



Dave Yost • Auditor of State

ERIE 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 Erie County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2011 and 2012 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2011 and 2012 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*), and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Statistics – Square Footage

1. DODD requested that we 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. DODD also asked us to perform the additional procedures listed below only on those areas that changed by more than 10 percent from the final 2010 square footage totals.

We toured the facilities and found that the County Board stopped providing dietary services in 2012 and that area was not used by another program.

We also compared 2011 square footage totals to final 2010 square footage totals and found that the square footage reported showed no changes greater than 10 percent.

We also compared 2012 square footage totals to final 2010 square footage totals and found that the square footage reported showed changes greater than 10 percent. The County Board stated that the final 2010 square footage reflects the correct square footage usage by program in 2012.

We reported variances in Appendix B (2012).

Statistics – Square Footage (Continued)

2. DODD requested that we 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 the variance in procedure 1 was less than 10 percent.

3. DODD requested that we 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 the variance in procedure 1 was less than 10 percent.

4. DODD requested that we 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 did not perform this procedure as the variance in procedure 1 was less than 10 percent.

5. DODD requested that we obtain the County Board's methodology for allocating square footage between programs and review 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 the variance in procedure 1 was less than 10 percent.

Statistics – Transportation

1. DODD requested that we 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 Units Delivered Transportation By Service, Month and Age Group report and Sandusky Transit Invoices with those statistics as reported in *Schedule B-3*. We also footed the County Board's Units Delivered Transportation By Service, Month and Age Group report and Sandusky Transit Invoices for accuracy.

We found differences as reported in Appendix A (2011) and Appendix B (2012).

2. DODD requested that we report variances of more than 10 percent of the total trips taken for five individuals for both 2011 and 2012, 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 adults in March, April, May, June and November for 2011 and March, April, July and October for 2012 from the County Board's daily reporting documentation to *Schedule B-3*.

In 2011, we found no differences exceeding 10 percent. In 2012, we found no differences.

3. DODD requested that we 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*.

Statistics – Transportation (Continued)

The County Board did not report the cost of bus tokens, cabs on *Schedule B-3* for 2011 or 2012. We reviewed the County Board's Transaction History Listing Reports for any of these costs not identified by the County Board.

We found unreported costs of bus trips as reported in Appendix A (2011) and Appendix B (2012).

We also found that the County Board had no support for the premium service charge paid for non-medical transportation provided by operator of commercial vehicles. See the recommendation in the Non-Payroll Expenditures and Reconciliation to the County Auditor Report section.

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 found no differences as a result of applying this procedure.

2. DODD asked us to compare the County Board's final 2010 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 2011 and, if the hours are the same, to do no additional procedures.

We did not perform this procedure as the County Board does not operate an adult program (see procedure 3).

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

We reviewed the methodology for providing Day Habilitation/Adult Day Support/Vocational Habilitation and determined these services are not provided by the County Board but are sub-contracted to various agencies through Erie County. The County Board contracts with these entities through the locally funded, Individual Support Services Program and did not bill Medicaid for these services.

4. DODD requested that we 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* for 2011.

We did not perform this procedure as the County Board does not operate an adult program.

5. DODD requested that we 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 or if any units did not meet the service documentation requirements of Ohio Admin. Code § 5123:2-9-05 (see Paid Claims Testing, procedure 1).

We did not perform this procedure as the County Board does not operate an adult program.

Acuity Testing

1. DODD requested that we report variances if days of attendance on the Days of Attendance by Acuity supplemental worksheet for 2008, 2009, 2010, and 2011 did not agree to the County Board are supporting documentation.

We did not perform this procedure as the County Board does not operate an adult program.

2. DODD asked us to compare two individuals from each acuity level on the County Board's 2008 through 2011 attendance acuity reports to the Acuity Assessment Instrument or Individual Data System (IDS) screen prints of the acuity level reported to DODD for each individual for each respective year.

We did not perform this procedure as the County Board does not operate an adult program.

Statistics – Service and Support Administration (SSA)

1. DODD requested that we 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 Case Notes Listing for TCM Billing-Subtotalled by Consumer reports with those statistics reported in *Schedule B-4*. We also footed the County Board's SSA reports for accuracy.

In 2011, we found differences as reported in Appendix A. In 2012, we found no differences exceeding two percent.

