



Dave Yost • Auditor of State

MORROW COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

TABLE OF CONTENTS

Title	Page
Independent Auditors' Report	1
Recommendation – Documentation of Enclave Transportation Services	5
Paid Claims - Recoverable Findings – 2010.....	9
Paid Claims - Recoverable Findings – 2011.....	10
Recommendation - Reporting Gains and Losses from Disposed Assets.....	14
Officials' Response	15
Appendix A: Income and Expenditure Report Adjustments – 2010.....	17
Appendix B: Income and Expenditure Report Adjustments – 2011.....	21

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

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 Morrow 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 compared 2010 and 2011 square footage totals to final 2009 square footage totals and found the square footage reported was not the same in 2010 for Adult Nursing, Adult Psychology, Family Support Services and Administration; however, there were no significant changes in 2011.

Although the County Board stated that there were some changes in the usage of square footage by programs from 2009 through 2011, we only performed limited procedures for the areas of Adult Nursing, Adult Psychology, Family Support Services and Administration for 2010 since these

changed significantly since 2009. Since we found no significant variances in 2011, we performed no additional procedures in 2011.

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 was no change in the total square footage space or building floor plans between years (see procedure 1 above for adjustment due to allocation of total square footage between programs due to usage).

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 compared square footage for each room on the the floor plans for the Whetstone Center and Whetstone Industries to the County Board's summary for 2010.

We found no variances exceeding 10 percent.

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 square footage summary to the square footage reported for each cell in *Schedule B-1, Section A, Square Footage*.

We found no variances exceeding 10 percent.

5. DODD asked that we obtain 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; however, we noted based on other procedures performed in the Payroll testing and Medicaid Administrative Claiming (MAC) sections that square footage was omitted on *Schedule B-1, Section A, Square Footage* for Early Intervention Child, MAC, Enclave and Program Supervision and 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 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 7H which resulted in unassigned program or general expense-all program costs in 2010. However, we determined that the number of individuals served for *Worksheet 7-B, Nursing Services* in 2011 needed to be

removed as costs reported in Column (X) General Expense-All programs costs were being assigned to Column (B) Pre-School when the County Board stated it does not have Pre-School program.

These statistics were removed as reported in 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 no differences; however, as noted in procedure 5 below the County Board did not report Enclave statistics on *Schedule B-1, Section B, Attendance Statistics*. Therefore, we obtained the County Board's supporting documentation for typical hours of Enclave service and reported these omitted statistics in Appendix A (2010) and Appendix B (2011).

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

We compared the County Board's 2010 Attendance by Acuity report and 2011 Day Services Attendance Summary By Consumer, Location, Acuity and Month report and Whetstone Industries Daily Inputs Detail by Activity Code reports (Enclave) 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* of the Cost Reports 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.

We found variances exceeding two percent as reported in Appendix A (2010) and 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 audited 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, Section B, Attendance Statistics* and determined if the variances were over 10 percent.

The number of reported Enclave individuals served changed more than 10 percent from the prior year's *Schedule B-1* and as a result we performed procedure 5 below.

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.

We determined the County Board did not report Enclave individuals served on *Schedule B-1, Section B, Attendance Statistics*. However, we were able to haphazardly select seven individual names for 2010 and nine for 2011 from the Whetstone Industries Daily Inputs Detail by Activity

Code reports, and compared the individuals by name to the compiled listing of individuals served provided by the County Board.

We found no differences.

6. DODD requested us 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 Guides.

We did not perform this procedure as the County Board does not provide Community Employment.

Acuity Testing

1. DODD requested us to report variances if days of attendance on the Days of Attendance by Acuity supplemental Cost Report worksheet 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 days of attendance for Day Habilitation/Adult Day Services/ Vocational Habilitation and Enclave with the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009, 2010 and 2011.

For 2008, we found five Adult Day Services attendance days should be added to acuity level B and two days that should be removed from acuity level C.

We found no differences in 2009.

For 2010, we found the following acuity variances:

- 40 Adult Day Services attendance days should be added to acuity level A;
- 110 Adult Day Services attendance days should be removed from acuity level B;
- 70 Adult Day Services attendance days should be added to acuity level C; and
- 158 Enclave attendance days should be added to acuity level A.

For 2011, we found 209 Enclave attendance days should be added to 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 documentation for each individual for each of these years.

We found no acuity variances for any days of attendance reported for 2008 and 2011.

For 2009, we found 83 Adult Day Services attendance days that should be reclassified from acuity level A to B.

For 2010, we found 15 Adult Day Services attendance days that should be reclassified from acuity level A to B.

