f).

Paid Claims Testing (Continued)

We compared the number of reimbursed TCM units from the MBS Summary by Service Code reports, to the final units on *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*, Line (1)(F), *TCM Units*.

We found no instance where the Medicaid reimbursed units were greater than final TCM units.

3. DODD requested us to report whether any reimbursements exceeded disbursements on *Schedule A, Summary of Service Costs- By Program* by two percent.

We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Lines (20), Environmental Accessibility Adaptations to Line (25), Other Waiver Services to the amount reimbursed for these services on the MBS Summary by Service Code reports.

The County Board did not report costs on *Schedule A, Summary of Service Costs - By Program*, for Lines (20) to Line (25). We reviewed the MBS Summary by Service Code reports and found the County Board was not reimbursed for these services in 2010 or 2011.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. We compared the disbursement totals from the 12/31/2010 and 12/31/2011 county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's Statement of Cash Position Report balances for the General (219), Family Resources (221), Residential Services (246), Capital Improvement (419), and Hope Haven Expenses Trust (722) funds.

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

2. DODD asked us to determine whether total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total disbursements for these funds.

Total county board disbursements were within 1/4 percent of the county auditor's yearly disbursement totals reported for these funds.

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

We did not perform this procedure since total County Board disbursements were within 1/4 percent of the county auditor's yearly disbursement totals in procedure 2 above.

4. DODD asked us to compare the County Board's detailed disbursements to the amounts reported on worksheets 2 through 10, and report variances exceeding \$100 for service contracts and other expenses on any worksheet.

We compared all service contract and other expenses entries on worksheets 2 through 10 to the County Board's SAC Expense Detail reports.

We found differences as reported in Appendix A (2010) and Appendix B (2011). Also, as a result of adjustments to Supported Employment - Enclave in the Statistics – Attendance section, expenses reported on worksheet 10 column E -Facility Based Services were reclassified to column

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

H - Unassigned Adult Program in order to allocate costs to the Enclave program. We reported these adjustments in Appendix A (2010) and Appendix B (2011).

5. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 2 through 10 to the SOCOG prepared County Board Summary Workbooks.

We found differences as reported in Appendix A (2010) and Appendix B (2011).

6. DODD asked us to determine whether the County Board's detailed disbursements were properly classified within two percent of total service contracts and other expenses for all worksheets and if any worksheet included disbursements over \$100 which are non-federal reimbursable under 2 CFR 225 Appendix B.

We scanned the County Board's SAC Expense Detail reports for service contracts and other expenses in the following columns and worksheets: Column X-General Expense-All Programs on worksheets 2 through 8; Column N-Service and Support Administration Costs on worksheet 9; and Columns E-Facility Based Services, F-Enclave, and G-Community Employment on worksheet 10 and reviewed documentation to identify disbursements not classified as prescribed by the Cost Report Guides or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

We found differences as reported in Appendix A (2010) for misclassified costs. We found differences as reported in Appendix B (2011) for misclassified and non-federal reimbursable costs.

7. We scanned the County Board's SAC Expense Detail reports for items purchased during 2010 and 2011 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Fixed Asset Listing.

We found no unrecorded purchases meeting the capitalization criteria.

8. We haphazardly selected 20 disbursements from 2010 and 2011 from the County Board's SAC Expense Detail reports that were classified as service contract and other expenses on worksheets 2 through 10. We determined if supporting documentation was maintained as required by 2 CFR 225 (OMB Circular A-87, Appendix A, (C)(1)(j)) and the disbursement was properly classified according to the Cost Report Guides.

We reported differences in Appendix A (2010) and Appendix B (2011) for misclassified and non-federal reimbursable costs.

Property, Depreciation, and Asset Verification Testing

1. We compared the County Board's procedures regarding capitalization of fixed assets with the Cost Report Guides for preparing *Worksheet 1, Capital Costs* and 2 CFR 225 (OMB Circular A-87, Appendix B, 15(a)(2)).

We found no inconsistencies between the County Board's capitalization procedures and the guidelines listed above.

2. We compared the County Board's final 2009 Depreciation Schedule to the County Board's 2010 and 2011 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review which were not in compliance with the Cost Report Guides.

Property, Depreciation, and Asset Verification Testing (Continued)

We found differences in depreciation as reported in Appendix A (2010) and Appendix B (2011).