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

We haphazardly selected a sample of 61 Other SSA Allowable units for 2011 and 60 Other SSA Allowable units for 2012 from the Other SSA Allowable reports 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).

We found no errors in 2011 or 2012.

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

We did not perform this procedure for 2011 because the County Board did not report or track Unallowable SSA service units provided during that year.

We haphazardly selected a sample of 60 Unallowable SSA service units for 2012 from the Unallowable SSA reports 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.

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

4. DODD requested that we 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 for 2011. DODD also asked us to report changes exceeding five percent in total SSA units by line on *Schedule B-4* when compared to the prior year's final Cost Report for 2012.

We compared the final 2010 SSA units to the final 2011 SSA units and the final 2011 SSA units to the final 2012 SSA units.

The final 2011 Other SSA Allowable units decreased by five percent or more from the 2010 *Schedule B-4*. We obtained the County Board's explanation that general time units were included in the 2010 reported units and were removed for 2011.

The final 2012 TCM units increased by five percent or more and Other SSA Allowable decreased by five percent or more from the 2011 *Schedule B-4*. We obtained the County Board's explanation that its outside billing company performed a Medicaid inquiry which resulted in identifying additional Medicaid eligible individuals.

The final 2012 SSA Unallowable units increased by five percent or more from the 2011 *Schedule B-4*. We obtained the County Board's explanation that its outside billing company began reviewing case notes, which changed how some case notes were categorized.

5. DODD asked 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 that we determine if they were properly classified and report any variances with an error rate exceeding 10 percent and indicating a systemic issue.

We did not perform this procedure as the percentage of general time units did not account for over 10 percent of total SSA units.

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. DODD asked us to compare the receipt totals from the county auditor's detailed receipt reports for the County Board to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We compared the receipt totals from the 12/31/2011 and 12/31/2012 county auditor's Revenues for LGS report for the Operating (20110), Federal Stimulus Money (20120), Help Me Grow (20121), Cap Contingency Reserve (20131), Residential/Waiver Services (20140), and Donations (20150) funds to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

In 2011, we found differences as reported in Appendix A. In 2012, 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 and, if the Cost Reports do not reconcile within limits, to perform procedure 3.

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

For 2011, total County Board receipts were not within 1/4 percent of the county auditor's yearly receipt totals reported for these funds. Receipts in the county auditor's reports exceeded the County Board receipts by \$50,017 and we performed procedure 3 below.

For 2012, 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 Transaction History Listing Report.

We found an unrecorded transfer and reported the difference in Appendix A (2011). After this adjustment, the 2011 Cost Report reconciled within limits. We did not perform this procedure for 2012 as the Cost Report reconciled within limits.

4. DODD requested that we compare revenue entries on *Schedule C, Income Report* to the council of governments prepared County Board Summary Workbooks for 2011 and 2012.

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

In 2011, we found differences as reported in Appendix A. In 2012, we found no differences.

5. We reviewed the County Board's Transaction History Listing 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 \$28,939 in 2011 and \$61,083 in 2012;
- Transportation reimbursements in the amount of \$186,424 in 2011 and \$201,924 in 2012;
- School Lunch Program revenues in the amount of \$1,000 in 2011;
- Title XX revenues in the amount of \$84,502 in 2011 and \$64,859 in 2012;
- Federal Stimulus in the amount of \$104,217 in 2011 and \$130,015 in 2012; and
- Help Me Grow revenues in the amount of \$246,299 in 2011 and \$204,440 in 2012.

Paid Claims Testing

1. We selected 100 paid services among all service codes from 2011 and 2012 from the Medicaid Billing System (MBS) data and determined if the services 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) as applicable to the specific service provided:

- Date of service;
- Place of service;
- Name of the recipient;
- Name of the provider;

Paid Claims Testing (Continued)

- 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;
- Group size in which the services were delivered; 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.

For non-medical transportation, 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). For all services reviewed, we applied the service documentation rules in effect at the time of service delivery. For selected commercial transportation services, DODD also asked us to compare the County Board's usual and customary rate with the reimbursed rate to ensure that the County Board was reimbursed the lesser of the two as per Ohio Admin. Code § 5123:2-9-06. For any errors found, DODD asked that we obtain documentation and identify all overpayments related to reimbursements exceeding the usual and customary rate.