We reported the differences from both procedure 1 and 2 on the revised Days of Attendance by Acuity supplemental Cost Report worksheet for 2009, 2010 and 2011 and submitted 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 Transportation by Age Group report and 2011 Units Delivered Transportation by Service, Month, and Age Group report with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services*. We also footed the County Board's transportation reports for accuracy.

We found no variances or computational errors exceeding two percent.

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 five adult individuals for June 2010 and November 2011 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no differences exceeding 10 percent.

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 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*.

The County Board did not report any cost of bus tokens, cabs on *Schedule B-3* for 2010 and 2011. We reviewed the County Board's detailed expenditure reports for any of these costs not identified by the County Board. We found no unreported costs; however, we noted the County Board did not have a daily transportation record nor did they record per mile transportation costs for the Enclave program in 2010 and 2011 on *Schedule B-3, Quarterly Summary of Transportation Services*.

Through further inquiry with the County Board, we determined the Enclave trips were round trips between the sheltered workshop and the two enclave sites. The County Board provided a 2010 and 2011 Enclave Cost Per Mile spreadsheet documenting the cost of fuel, repairs and maintenance for vans used and an estimate of miles transported based on the days of attendance. We agreed the cost of fuel, repairs and maintenance for the vans on the 2010 and 2011 Enclave Cost Per Mile spreadsheets to four invoices in 2010 and four invoices in 2011. We agreed the days of attendance to the Whetstone Industries Daily Inputs Detail by Activity Code reports and the mileage between the sheltered workshop and the enclave sites to Google Maps.

We reported the omitted Enclave transportation costs in Appendix A (2010) and Appendix B (2011).

Recommendation:

We recommend the County Board maintain the required documentation for Enclave transportation services as required by the Cost Report Guides in section Schedule B-3, Quarterly Summary of

Transportation Services which states in pertinent part, "This worksheet requires statistical information for children and adult programs.

Transportation records indicating trips to and from the county DD board programs must be maintained for each person transported" and the Audit and Records Retention Requirements section, which states, "Expenditure and Income Reports are subject to audit by DODD, ODM and CMS at their discretion. Records, documentation, and supplemental worksheets used to prepare the report must be kept on file for a period of seven years from the date of receipt of payment from all sources, or for six years following completion and adjudication of any state or federal initiated audit, whichever period of time is longer."

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*.

We compared the number of SSA units (Targeted Case Management (TCM), Other SSA Allowable, and SSA Unallowable) from the County Board's 2010 Unit (Billable), TCM Units and Detail Units Marked Non-Billable report and 2011 Case Notes Listing for TCM Billing - subtotaled by consumer report with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*. We also footed the County Board's SSA reports for accuracy.

We found no differences or computational errors exceeding two percent.

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 2010 Unit Entry by Date Span report and 2011 Case Notes Listing for TCM Billing - Subtotaled by Consumer report and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation 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. We found no errors in 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 2010 Detailed Units Marked Non-Billable report and 2011 Case Notes Listing for TCM Billing - Subtotaled by Consumer report and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation 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. We found no errors in 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 2011 SSA 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 needs of the individuals vary from year to year based on their immediate needs and so would the SSA unit classification. Also, the County Board reduced staff, focused on meeting the minimum service needs and increased training.

We reported no variances in Appendix A (2010) and Appendix B (2011).

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 audited *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 indicating a systemic issue.

We haphazardly selected a sample of 60 General Time Units for both 2010 and 2011 from the 2010 Non-Billable, General Time report and 2011 Case Notes Listing for TCM Billing - Subtotaled by Consumer report 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.

From the population of 3,246 general time units for 2010, we selected our sample of 60 units and found 28 percent of those units were for unallowable activities. We projected and then reported 920 units as SSA Unallowable Units. However, the County Board provided a 2010 C/OEDI tracking report which documented that only 23 instances of the unallowable activities occurred at 5 hours on average for a total of 460 unallowable units during 2010. We reviewed three supporting case notes for eligibility determinations to and determined the average time was reasonable.

We reported the omitted units in Appendix A (2010).

The 2011 units found to be in error exceeded 10 percent of our general time sample; however, our review of supporting documentation did not indicate a systemic issue. We reported this difference in Appendix B (2011).

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the 12/31/2010 County Auditor's Revenue Report - Summary and the 12/31/2011 Revenue Report - Detail for the Family Resources (310), MRDD Bond Retirement Revenue (062), Whetstone Operating (010) and Whetstone Food Service (021) funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found no differences.

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 within 1/4 percent of the County Auditor's yearly receipt totals reported for these funds.