3. DODD asked us to compare the depreciation costs reported in the County Board's depreciation schedule to the amounts reported on *Worksheet 1, Capital Costs*, and to report variances exceeding \$100.

We compared all depreciation entries reported on *Worksheet 1, Capital Costs* to the County Board's Depreciation Schedules.

We found no differences.

4. We scanned the County Board's Depreciation Schedule for 2010 and 2011 for depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years, or depreciation taken on assets during the period of acquisition which were not in compliance with the Cost Report Guides.

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

5. We haphazardly selected two items which met the County Board's capitalization policy and were purchased in either 2010 or 2011 to determine if the useful lives agreed to the estimated useful lives prescribed in the 2008 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for these assets, based on their cost, acquisition date and useful life to determine compliance with the Cost Report Guides and AHA Asset Guide.

We found no differences.

6. We haphazardly selected one disposed asset in 2011 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. We also recalculated depreciation and any gain or loss applicable to 2011 for the disposed item based on its undepreciated basis and any proceeds received from the disposal of the asset to determine compliance with the Cost Report Guide and CMS Publication 15-1, Chapter 1.

We found differences as reported in Appendix B (2011). We did not perform additional testing as we tested 100 percent of the disposals in the above procedure.

Payroll Testing

1. DODD asked us to determine whether total County Board salaries and benefits in the 2010 and 2011 Cost Reports were within two percent of the county auditor's report totals for the General fund (219).

We totaled salaries and benefits from worksheets 2 through 10 from the Cost Reports and compared the yearly totals to the county auditor's Expense Reports.

The variance was less than two percent.

2. DODD asked us to compare the County Board disbursements on the detailed expense reports to the amounts reported on worksheets 2 through 10, and to report variances exceeding \$100 for salaries or employee benefit expenses.

Payroll Testing (Continued)

We compared all salary and employee benefit entries on worksheets 2 through 10 to the County Board's SAC Expense Detail reports.

We found no differences exceeding \$100 for salary or employee benefit expenses on any worksheet.

3. We selected 11 employees and compared the County Board's organizational chart and staffing/payroll journal to the worksheet in which each employee's salary and benefit costs were allocated to ensure allocation is consistent with the Cost Report Guides.

We reported differences in Appendix A (2010) and Appendix B (2011) and, because misclassification errors exceeded 10 percent of the sample size, we performed procedure 4 below.

4. DODD asked us to scan the County Board's detailed expense reports for 2010 and 2011 and compare classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides, if the errors in procedure 3 above exceeded 10 percent.

We scanned the County Board's payroll roster for 2010 and 2011 and compared classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides.

We found no differences.

We did not receive a response from the officials to the exceptions noted above.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the County Board's Cost Reports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the County Board, DODD, the Ohio Department of Medicaid, and the Centers for Medicare and Medicaid Services, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