We found instances of non-compliance with these documentation requirements for 2011 and/or 2012 in the following service codes: TCM (Targeted Case Management); Non-Medical Transportation-Per Trip-Eligible Vehicle (ATB); and Non-Medical Transportation - One-way-trip - Taxi/Livery/Bus (ATT). We also noted TCM units in 2011 and 2012 in which the individual met criteria for coverage exclusion. Per Ohio Admin. Code § 5101-3-48-01(2)(a) "Activities performed on behalf of an eligible individual residing in an institution are not billable for Medicaid TCM reimbursement except for the last one hundred eighty consecutive days of residence when the activities are related to moving the eligible individual from an institution to a non-institutional community setting".

Recoverable Finding - 2011 Finding \$443.03

Service Code	Units	Review Results	Finding
TCM	32	Units billed in excess of actual service delivery	\$224.77
TCM	22	Not Medicaid covered service-individual in an ICF or nursing home	\$218.26
		Total	\$443.03

Recoverable Finding - 2012 Finding \$67.86

Service Code	Units	Review Results	Finding
ATB	1	Units billed in excess of actual service delivery	\$12.01
ATT	1	Units billed in excess of actual service delivery	\$6.64
TCM	5	Not Medicaid covered service-individual in an ICF or nursing home	\$49.21
		Total	\$67.86

Recoverable findings are subject to interest collection pursuant to Ohio Rev. Code § 5164.60.

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

Paid Claims Testing (Continued)

We compared the number of reimbursed TCM units and Community Employment 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* 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 final TCM for 2011 or 2012. The County Board was not reimbursed for Supported Employment - Community Employment units during 2011 or 2012.

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

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 2011 and 2012.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. DODD asked us to compare the disbursement totals from the county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's disbursements report for County Board's funds.

We compared the disbursement totals from the 12/31/2011 and 12/31/2012 county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's Expense Summary report for the Operating (20110), Federal Stimulus Money (20120), Help Me Grow (20121), Residential/Waiver Services (20140), and Donations (20150) 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 and, if Cost Reports did not reconcile within acceptable limits, to perform procedure 3.

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

3. We also compared the account description and amount for each reconciling item on the *County Auditor Reconciliation Worksheets* to the County Board's Transaction History Listing Reports and other supporting documentation such as county tax settlement sheets.

We did not perform this procedure as the Cost Reports reconciled within acceptable limits.

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 Transaction History Listing Reports.

We found no difference 2011. We found one variance as report in Appendix B (2012).

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

5. DODD asked us to compare disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 2 through 10 to the COG prepared County Board Summary Workbooks.

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

We found differences as reported in Appendix A (2011) and Appendix B (2012).

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 reviewed all service contracts and other expenses on all worksheets to determine if properly classified and if expenses included any which are non-federal reimbursable. We also reviewed the Memorandum of Understanding between the County Board and the City of Sandusky/Sandusky Transit Systems (STS) and noted the County Board was charged the current public senior and disabled fare rate of \$1.50 plus a "premium service charge" for each trip provided. This "premium charge or local support contribution" referred to in the memorandum was for ensuring compliance with rules and safe driving conditions, scheduling and adjusting routes, advising the County Board and providing data on transportation matters, and attending County Board staff meetings.

The County Board provided STS statistics for ridership, service hours, service miles and total operating expenses for 2010 through 2012 and an STS document stating "that the transportation rate for 2011 and 2012 was based on the transit system's fully allocated costs for the previous year. The County Board could not provide specific financial records to show how these costs related to services specific to the County Board. The County Board provided no support to document its efforts to ensure that the expenses were a reasonable cost for the County Board to incur.

We found differences as reported in Appendix A (2011) and Appendix B (2012) for misclassified and non-federal reimbursable costs.

Recommendation:

We recommend that DODD provide technical assistance to the County Board to ensure that its costs for contracted services meet all applicable requirements as outlined in the Cost Report Guides, 2 CFR Part 225 and the Provider Reimbursement Manual (CMS Publication 15-1). The technical assistance should provide guidance on how the County Board can meet the requirement in Section 2103 to be a prudent and cost-conscious buyer that refuses to pay more than the going price for an item or service, and seeks to economize by minimizing cost. Implicit in the intention that actual costs be paid to the extent they are reasonable is the expectation that the provider seeks to minimize its costs and that its actual costs do not exceed what a prudent and cost-conscious buyer pays for a given item or service.