3. DODD asked us to compare 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 did not perform this procedure since the total County Board receipts were within 1/4 percent of the County Auditor's yearly receipt totals in procedure 2 above.

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

We found no differences.

5. We reviewed the County Board's 2010 and 2011 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 \$241,163 in 2010 and \$204,439 in 2011;
- Title XX revenues in the amount of \$29,244 in 2010 and \$31,558 in 2011; and
- Help Me Grow revenues in the amount of \$41,225 in 2010 and \$48,097 in 2011.

Officials' Response:

We have not found in the cost report instructions nor have been given guidance from DODD as to what should be offset. There is no appropriate section in the cost report to detail these expenses and we have and will continue to specifically identify these costs as best as possible within the current reporting structure as follows:

- Miscellaneous refunds, reimbursements and other income:
2010- 9567 square feet was reported on Worksheet B1 to offset the amount of space that is rented to tenants and allocate the appropriate cost; \$19,372 was reported on Worksheet 5 and \$31,142 on Worksheet 7B in the Non-Federal Reimbursable columns to offset the Adaptive Physical Education, Clerical and Nursing contracts with other agencies.
2011- 9544 square feet was reported on Worksheet B1; \$19,508 was reported on Worksheet 5 and \$32,631 on Worksheet 7B in Non-Federal Reimbursable for the same reasons as noted in 2010.
- Help Me Grow expenses were reported on Worksheet 5 in the Early Intervention column in the amount of \$40,420 for 2010 and \$41,736 for 2011 as the Board does not provide any other EI services.
- Title XX- We have no guidance from DODD regarding procedures to identify expenses within the current cost report format.

Auditor of State's Conclusion:

The procedures agreed to in this report asked us to identify potential revenue offsets and were not sufficient to confirm official's response above.

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 Sections 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 (for homemaker/personal care, type must include if routine, on-site/on-call, or level one emergency);
- 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. In addition, the County Board stated that services for Enclave individuals were billed under the Adult Day Support and Vocational Habilitation billing codes during 2010 and 2011. We obtained Enclave time sheets and Facility Based attendance sheets and compared the dates of service against the MBS report to confirm that the County Board did bill Facility Based procedure codes for the time in Enclave. We then extracted each paid claim from the MBS data that matched a date of service in the Enclave payroll report and calculated findings for each of these dates of service.

Recoverable Finding - 2010 Finding \$229.47

We determined the County Board was over reimbursed for the following: Non-Medical Transportation - Mileage (ATW/FTW); Adult Day and Vocational Habilitation Combination - Daily unit - (AXD/FXD); and Adult Day/Vocational Habilitation Combination - 15 minute unit (AXF/AFX). The specific non-compliance found for these errors is summarized in the following table:

Service Code	Units	Review Results	Finding
ATW	2	No transportation provided on date of service	\$1.87
FTW	10	No transportation provided on date of service	\$9.18
AXD	28	Billed adult day services instead of enclave	\$64.64
AXF	280	Billed adult day services instead of enclave	\$40.72

¹ For non-medical transportation service codes, 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).

Service Code	Units	Review Results	Finding
FXD	46	Billed adult day services instead of enclave	\$107.27
FXF	40	Billed adult day services instead of enclave	\$5.79
			TOTAL \$229.47

Recoverable Finding - 2011 Finding \$330.32

We determined the County Board was over reimbursed for Adult Day and Vocational Habilitation Combination - Daily unit (AXD/FXD) and Adult Day and Vocational Habilitation Combination - 15 minute unit (AXF/FXF). The specific non-compliance found for these errors is summarized in the following table:

Service Code	Units	Review Results	Finding
AXD	68	Billed adult day services instead of enclave	\$141.00
AXF	60	Billed adult day services instead of enclave and Billed 15 minute rate instead of daily rate	\$14.59
FXD	80	Billed adult day services instead of enclave	\$166.18
FXF	66	Billed adult day services instead of enclave	\$8.55
			TOTAL \$330.32

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

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.

We found no instance where the Medicaid reimbursed units were greater than audited TCM units. The County Board was not reimbursed for Supported Employment - Community Employment units during 2010 or 2011.

- DODD requested us to report whether any reimbursements exceeded disbursements on *Schedule A, Summary of Service Costs- By Program* worksheet 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 in 2010 and 2011 on the MBS Summary by Service Code report.

We found no differences as the County Board did not report costs on *Schedule A, Summary of Service Costs - By Program*, for Lines (20) to Line (25). We also reviewed the MBS Summary by Service Code report and found the County Board did not get reimbursed for these services in 2010 and 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 12/31/2010 Expenditure Report - Summary and 12/31/2011 Expenditure Report - Detail for the Family Resources (310), MRDD Bond Retirement Revenue (062), Whetstone Operating (010) and Whetstone Food Service (021) funds.