October 15, 2014

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (B) Adult	712	(90)	622	Accepted 2009 square footage amounts
7. Occupational Therapy (C) Child	-	167	167	Accepted 2009 square footage amounts
11. Early Intervention (C) Child	79	(79)	-	Accepted 2009 square footage amounts
14. Facility Based Services (B) Adult	13,926	39		Accepted 2009 square footage amounts
		132		To reclassify Program Supervision square footage
		596	14,693	To reclassify Program Supervision square footage
15. Supported Emp. -Enclave (B) Adult	-	102	102	Accepted 2009 square footage amounts
22. Program Supervision (B) Adult	772	(132)		To reclassify Program Supervision square footage
		(640)	-	To reclassify Program Supervision square footage
23. Administration (D) General	1,047	44	1,091	To reclassify Program Supervision square footage
24. Transportation (D) General	167	(88)	79	Accepted 2009 square footage amounts
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	65	3	68	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp. - Enclave	-	4	4	To correct individuals served
2. Days Of Attendance (B) Supported Emp. -Enclave	-	170	170	To correct days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	1	1	To correct typical hours of service
Schedule B-3				
2. Pre-School (G) One Way Trips- Fourth Quarter	-	675	675	To correct One Way Trips
3. School Age (G) One Way Trips- Fourth Quarter	1,457	(262)	1,195	To correct One Way Trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	4,193	(413)	3,780	To correct One Way Trips
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 900	\$ 900	To correct cost of Bus, Tokens, Cabs
Schedule B-4				
1. TCM Units (E) COG Activity	-	594	594	To add COG units
Schedule C				
I County				
(B) Interest- COG Revenue	\$ -	\$ 8,709	\$ 8,709	To adjust to audited COG report
Worksheet 1				
2. Land Improvements (D) Unasgn Children Programs	\$ 2,569	\$ 620	\$ 3,189	To adjust for historical value of asset
5. Movable Equipment (U) Transportation	\$ 24,335	\$ 2,953		To adjust asset life of asset
		\$ (23,040)		To adjust for 10 buses disposed of in 2009
		\$ 45,048	\$ 49,296	To adjust for 2007 purchase of 4 school buses
8. COG Expenses (E) Facility Based Services	\$ -	\$ 6	\$ 6	To adjust to audited COG report
8. COG Expenses (N) Service & Support Admin	\$ 12	\$ (6)	\$ 6	To adjust to audited COG report
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 101,656	\$ 13,992	\$ 115,648	To reclassify first line supervisor
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 48,389	\$ 8,834	\$ 57,223	To reclassify first line supervisor
3. Service Contracts (X) Gen Expense All Prgm	\$ 4,784	\$ (2,405)	\$ 2,379	To reclassify physical therapy expenses
5. COG Expense (E) Facility Based Services	\$ -	\$ 471	\$ 471	To adjust to audited COG report
5. COG Expense (N) Service & Support Admin	\$ 881	\$ (471)	\$ 410	To adjust to audited COG report
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 28,095	\$ 32,888	\$ 60,983	To adjust for tax settlement fees

Appendix A (page 2)
Jackson County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 30,800	\$ (13,992)		To reclassify first line supervisor
		\$ (16,808)	\$ -	To reclassify first line supervisor
2. Employee Benefits (E) Facility Based Services	\$ 15,735	\$ (8,834)		To reclassify first line supervisor
		\$ (6,901)	\$ -	To reclassify first line supervisor
4. Other Expenses (E) Facility Based Services	\$ 820	\$ (820)	\$ -	To reclassify first line supervision costs
5. COG Expenses (E) Facility Based Services	\$ -	\$ 17	\$ 17	To adjust to audited COG report
5. COG Expenses (N) Service & Support Admin	\$ 31	\$ (17)	\$ 14	To adjust to audited COG report
Worksheet 3				
5. COG Expenses (E) Facility Based Services	\$ -	\$ 4	\$ 4	To adjust to audited COG report
5. COG Expenses (N) Service & Support Admin	\$ 7	\$ (4)	\$ 3	To adjust to audited COG report
Worksheet 5				
4. Other Expenses (C) School Age	\$ 14,341	\$ 40	\$ 14,381	To reclassify field trips
Worksheet 7-E				
13. No. of Individuals Served (B) Pre-School	-	4	4	To add individuals served
13. No. of Individuals Served (C) School Age	-	13	13	To add individuals served
Worksheet 7-F				
3. Service Contracts (D) Unasgn Children Program	\$ 19,825	\$ 2,405	\$ 22,230	To reclassify physical therapy expenses
Worksheet 8				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 7,571	\$ (560)	\$ 7,011	To reclassify Special Olympic transaction and field trips
4. Other Expenses (X) Gen Expense All Prgm.	\$ 66,879	\$ (40)		To reclassify field trip expense
		\$ (500)	\$ 66,339	To reclassify Special Olympic transaction and field trips
Worksheet 9				
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 53,052	\$ 1,615	\$ 54,667	To reclassify unemployment
4. Other Expenses (N) Service & Support Admin. Costs	\$ 4,244	\$ (200)		To reclassify payments to COG
		\$ (1,615)	\$ 2,429	To reclassify unemployment
5. COG Expenses (N) Service & Support Admin. Costs	\$ 2,594	\$ 2,979	\$ 5,573	To reclassify COG expenses from Worksheet 10
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 172,707	\$ 16,808		To reclassify first line supervisor
		\$ (189,515)	\$ -	To reclassify expenses from Facility Based to Adult Unassigned
1. Salaries (H) Unasgn Adult Program	\$ -	\$ 189,515	\$ 189,515	To reclassify expenses from Facility Based to Adult Unassigned
2. Employee Benefits (E) Facility Based Services	\$ 107,294	\$ 6,901		To reclassify first line supervisor
		\$ (114,195)	\$ -	To reclassify expenses from Facility Based to Adult Unassigned
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$ 114,195	\$ 114,195	To reclassify expenses from Facility Based to Adult Unassigned
3. Service Contracts (E) Facility Based Services	\$ 30,237	\$ (30,237)		To reclassify expenses from Facility Based to Adult Unassigned
		\$ 30,237	\$ 30,237	To reclassify expenses from Adult Unassigned to Facility Based
3. Service Contracts (H) Unasgn Adult Program	\$ -	\$ 30,237		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (30,237)	\$ -	To reclassify expenses from Adult Unassigned to Facility Based