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

Recommendation (Continued):

In order to be allowable costs, costs must meet the criteria of 2 CFR 225; and the Provider Reimbursement Manual, CMS Publication 15-1. A section of the allowable cost requirement is the "reasonable cost" criteria. In order to be considered reasonable, costs shall not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In addition, CMS Publication 15-1, Section 2102.1 states: "The objective is that under the methods of determining costs, the costs for individuals covered by the program are not borne by others not so covered and the costs for individuals not so covered are not borne by the program."

In determining reasonableness of a given cost, OMB Circular A-87 states that consideration must be given to:

- whether the cost is of a type generally recognized as ordinary and necessary for the operation in performance of the function for which the cost was incurred;
- the restraints or requirements imposed by such factors as sound business practices; arm's length transactions; federal, state, and other laws and regulations; and terms and conditions of the federal award or entitlement;
- market prices for comparable goods or services;
- whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the County Board, its employees, the public at large, and the federal government; and
- significant deviations from the established practices of the County Board which may unjustifiably increase the federal awards' cost.

In addition, under CMS Publication 15-1, Section 2304, the County Board is required to have cost information that is "current, accurate, and in sufficient detail to support payments made for services rendered to beneficiaries. This includes all ledgers, books, records and original evidences of cost (purchase requisitions, purchase orders, vouchers, requisitions for materials, inventories, labor time cards, payrolls, bases for apportioning costs, etc.), which pertain to the determination of reasonable cost, capable of being audited." For example the contract could include a detailed budget by expense type to show the service components and corresponding costs for what the County Board is buying.

DODD should also implement procedures for detecting and investigating situations in which costs seem excessive. In addition to querying County Boards about indirect, as well as direct discounts, DODD may inquire if techniques for evaluating contract costs described in CMS 2135.3(D)(1) were used by the County Board, such as comparing a "contractor's package of services against a comparable package of services, including those which might have submitted competitive bids." Secondly, "to divide a package of services into separate components so that they can be evaluated with comparable services provided in the marketplace." This method may require a detailed budget be submitted by the contractor so that cost components can be evaluated separately (e.g. number of vehicles and cost per vehicle, full time equivalent contractor staff used and cost per hour, fuel and training costs, etc.). Finally, if contract costs were "evaluated based on whether the service is at least as cost effective as could be furnished by the Provider in-house." In those cases where DODD finds that a County Board is paying more than the going price for a service, does not try to realize available savings, or lacks clear justification for the premium, DODD should exclude excess costs in determining allowable costs.

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

7. DODD asked us to scan the County Board's detailed expense reports for items purchased during 2011 and 2012 that met the County Board's capitalization criteria and trace them to inclusion on the County Board's fixed asset listing.

We scanned the County Board's Transaction History Listing Report for items purchased during 2011 and 2012 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Depreciation Schedule.

We found no unrecorded purchases meeting the capitalization criteria.

8. DODD asked us to select disbursements from 2011 and 2012 from the County Board's detailed expense reports that were classified as service contract and other expenses on worksheets 2 through 10 and determine 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 haphazardly selected 20 disbursements from 2011 and 2012 from the County Board's Transaction History Listing 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 (2011) and Appendix B (2012) 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 as a result of applying this procedure.

2. DODD asked us to compare the depreciation costs reported in the County Board's depreciation schedules 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.

In 2011, we found no differences exceeding \$100. In 2012, we found differences as reported in Appendix B.

3. We compared the County Board's final 2010 Depreciation Schedule to the County Board's 2011 and 2012 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review, depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years, or depreciation taken on assets during the period of acquisition which were not in compliance with the Cost Report Guides.

We found differences as reported in Appendix A (2011) and Appendix B (2012).

Property, Depreciation, and Asset Verification Testing (Continued)

4. We haphazardly selected two of the County Board's fixed assets which meet the County Board's capitalization policy and were being depreciated in their first year in either 2011 or 2012 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 in 2011. We found differences as reported in Appendix B (2012).