We found no differences.

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.

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 State Expenses Without Payroll or Benefits Detailed reports.

We found differences as reported 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 Clearwater COG 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 State Expenses Without Payroll or Benefits Detailed 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 and H-unassigned 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) and Appendix B (2011) for misclassified and non-federal reimbursable costs.

Officials' Response:

In regard to the re-classification of billing fees as noted in Appendix A, Worksheet 2 and Appendix B, Worksheet 2: As a means to maximize efficiencies we contracted with a billing agent for our Medicaid billing services as opposed to directly employing a billing specialist. We do not agree with the AOS application of Circular A-87 regarding contingency fees. As we understand the basis of the contingency fees in Circular A-87, these are unallowable when fees assessed are dependent upon a specific outcome. In our case, the fees paid to the billing agent will be incurred whether or not billing revenue is received (furthermore, we would incur similar "allowable" costs if the billing was done in-house). We are paying for a service, and this payment is not contingent upon anything. The most reasonable way to calculate the cost of this service is to charge by the amount of services rendered. This then requires some sort of settlement to make sure that no party was unfairly charged; however, the fees are in no way contingent upon a specific outcome.

Auditor of State's Conclusion:

The classification of billing fees as non-federal reimbursable under 2 CFR 225 Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87, Appendix B 32 (a)) was because the amount of the overall total contract service fees specified in the contract with the billing company was contingent upon a sliding fee scale based on all claims paid the County Board as described in section V Payment to the Service Provider section (d) which states in pertinent part, "Upon completion of the annual contract, a sliding fee scale shall be implemented to evaluate the fee paid and to ensure the Board has not overpaid or underpaid to the Service Provider. This sliding fee scale shall be based on all claims paid to the Board and any settlements paid by DODD." These costs did not meet the criteria for allowable costs under OMB Circular A-87, Appendix B 32 (a) which states in pertinent part that Professional Service Costs are "allowable...when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government."

7. We scanned the County Board's State Expenses Without Payroll or Benefits Detailed 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 2010 Assets Not Totally Depreciated (By Date Span) Report and 2011 All Assets Report.

In 2010, we found no unrecorded purchases meeting the capitalization criteria. In 2011, we reported differences for purchases that were not properly capitalized as reported in Appendix B.

8. We haphazardly selected 20 disbursements from 2010 and 2011 from the County Board's State Expenses Without Payroll or Benefits Detailed 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.

In 2010, we found no differences exceeding two percent of total service contracts and other expenses on any Worksheet or any disbursements over \$100 which are non-federal reimbursable under 2 CFR Appendix B. In 2011, we reported differences in Appendix B 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 Assets Not Totally Depreciated By Date Span Report to the County Board's 2010 Assets Not Totally Depreciated By Date Span report and 2011 All Assets reports 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.

We found no differences.

3. DODD asked us to compare the depreciation costs reported in the County Board's 2010 Assets Not Totally Depreciated By Date Span and 2011 All Assets Reports 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 Asset Report.

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

4. We scanned the County Board's 2010 Assets Not Totally Depreciated By Date Span report and 2010 All Assets report 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.

5. We haphazardly selected one of the County Board's fixed assets which met the County Board's capitalization policy and was purchased in 2011 to determine if the useful life agreed to the estimated useful life prescribed in the 2008 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for this asset, based on its 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 from the County Board's 2010 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 2010 for the disposed item 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.

We found differences as reported in Appendix A 2010 and selected five more disposed assets for testing. We found additional variances and reported them in Appendix A (2010) and Appendix B (2011).

Recommendation:

We recommend the County Board implement a process to report any gain or loss from disposed assets to meet the requirements contained in the Cost Report Guidelines which states in pertinent part, "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. 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 Family Resources (310), MRDD Bond Retirement Revenue (062), Whetstone Operating (010) and Whetstone Food Service (021) funds.

We totaled salaries and benefits from worksheets 2 through 10 from the 2010 and 2011 Cost Reports and compared the yearly totals to the County Auditor's 2010 Expenditure Report - Summary and 2011 Expenditure Report - Detail.

The variance was less than two percent.

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

We compared all salary and employee benefit entries on worksheets 2 through 10 to the County Board's Staff List by Department reports.

We found no differences exceeding \$100 on any worksheet.

3. We selected 15 employees and compared the County Board's organizational charts, Staff List by Department reports, and job descriptions 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 in 2011, we performed procedure 4 below.