Appendix A (page 3)
Jackson County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 10 (Continued)				
4. Other Expenses (E) Facility Based Services	\$ 5,555	\$ 1,060		To reclassify Special Olympic transaction and field trips
		\$ 820		To reclassify first line supervision costs
		\$ (7,435)		To reclassify expenses from Facility Based to Adult Unassigned
		\$ 7,435	\$ 7,435	To reclassify expenses from Adult Unassigned to Facility Based
4. Other Expenses (H) Unasgn Adult Program	\$ -	\$ 7,435		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (7,435)	\$ -	To reclassify expenses from Adult Unassigned to Facility Based
5. COG Expenses (E) Facility Based Services	\$ -	\$ 2,979		To adjust to audited COG report
		\$ (2,979)	\$ -	To reclassify expenses from Facility Based to Adult Unassigned
5. COG Expenses (H) Unasgn Adult Program	\$ -	\$ 2,979		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (2,979)	\$ -	To reclassify COG expenses to Worksheet 9

Reconciliation to County Auditor Worksheet

Expense:

Less: Capital Costs	\$ (71,878)	\$ (25,581)	\$ (97,459)	To agree to worksheet 1
Plus: Leases And Rentals	\$ -	\$ 70,635	\$ 70,635	To reclassify lease
Plus: Purchases Greater Than \$5,000	\$ 102,431	\$ (70,635)	\$ 31,796	To reclassify lease
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ 28,103	\$ 200	\$ 28,303	To reclassify payments to COG
Plus: Match Paid To ODMRDD For IO & LVI Waivers	\$ 13,374	\$ (13,374)		To reclassify Waiver match
		\$ 133,339	\$ 133,339	To reclassify TCM match
Plus: Match Paid To ODMRDD For TCM	\$ 133,339	\$ 13,374		To reclassify Waiver match
		\$ (133,339)	\$ 13,374	To reclassify TCM match
Less: County Auditor/Treasurer Fees	\$ -	\$ (32,888)	\$ (32,888)	To adjust for tax settlement fees
Total from 12/31 County Auditor's Report	\$ 2,139,719	\$ 9	\$ 2,139,728	To adjust to agree to County Auditor Report

Revenue:

Plus: Transfer-In	\$ -	\$ 100,000	\$ 100,000	To report transfer-in
Total from 12/31 County Auditor's Report	\$ 2,480,860	\$ 100,000	\$ 2,580,860	To agree to County Auditor Report