5. DODD asked us to haphazardly select the lesser of five percent or 20 disposed assets from 2011 and 2012 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. DODD also asked us to recalculate depreciation and any gain or loss applicable to 2011 (and 2012, if applicable) for the disposed items 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 haphazardly selected one disposed asset from the County Board's 2012 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 2012 for the disposed item based on its undepreciated basis and any proceeds received from the sale of the asset to determine compliance with the Cost Report Guides and CMS Publication 15-1, Chapter 1.

We found difference as reported in Appendix B (2012) and selected one additional disposed asset for testing since there were only two disposed assets in total. We found additional variance as reported in Appendix B (2012).

Payroll Testing

1. DODD asked us to determine whether total County Board salaries and benefits in the 2011 and 2012 Cost Reports were within two percent of the county auditor's report totals for the County Board's funds.

We totaled salaries and benefits from worksheets 2 through 10 from the 2011 and 2012 Cost Reports and compared the yearly totals to the county auditor's Expense Summary reports for the Operating (20110), Federal Stimulus (20120), Help Me Grow (20121), Residential/Waiver Services (20140), and Donations (20150) funds.

The variance was less than two percent.

2. DODD asked us to compare the County Board's detailed 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 Transaction History Listing Reports.

We found no differences.

Payroll Testing (Continued)

3. DODD asked us to select a sample of 25 percent of the average number of employees for the two-year period and compare the County Board's organizational chart, staffing/payroll journal and job descriptions, if needed, to the worksheet in which each employee's salary and benefit costs were allocated to ensure allocation is consistent with the Cost Report Guides. If misclassification errors exceed 10 percent, DODD requested that we perform procedure 4.

We selected 18 employees and compared the County Board's organizational chart, staffing/payroll journal, 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 (2011) and Appendix B (2012) and, because misclassification errors exceeded 10 percent in 2012, we performed procedure 4 below.

4. DODD asked us to scan the County Board's detailed payroll reports for 2011 and 2012 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 did not perform this procedure for 2011 as the errors in procedure 3 did not exceed 10 percent. Since the 2012 errors in procedure 3 were isolated to the Speech Pathologist and Community Support Specialist position classifications, we identified the remaining employee within these two categories and found they were also misclassified. We reported differences in Appendix B (2012).

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 MAC Cost by Individual reports to the County Board's Earnings and Deductions Register, Non-Unit Insurance Co-pay, and Insurance Premium Costs for 2011, and Earnings and Deductions Register and Employee Benefit Selection for 2012.

We found no variance exceeding one percent.

2. We compared the MAC Cost by Individual reports to Worksheet 6, columns (I) and (O) for both years.

In 2011, we found no differences. In 2012, we reported differences in Appendix B.

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

We reported differences in Appendix A (2011) and Appendix B (2012).

Medicaid Administrative Claiming (MAC) (Continued)

4. We selected 12 RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the third quarter of 2011 and 13 RMTS observed moments from the second quarter of 2012 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 2012.

In 2011, we found no differences. In 2012, we found two RMTS observed moments for Activity Code 17-Major Unusual Incidents and Unusual Incidents Investigations for combined population that lacked supporting documentation.