4. DODD asked us to scan the County Board's payroll journal 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 exceeded 10 percent.

We scanned the County Board's Staff List by Department reports 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 differences as reported Appendix A (2010) and Appendix B (2011).

Medicaid Administrative Claiming (MAC)

1. DODD asked us to contact its Random Moment Time Study (RMTS) Coordinator to report differences if the MAC salary and benefits versus the County Board's payroll records exceeded one percent or more.

We compared the salary and benefits entered on the Individual MAC Costs by Code and MAC RMTS Summary reports to the County Board's 2010 and 2011 Staff List by Department reports.

We found no variances exceeding one percent.

2. We compared the original Individual MAC Costs by Code and MAC RMTS Summary reports to Worksheet 6, columns (I) and (O) for both years.

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

3. We compared Ancillary Costs on the Roll Up Report for the Ohio Department of Medicaid to Lines 6-10 of the *MAC Reconciliation Worksheet*.

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

4. We selected 12 RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Q and A report for the fourth quarter of 2010 and 11 RMTS observed moments from the third quarter of 2011 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the County Board employees' activity for each observed moment was maintained and the observed moment was properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2010 and 2011.

We found no differences.

We received a response from officials to exceptions noted above under Revenue Cost Reporting and Reconciliation to the County Auditor Report (procedure 5) and Non-Payroll Expenditures and Reconciliation to the County Auditor Report (procedure 6).

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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

July 11, 2014

cc: Nancy Foglesong, Superintendent, Morrow County Board of Developmental Disabilities
Lyndsey Keesee, Business Manager, Morrow County Board of Developmental Disabilities
Stephen Keen, Board President, Morrow County Board of Developmental Disabilities

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
11. Early Intervention (C) Child	-	100	100	To correct square footage
14. Facility Based Services (B) Adult	15,590	(5)	15,585	To reclassify enclave square footage
15. Supported Emp. -Enclave (B) Adult	-	5	5	To reclassify enclave square footage
17. Medicaid Administration (A) MAC	-	1	1	To reclassify MAC square footage
21. Service And Support Admin (D) General	746	(100)	646	To correct square footage
22. Program Supervision (B) Adult	-	13	13	To reclassify program supervision square footage
23. Administration (D) General	1,238	(1) (13)	1,224	To reclassify MAC square footage To reclassify program supervision square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based Services	82	(2)	80	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	-	7	7	To record individuals served
2. Days Of Attendance (B) Supported Emp. - Enclave	-	158	158	To record days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	2	2	To record typical hours of service
Schedule B-3				
6. Supported Emp. -Enclave (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 397	\$ 397	To record per mile costs
Schedule B-4				
5. SSA Unallowable Units (D) 4th Quarter	62	460	522	To project unallowable units
Worksheet 1				
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 131,918	\$ (4,095)	\$ 127,823	To correct depreciation expense
5. Movable Equipment (U) Transportation	\$ -	\$ 11,217	\$ 11,217	To record loss on disposed assets
6. Capital Leases (X) Gen Expense All Prgm.	\$ 18,046	\$ 879 \$ (1,911)	\$ 17,014	To reclassify capital lease payment To reclassify capital lease payments
7. Other (E) Facility Based Services	\$ 45,600	\$ (45,600)	\$ -	To reclassify bond payments
7. Other (X) Gen Expense All Prgm.	\$ -	\$ 45,600	\$ 45,600	To reclassify bond payments
8. COG Expenses (E) Facility Based Services	\$ -	\$ 11	\$ 11	To match audited COG workbook
8. COG Expenses (L) Community Residential	\$ 157	\$ 43	\$ 200	To match audited COG workbook
8. COG Expenses (N) Service & Support Admin	\$ 34	\$ 24	\$ 58	To match audited COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ 9	\$ 13	\$ 22	To match audited COG workbook
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 75,823	\$ (3,896) \$ (444)	\$ 65,505	To reclassify MAC salaries To reclassify a portion of J. Manuel's salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 26,194	\$ (5,978) \$ (78)	\$ 26,116	To reclassify MAC salaries To reclassify a portion of J. Manuel's benefits
3. Service Contracts (X) Gen Expense All Prgm.	\$ 90,853	\$ (37,536)	\$ 53,317	To reclassify billing fees
		\$ (15,441)	\$ 37,876	To reclassify facility based expenses