Appendix B
Jackson County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A				
22. Respite (L) Community Residential	\$ -	\$ 708	\$ 708	To reclassify respite waiver individuals
Schedule B-1, Section A				
1. Building Services (B) Adult	550	72	622	Accepted 2009 square footage amounts
5. Speech/Audiology (C) Child	156	11	167	Accepted 2009 square footage amounts
7. Occupational Therapy (C) Child	-	167	167	Accepted 2009 square footage amounts
8. Physical Therapy (C) Child	324	(157)	167	Accepted 2009 square footage amounts
12. Pre-School (C) Child	4,279	(211)	4,068	Accepted 2009 square footage amounts
13. School Age (C) Child	6,782	(385)	6,397	Accepted 2009 square footage amounts
14. Facility Based Services (B) Adult	14,823	(858)	13,965	Accepted 2009 square footage amounts
		96		To reclassify Program Supervision square footage
		632	14,693	To reclassify Program Supervision square footage
15. Supported Emp. -Enclave (B) Adult	-	102	102	Accepted 2009 square footage amounts
21. Service And Support Admin (D) General	143	451	143	Accepted 2009 square footage amounts
		(451)	143	To reclassify SSA square footage
22. Program Supervision (B) Adult	388	384	388	Accepted 2009 square footage amounts
		(96)	-	To reclassify Program Supervision square
		(676)	-	To reclassify Program Supervision square
23. Administration (D) General	1,047	300	1,391	To reclassify SSA square footage
		44	1,391	To reclassify Program Supervision square
		44	1,391	To reclassify Program Supervision square
24. Transportation (D) General	151	(72)	151	Accepted 2009 square footage amounts
		151	230	To reclassify SSA square footage
25. Non-Reimbursable (C) Child	324	323	647	Accepted 2009 square footage amounts
Schedule B-1, Section B				
1. Total Individuals Served By Program (B) Supported Emp. - Enclave	-	6	6	To correct individuals served
2. Days Of Attendance (B) Supported Emp. -Enclave	-	197	197	To correct days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	1	1	To correct typical hours of service
Schedule B-3				
3. School Age (G) One Way Trips- Fourth Quarter	1,773	(197)	1,576	To correct School Age one way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	4,048	197	4,245	To correct one way trips
Schedule B-4				
2. Other SSA Allowable Units (D) 4th Quarter	17	(8)	9	To correct Other Allowable units
5. SSA Unallowable Units (D) 4th Quarter	46	8	54	To correct Other Allowable Units
Worksheet 1				
2. Land Improvements (D) Unasgn Children Programs	\$ 2,569	\$ 620	\$ 3,189	To adjust for historical value of asset
5. Movable Equipment (U) Transportation	\$ 45,408	\$ 5,526	\$ 50,934	To report loss on disposal of asset
6. Capital Leases (V) Admin	\$ 3,895	\$ (3,895)	\$ -	To adjust for 2012 asset
8. COG Expenses (E) Facility Based Services	\$ 44	\$ (44)	\$ -	To adjust to audited COG report
8. COG Expenses (N) Service & Support Admin	\$ 5	\$ (5)	\$ -	To adjust to audited COG report
Worksheet 2				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 74,448	\$ 490	\$ 74,938	To reclassify unemployment
4. Other Expenses (X) Gen Expense All Prgm.	\$ 67,567	\$ (540)	\$ 67,027	To reclassify Special Olympics transaction
		\$ (45)	\$ 67,027	To reclassify non-federal reimbursable amount
		\$ 2,499	\$ 68,991	To reclassify consulting fees
		\$ (490)	\$ 68,991	To reclassify unemployment
5. COG Expense (E) Facility Based Services	\$ 2,053	\$ (2,053)	\$ -	To adjust to audited COG report
5. COG Expense (N) Service & Support Admin	\$ 244	\$ (244)	\$ -	To adjust to audited COG report