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

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

April 8, 2015

Appendix A
Erie County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Schedule A						
19. Room and Board/Cost to Live (L) Community Residential	\$ 144,103	\$	(116,285)	\$	27,818	To match COG report
Schedule B-3						
5 Facility Based Services (C) One Way Trips - Second Quarter	8,314		(5,163)		3,151	To correctly report number of one way trips
5 Facility Based Services (E) One Way Trips - Third Quarter	8,537		(8,537)		-	To correctly report number of one way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	7,311		(7,311)		-	To correctly report number of one way trips
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$	42,366			To report correct cost of bus, tokens, cabs
		\$	228,364	\$	270,730	To report correct cost of bus, tokens, cabs - STS costs
Schedule B-4						
2. Other SSA Allowable Units (D) 4th Quarter	5,032		(2,824)		2,208	To correctly report SSA units
Schedule C						
I. County						
(B) Interest- COG Revenue	\$ -	\$	8,880	\$	8,880	To match COG report
II. Department of DD						
(E) Waiver Administration- COG Revenue	\$ -	\$	2,402	\$	2,402	To match COG report
Worksheet 1						
3. Buildings/Improve. (D) Unasgn Children	\$ 859	\$	288	\$	1,147	To add omitted depreciation
3. Buildings/Improve. (E) Facility Based Services	\$ 22,775	\$	480			To add omitted depreciation
		\$	(23,255)	\$	-	To reclassify for privatized FB program
3. Buildings/Improve. (O) Non-Federal Reimbursable	\$ -	\$	23,255	\$	23,255	To reclassify for privatized FB program
4. Fixtures (E) Facility Based Services	\$ 7,334	\$	(7,334)	\$	-	To reclassify for privatized FB program
4. Fixtures (O) Non-Federal Reimbursable	\$ -	\$	7,334	\$	7,334	To reclassify for privatized FB program
5. Movable Equipment (E) Facility Based Services	\$ 704	\$	(704)	\$	-	To reclassify for privatized FB program
5. Movable Equipment (O) Non-Federal Reimbursable	\$ -	\$	704	\$	704	To reclassify for privatized FB program
8. COG Expenses (L) Community Residential	\$ -	\$	36	\$	36	To match COG report
8. COG Expenses (N) Service & Support Admin	\$ -	\$	174	\$	174	To match COG report
8. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$	4	\$	4	To match COG report
Worksheet 2						
1. Salaries (X) Gen Expense All Prgm.	\$ 141,432	\$	(38,603)			To reclassify Community Support Specialist salary
		\$	(46,467)	\$	56,362	To reclassify Community Support Specialist salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 257,900	\$	901			To reclassify administrative benefits
		\$	(5,948)			To reclassify Community Support Specialist benefits
		\$	(7,050)	\$	245,803	To reclassify Community Support Specialist benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	1,500			To reclassify non-federal reimbursable costs
		\$	73			To reclassify non-federal reimbursable costs
		\$	12,400			To reclassify non-federal reimbursable costs
		\$	101	\$	14,074	To reclassify non-federal reimbursable costs

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

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 2 (Continued)						
4. Other Expenses (X) Gen Expense All Prgm.	\$ 399,264	\$	(901)			To reclassify administrative benefits
		\$	(1,500)			To reclassify non-federal reimbursable costs
		\$	(73)			To reclassify non-federal reimbursable costs
		\$	(84,750)			To reclassify fees paid to COG
		\$	(12,400)			To reclassify non-federal reimbursable costs
		\$	(101)			To reclassify non-federal reimbursable costs
		\$	55,625	\$	355,164	To reclassify administrative costs
5. COG Expenses (L) Community Residential	\$ -	\$	822	\$	822	To match COG report
5. COG Expense (N) Service & Support Admin	\$ -	\$	3,991	\$	3,991	To match COG report
5. COG Expense (O) Non-Federal Reimbursable	\$ -	\$	81	\$	81	To match COG report
10. Unallowable Fees (O) Non-Federal	\$ 197,051	\$	3,932			To record auditor/treasurer fees
		\$	(14,833)	\$	186,150	To reclassify direct services salary
Worksheet 3						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 76,977	\$	447	\$	77,424	To reclassify building service benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 222,218	\$	(447)	\$	221,771	To reclassify building service benefits
5. COG Expenses (L) Community Residential	\$ -	\$	70	\$	70	To match COG report
5. COG Expenses (N) Service & Support Admin	\$ -	\$	163	\$	163	To match COG report
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$	7	\$	7	To match COG report
Worksheet 5						
1. Salaries (M) Family Support Services	\$ -	\$	38,603	\$		To reclassify Community Support Specialist salary
		\$	46,467	\$	85,070	To reclassify Community Support Specialist salary
1. Salaries (O) Non-Federal Reimbursable	\$ (14,237)	\$	14,833	\$	596	To reclassify direct services salary
2. Employee Benefits (A) Early Intervention	\$ 159,353	\$	849	\$	160,202	To reclassify early intervention benefits
2. Employee Benefits (M) Family Support Services	\$ -	\$	5,948			To reclassify Community Support Specialist benefits
		\$	7,050	\$	12,998	To reclassify Community Support Specialist benefits
2. Employee Benefits (O) Non-Federal Reimbursable	\$ 25,591	\$	144	\$	25,735	To reclassify non-federal reimbursable benefits
3. Service Contracts (A) Early Intervention	\$ -	\$	1,531	\$	1,531	To reclassify direct service costs
4. Other Expenses (A) Early Intervention	\$ 43,733	\$	(849)		42,884	To reclassify early intervention benefits
4. Other Expenses (L) Community Residential	\$ 111,609	\$	3,378			To reclassify direct service costs
		\$	(5,047)			To reclassify payments for alternative centers
		\$	44,039			To reclassify direct service costs
		\$	(29,818)			To reclassify payments for alternative centers
		\$	16,149	\$	140,310	To reclassify non-federal reimbursable adult costs
4. Other Expenses (O) Non-Federal Reimbursable	\$ 6,039	\$	(144)			To reclassify non-federal reimbursable benefits
		\$	(3,968)	\$	1,927	To reclassify fees paid to COG
5. COG Expenses (L) Community Residential	\$ -	\$	4,440	\$	4,440	To match COG report
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$	436	\$	436	To match COG report
Worksheet 7-B						
4. Other Expenses (A) Early Intervention	\$ 11,697	\$	(8,133)	\$	3,564	To reclassify fees paid to COG
Worksheet 7-C						
2. Employee Benefits (A) Early Intervention	\$ 18,991	\$	109	\$	19,100	To reclassify speech benefits
3. Service Contracts (A) Early Intervention	\$ 53,064	\$	(3,936)			To reclassify occupational therapy costs
		\$	(49,128)		-	To reclassify occupational therapy costs
4. Other Expenses (A) Early Intervention	\$ 2,415	\$	(109)	\$	2,306	To reclassify speech benefits