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2 (cont.)				
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,639	\$ 1,639	To reclassify non-federal reimbursable costs
4. Other Expenses (X) Gen Expense All Prgm.	\$ 79,409	\$ (1,639)		To reclassify non-federal reimbursable costs
		\$ (186)		To reclassify non-federal reimbursable cost
		\$ (405)		To reclassify capital lease payments
		\$ (879)		To reclassify capital lease payment
		\$ (504)	\$ 75,796	To reclassify capital lease payment
5. COG Expense (E) Facility Based Services	\$ -	\$ 186	\$ 186	To match audited COG workbook
5. COG Expenses (L) Community Residential	\$ 3,742	\$ (392)	\$ 3,350	To match audited COG workbook
5. COG Expense (N) Service & Support Admin	\$ 814	\$ 154	\$ 968	To match audited COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 208	\$ 166	\$ 374	To match audited COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 68,103	\$ 402		To correct auditor and treasurer fees
		\$ 37,536	\$ 106,041	To reclassify billing fees
Worksheet 2A				
1. Salaries (H) Unasgn Adult Program	\$ -	\$ 444	\$ 444	To reclassify a portion of J. Manuel's salary
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$ 78	\$ 78	To reclassify a portion of J. Manuel's benefits
Worksheet 3				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 18,965	\$ (1,311)	\$ 17,654	To reclassify building service expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$ 7	\$ 7	To match audited COG workbook
5. COG Expenses (L) Community Residential	\$ 100	\$ 27	\$ 127	To match audited COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 22	\$ 15	\$ 37	To match audited COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ 6	\$ 8	\$ 14	To match audited COG workbook
Worksheet 5				
2. Employee Benefits (O) Non-Federal Reimbursable	\$ 4,144	\$ (103)	\$ 4,041	To correct D. Barchus benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 186	\$ 186	To reclassify non-federal reimbursable cost
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 2,931	\$ 2,931	To match audited COG workbook
Worksheet 6				
1. Salaries (I) Medicaid Admin	\$ 103,205	\$ 3,896	\$ 107,101	To reclassify MAC salaries
1. Salaries (O) Non-Federal Reimbursable	\$ 137,622	\$ 5,978	\$ 143,600	To reclassify MAC salaries
Worksheet 7-D				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 325	\$ 325	To reclassify psychological services

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 8				
1. Salaries (F) Enclave	\$ -	\$ 151	\$ 151	To reclassify R. LaRoche's salary to transportation
2. Employee Benefits (F) Enclave	\$ -	\$ 26	\$ 26	To reclassify R. LaRoche's benefits to transportation
4. Other Expenses (E) Facility Based Services	\$ 35,459	\$ (397)	\$ 35,062	To reclassify enclave transportation costs
4. Other Expenses (F) Enclave		\$ 397	\$ 397	To reclassify enclave transportation costs
Worksheet 9				
5. COG Expenses (N) Service & Support Admin. Costs	\$ 5,711	\$ 1,877	\$ 7,588	To match audited COG workbook
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 408,218	\$ (613)		To reclassify C. Chandler's payroll to enclave
		\$ (662)		To reclassify C. William's salary to enclave
		\$ (1,030)		To reclassify R. LaRoche's payroll to enclave
		\$ (151)	\$ 405,762	To reclassify R. LaRoche's salary to transportation
1. Salaries (F) Enclave	\$ -	\$ 613		To reclassify C. Chandler's payroll to enclave
		\$ 662		To reclassify C. William's salary to enclave
		\$ 1,030	\$ 2,305	To reclassify R. LaRoche's payroll to enclave
2. Employee Benefits (E) Facility Based Services	\$ 160,406	\$ (132)		To reclassify C. Chandler's benefits to enclave
		\$ (292)		To reclassify C. William's benefits to enclave
		\$ (180)		To reclassify R. LaRoche's benefits to enclave
		\$ (26)	\$ 159,776	To reclassify R. LaRoche's benefits to transportation
2. Employee Benefits (F) Enclave	\$ -	\$ 132		To reclassify C. Chandler's benefits to enclave
		\$ 292		To reclassify C. William's benefits to enclave
		\$ 180	\$ 604	To reclassify R. LaRoche's benefits to enclave
3. Service Contracts (E) Facility Based Services	\$ 7,735	\$ (325)		To reclassify psychological expenses
		\$ 1,311		To reclassify building service expenses
		\$ 15,441	\$ 24,162	To reclassify facility based expenses
5. COG Expenses (E) Facility Based Services	\$ -	\$ 1,457	\$ 1,457	To match audited COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ 1,457	\$ (1,457)	\$ -	To match audited COG workbook