Appendix B (Page 2)
Jackson County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2 (Continued)				
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 212,041	\$ 3,441		To reclassify non-federal reimbursable amount
		\$ 4,660		To adjust for tax settlement fees
		\$ (2,499)		To reclassify consulting fees
		\$ (632)		To reclassify CAFS fees
		\$ (131,264)	\$ 85,747	To reclassify TCM and Waiver Match
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 10,484	\$ (10,484)	\$ -	To reclassify first line supervisor
2. Employee Benefits (E) Facility Based Services	\$ 1,824	\$ (1,824)	\$ -	To reclassify first line supervisor
5. COG Expenses (E) Facility Based Services	\$ 124	\$ (124)	\$ -	To adjust to audited COG report
5. COG Expenses (N) Service & Support Admin	\$ 15	\$ (15)	\$ -	To adjust to audited COG report
Worksheet 3				
5. COG Expenses (E) Facility Based Services	\$ 12	\$ (12)	\$ -	To adjust to audited COG report
5. COG Expenses (N) Service & Support Admin	\$ 1	\$ (1)	\$ -	To adjust to audited COG report
Worksheet 5				
3. Service Contracts (L) Community Residential	\$ 38,755	\$ (38,755)	\$ -	To reclassify payments to Developmental Center
3. Service Contracts (M) Family Support Services	\$ 2,968	\$ (708)		To reclassify respite waiver individuals
		\$ 167	\$ 2,427	To add expenditure omitted on cost report
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,518	\$ 1,518	To adjust to audited COG report
Worksheet 7-B				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 1,016	\$ 2,100	\$ 3,116	To reclassify payments to MEORC
Worksheet 7-E				
13. No. of Individual Served (B) Pre-School	-	7	7	To add individuals served
13. No. of Individual Served (C) School Age	-	15	15	To add individuals served
Worksheet 8				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 2,142	\$ (40)		To reclassify Special Olympics transaction
		\$ (1,020)	\$ 1,082	To reclassify field trips expense
4. Other Expenses (E) Facility Based Services	\$ 910	\$ (40)	\$ 870	To reclassify field trips expense
4. Other Expenses (X) Gen Expense All Prgm.	\$ 82,066	\$ (160)	\$ 81,906	To reclassify Special Olympics transaction
Worksheet 9				
4. Other Expenses (N) Service & Support Admin. Costs	\$ 6,253	\$ (3,396)	\$ 2,857	To reclassify non-federal reimbursable amounts
5. COG Expenses (N) Service & Support Admin. Costs	\$ 1,385	\$ 499		To adjust to audited COG report
		\$ 11,639	\$ 13,523	To reclassify COG expenses from Worksheet 10
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 202,985	\$ 10,484		To reclassify first line supervisor
		\$ (213,469)	\$ -	To reclassify expenses from Facility Based
1. Salaries (H) Unasgn Adult Program	\$ -	\$ 213,469	\$ 213,469	To reclassify expenses from Facility Based to Adult Unassigned
2. Employee Benefits (E) Facility Based Services	\$ 77,975	\$ 1,824		To reclassify first line supervisor
		\$ (79,799)	\$ -	To reclassify expenses from Facility Based to Adult Unassigned
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$ 79,799	\$ 79,799	To reclassify expenses from Facility Based to Adult Unassigned

Appendix B (Page 3)
Jackson County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 10 (Continued)				
3. Service Contracts (E) Facility Based Services	\$ 28,749	\$ (28,749)		To reclassify expenses from Facility Based to Adult Unassigned
		\$ 28,749	\$ 28,749	To reclassify expenses from Adult Unassigned to Facility Based
3. Service Contracts (H) Unasgn Adult Program	\$ -	\$ 28,749		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (28,749)	\$ -	To reclassify expenses from Adult Unassigned to Facility Based
4. Other Expenses (E) Facility Based Services	\$ 8,427	\$ 1,760		To reclassify Special Olympics transaction and field trips
		\$ 40		To reclassify Special Olympics transaction
		\$ (10,227)		To reclassify expenses from Facility Based to Adult Unassigned
		\$ 10,227	\$ 10,227	To reclassify expenses from Adult Unassigned to Facility Based
4. Other Expenses (H) Unasgn Adult Program	\$ -	\$ 10,227		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (10,227)	\$ -	To reclassify expenses from Adult Unassigned to Facility Based
5. COG Expenses (E) Facility Based Services	\$ 11,639	\$ (11,639)	\$ -	To reclassify expenses from Facility Based to Adult Unassigned
5. COG Expenses (H) Unasgn Adult Program	\$ -	\$ 11,639		To reclassify expenses from Facility Based to Adult Unassigned
		\$ (11,639)	\$ -	To reclassify COG expenses to Worksheet 9
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ 31,936	\$ (2,100)	\$ 29,836	To reclassify payments to MEORC
Plus: Match Paid To ODMRDD For IO & LVI Waivers	\$ 188,567	\$ 111,746	\$ 300,313	To reclassify Waiver Match
Plus: Match Paid To ODMRDD For TCM	\$ 17,709	\$ 19,518	\$ 37,227	To reclassify TCM Match
Plus: Payments Paid To Developmental Center	\$ -	\$ 38,755	\$ 38,755	To reclassify payments to Developmental Center
Plus: CAFS fees	\$ -	\$ 632	\$ 632	To reclassify CAFS fees
Less: Capital Costs	\$ (103,892)	\$ (2,252)	\$ (106,144)	To agree to worksheet 1
Less: County Auditor/Treasurer Fees	\$ (25,302)	\$ (4,660)	\$ (29,962)	To adjust for tax settlement fees



Dave Yost • Auditor of State

JACKSON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

JACKSON 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
NOVEMBER 13, 2014**