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

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 7-D						
4. Other Expenses (E) Facility Based Services	\$ 13,979	\$	(4,594)	\$	6,545	To reclassify fees paid to the COG To reclassify fees paid to the COG
		\$	(2,840)	\$		
Worksheet 7-E						
3. Service Contracts (A) Early Intervention	\$ -	\$	3,936	\$	53,064	To reclassify occupational therapy costs To reclassify occupational therapy costs
		\$	49,128	\$		
Worksheet 8						
2. Employee Benefits (E) Facility Based Services	\$ 123,845	\$	1,087	\$	124,932	To reclassify transportation benefits
4. Other Expenses (E) Facility Based Services	\$ 282,835	\$	(1,087)	\$	281,748	To reclassify transportation benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	2,150	\$	2,150	To reclassify non-federal reimbursable transportation costs
Worksheet 9						
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 320,926	\$	1,963	\$	322,889	To reclassify service and support benefits
4. Other Expenses (N) Service & Support Admin. Costs	\$ 57,647	\$	(1,963)	\$		To reclassify service and support benefits
		\$	(32,250)	\$	23,434	To reclassify fees paid to COG
5. COG Expenses (N) Service & Support Admin. Costs	\$ -	\$	21,565	\$	21,565	To match COG report
Reconciliation to County Auditor Worksheet						
Expense:						
Plus: Real Estate Fees	\$ -	\$	(3,932)	\$	(3,932)	To record auditor/treasurer fees
Plus: Transfers Out-General	\$ 804,810	\$	116,240	\$	921,050	To reclassify transfers out
Plus: Purchases Greater Than \$5,000	\$ 448,264	\$	(1,531)	\$	446,733	To reclassify direct services costs
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$	16,675	\$		To reclassify fees paid to COG
		\$	4,594	\$		To reclassify fees paid to COG
		\$	8,133	\$		To reclassify fees paid to COG
		\$	3,968	\$		To reclassify fees paid to COG
		\$	32,250	\$		To reclassify fees paid to COG
		\$	2,840	\$		To reclassify fees paid to COG
		\$	84,750	\$	153,210	To reclassify fees paid to COG
Plus: County cost allocation - fees-match	\$ 667,839	\$	(3,378)	\$		To reclassify direct services costs
		\$	5,047	\$		To reclassify payments to alternative centers
		\$	(44,039)	\$		To reclassify direct services costs
		\$	(2,150)	\$		To reclassify non-federal reimbursable transportation costs
		\$	(16,149)	\$		To reclassify non-federal reimbursable adult costs
		\$	(55,625)	\$		To reclassify administrative costs
		\$	29,818	\$	581,363	To reclassify payments to alternative centers
Less: Capital Costs	\$ (224,852)	\$	(288)	\$		To add omitted depreciation
		\$	(480)	\$	(225,620)	To add omitted depreciation
Less: COG Expenses Posted on Schedule A	\$ -	\$	(16,629)	\$	(16,629)	To agree to COG data
Revenue:						
Less: Transfer	\$ 700,000	\$	50,000	\$	750,000	To add unrecorded transfer-in
Total from 12/31 County Auditor's Report	\$ 8,540,385	\$	50,000	\$	8,590,385	To reconcile to county auditor report
Medicaid Administration Worksheet						
6- Ancillary Costs (A) Reimbursement	\$ -	\$	13,795	\$	13,795	To record ancillary costs
10. Requested Through Calendar Year						