Appendix A (page 4)
Morrow County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Reconciliation to County Auditor Worksheet Expense:				
Plus: Leases And Rentals	\$ 18,046	\$ 405		To reclassify capital lease payments
		\$ 1,911		To reclassify capital lease payments
		\$ (18,046)		To remove capital lease payments
		\$ 504	\$ 2,820	To reclassify capital lease payment
Less: Capital Costs	\$ (157,721)	\$ 18,046		To remove capital lease payment
		\$ 4,095		To correct depreciation expense
		\$ (11,217)	\$ (146,797)	To record a loss on disposed assets
Less: County Auditor/Treasurer Fees	\$ (27,740)	\$ (402)	\$ (28,142)	To correct auditor and treasurer fees
Medicaid Administration Worksheet				
6. Other Costs (A) Reimbursement Requested Through Calendar Year	\$ 16,230	\$ (7,960)	\$ 8,270	
7. Capital Costs (A) Reimbursement Requested Through Calendar Year				
8. Indirect Costs (A) Reimbursement Requested Through Calendar Year				To correct ancillary costs
9. Program Supervision Costs (A) Reimbursement Requested Through Calendar Year				
10. Building Services Costs (A) Reimbursement Requested Through Calendar Year				

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
11. Early Intervention (C) Child	-	100	100	To correct square footage
14. Facility Based Services (B) Adult	16,036	(8)	16,028	To reclassify enclave square footage
15. Supported Emp. -Enclave (B) Adult	-	8	8	To reclassify enclave square footage
17. Medicaid Administration (A) MAC	-	1	1	To reclassify MAC square footage
21. Service And Support Admin (D) General	806	(100)	706	To correct square footage
22. Program Supervision (B) Adult	-	13	13	To reclassify program supervision square footage
23. Administration (D) General	1,238	(1)		To reclassify MAC square footage
		(13)	1,224	To reclassify program supervision square footage
Schedule B-1, Section B				
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	-	9	9	To record individuals served
2. Days Of Attendance (B) Supported Emp. - Enclave	-	209	209	To record days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	-	2	2	To record typical hours of service
Schedule B-3				
6. Supported Emp. -Enclave (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 1,545	\$ 1,545	To record per mile costs
Schedule B-4				
5. SSA Unallowable Units (D) 4th Quarter	259	8	267	To add unallowable units
Worksheet 1				
5. Movable Equipment (U) Transportation	\$ 5,796	\$ (1,500)	\$ 4,296	To correct loss calculation on disposal
6. Capital Leases (E) Facility Based Services	\$ 16,349	\$ (16,349)	\$ -	To reclassify capital lease payments
6. Capital Leases (X) Gen Expense All Prgm.	\$ -	\$ 16,597	\$ 16,597	To add depreciation for capital lease
8. COG Expenses (L) Community Residential	\$ 320	\$ (16)	\$ 304	To match audited COG workbook
8. COG Expenses (N) Service & Support Admin	\$ 159	\$ (8)	\$ 151	To match audited COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ 24	\$ 25	\$ 49	To match audited COG workbook
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 138,430	\$ (659)	\$ 137,771	To reclassify a portion of J. Manuel's salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 44,314	\$ (115)	\$ 44,199	To reclassify a portion of J. Manuel's benefits
3. Service Contracts (X) Gen Expense All Prgm	\$ 84,226	\$ (34,171)		To reclassify billing fees
		\$ (18,972)	\$ 31,083	To reclassify facility based expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 3,231	\$ 3,231	To reclassify non-federal reimbursable expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 102,294	\$ (4,854)		To reclassify capital lease payments
		\$ (826)		To reclassify non-federal reimbursable expenses
		\$ (3,231)	\$ 93,383	To reclassify non-federal reimbursable expenses

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2 (cont.)				
5. COG Expenses (L) Community Residential	\$ 10,665	\$ (3,695)	\$ 6,970	To match audited COG workbook
5. COG Expense (N) Service & Support Admin	\$ 5,296	\$ (1,835)	\$ 3,461	To match audited COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 802	\$ 316	\$ 1,118	To match audited COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 98,029	\$ 34,171		To reclassify billing fees
		\$ 465	\$ 132,665	To reclassify billing fees
Worksheet 2A				
1. Salaries (H) Unasgn Adult Program	\$ -	\$ 659	\$ 659	To reclassify a portion of J. Manuel's salary
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$ 115	\$ 115	To reclassify a portion of J. Manuel's benefits
4. Other Expenses (E) Facility Based Services	\$ 191	\$ (191)	\$ -	To remove cost erroneously posted
Worksheet 3				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 14,683	\$ (3,659)		To reclassify architect fees
		\$ (4,377)	\$ 6,647	To reclassify building service expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 136,651	\$ 4,369	\$ 141,020	To reclassify building service expense
5. COG Expenses (L) Community Residential	\$ 627	\$ (31)	\$ 596	To match audited COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 311	\$ (15)	\$ 296	To match audited COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ 47	\$ 49	\$ 96	To match audited COG workbook
Worksheet 5				
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 826	\$ 826	To reclassify non-federal reimbursable expenses
Worksheet 7-B				
13. No. of Individual Served (B) Pre-School	1	(1)	-	To remove individuals served
Worksheet 7-D				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 1,300	\$ 1,300	To reclassify psychological services
Worksheet 8				
1. Salaries (F) Enclave	\$ -	\$ 229	\$ 229	To reclassify R. LaRoche's salary to transportation
2. Employee Benefits (E) Facility Based Services	\$ 37,115	\$ 103		To correct J. Curts' allocation
		\$ 118	\$ 37,336	To correct M. Brown's benefit allocation
2. Employee Benefits (F) Enclave	\$ -	\$ 40	\$ 40	To reclassify R. LaRoche's benefits to transportation
4. Other Expenses (E) Facility Based Services	\$ 49,439	\$ (1,545)	\$ 47,894	To reclassify enclave transportation expenses
4. Other Expenses (F) Enclave		\$ 1,545	\$ 1,545	To reclassify enclave transportation expenses

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 9				
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 34,910	\$ (33)		To correct J. Curts' allocation
		\$ (38)	\$ 34,839	To correct M. Brown's benefit allocation
3. Service Contracts (N) Service & Support Admin. Costs	\$ 2,842	\$ (465)	\$ 2,377	To reclassify billing fees
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 493,202	\$ (772)		To reclassify K. Gekler's salary to enclave
		\$ (921)		To reclassify C. Chandler's salary to enclave
		\$ (1,734)		To reclassify R. LaRoche's salary to enclave
		\$ (229)	\$ 489,546	To reclassify R. LaRoche's salary to transportation
1. Salaries (F) Enclave	\$ -	\$ 921		To reclassify C. Chandler's salary to enclave
		\$ 1,734		To reclassify Robin LaRoche's salary to enclave
		\$ 772	\$ 3,427	To reclassify K. Gekler's salary to enclave
2. Employee Benefits (E) Facility Based Services	\$ 165,674	\$ (70)		To correct J. Curts' allocation
		\$ (135)		To reclassify K. Gekler's benefits to enclave
		\$ (198)		To reclassify C. Chandler's benefits to enclave
		\$ (303)		To reclassify R. LaRoche's benefits to enclave
		\$ (40)		To reclassify R. LaRoche's benefits to transportation
		\$ (81)	\$ 164,847	To correct M. Brown's benefit allocation
2. Employee Benefits (F) Enclave	\$ -	\$ 135		To reclassify K. Gekler's benefits to enclave
		\$ 198		To reclassify C. Chandler's benefits to enclave
		\$ 303	\$ 636	To reclassify R. LaRoche's benefits to enclave
3. Service Contracts (E) Facility Based Services	\$ 8,920	\$ (1,300)		To reclassify psychological services
		\$ 4,377		To reclassify building service expenses
		\$ 18,972	\$ 30,969	To reclassify facility based expenses
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 3,207	\$ 3,207	To match audited COG workbook

Appendix B (page 4)
Morrow County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Leases And Rentals	\$ 16,349	\$ 4,854	\$ 21,203	To reclassify capital lease payments
Plus: Purchases Greater Than \$5,000	\$ 182,512	\$ (4,369)		To reclassify building service expense
Plus: Other	\$ 42,800	\$ 3,659	\$ 181,802	To reclassify architect fees
Less: Capital Costs	\$(201,306)	\$ (42,800)	\$ -	To remove bond payments
		\$ 1,500		To correct calculation of loss on disposal
		\$ 42,800		To remove bond payments
		\$ 16,349		To reclassify capital lease payments
		\$ (16,597)	\$ (157,254)	To add depreciation for capital lease
Medicaid Administration Worksheet				
6. Other Costs (A) Reimbursement Requested Through Calendar Year	\$ 13,881	\$ (6,941)	\$ 6,940	
7. Capital Costs (A) Reimbursement Requested Through Calendar Year				
8. Indirect Costs (A) Reimbursement Requested Through Calendar Year				To correct ancillary costs
9. Program Supervision Costs (A) Reimbursement Requested Through Calendar Year				
10. Building Services Costs (A) Reimbursement Requested Through Calendar Year				



Dave Yost • Auditor of State

MORROW COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

MORROW 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
JULY 24, 2014