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Appendix B
Erie County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Schedule A				
19. Room and Board/Cost to Live (L) Community Residential	\$ 30,076	\$ (9,389)	\$ 20,687	To reclassify fees paid to COG
Schedule B-1, Section A				
1. Building Services (C) Child	2,006	(910)	1,096	To match 2010 final square footage
5. Speech/Audiology (C) Child	-	400	400	To match 2010 final square footage
7. Occupational Therapy (C) Child	271	128	399	To match 2010 final square footage
8. Physical Therapy (C) Child	271	128	399	To match 2010 final square footage
11. Early Intervention (C) Child	1,890	1,934	3,824	To match 2010 final square footage
17. Medicaid Administration (A) MAC	-	10	10	To match 2010 final square footage
21. Service And Support Admin (D) General	1,306	833	2,139	To match 2010 final square footage
23. Administration (D) General	3,637	(2,058)	1,579	To match 2010 final square footage
24. Transportation (D) General	594	(125)	469	To match 2010 final square footage
25. Non-Reimbursable (B) Adult	-	20,788	20,788	To match 2010 final square footage
25. Non-Reimbursable (C) Child	3,983	2,030	6,013	To match 2010 final square footage
		778	6,791	To reclassify square footage no longer used for dietary services
25. Non-Reimbursable (D) General	-	650	650	To match 2010 final square footage
Schedule B-3				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	932	7,380	8,312	To report correct number of one-way trips
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 49,008		To report correct cost of bus, tokens, cabs
		\$ 176,843	\$ 225,851	To report correct cost of bus, tokens, cabs - STS costs
Worksheet 1				
2. Land Improvements (X) Gen Expense All Prgm.	\$ 15,214	\$ 6,080	\$ 21,294	To agree to 2012 depreciation report
3. Buildings/Improve (D) Unasgn Children Programs	\$ 859	\$ 288	\$ 1,147	To add omitted depreciation
3. Buildings/Improve (E) Facility Based Services	\$ 22,775	\$ 480		To add omitted depreciation
		\$ (23,255)	\$ -	To reclassify for privatized FB program
3. Buildings/Improve. (O) Non-Federal Reimbursable	\$ -	\$ 23,255	\$ 23,255	To reclassify for privatized FB program
4. Fixtures (E) Facility Based Services	\$ 6,388	\$ (6,388)	\$ -	To reclassify for privatized FB program
4. Fixtures (O) Non-Federal Reimbursable	\$ -	\$ 6,388	\$ 6,388	To reclassify for privatized FB program
4. Fixtures (X) Gen Expense All Prgm.	\$ 17,908	\$ 3,592		To add omitted depreciation
		\$ 9,907	\$ 31,407	To add omitted depreciation
5. Movable Equipment (E) Facility Based Services	\$ 506	\$ (506)	\$ -	To reclassify for privatized FB program
5. Movable Equipment (O) Non-Federal Reimbursable	\$ -	\$ 506	\$ 506	To reclassify for privatized FB program
5. Movable Equipment (U) Transportation	\$ 71,582	\$ 21,499	\$ 93,081	To agree to 2012 depreciation report
5. Movable Equipment (X) Gen Expense All Prgm.	\$ 8,686	\$ 2,499		To agree to 2012 depreciation report
		\$ (2,369)		To record gain on sale of disposed asset
		\$ 1,447		To add loss on disposed asset
		\$ 5,888	\$ 16,151	To add omitted depreciation
7. Other (L) Community Residential	\$ 50	\$ (46)		To correct for posting error of COG expenses
		\$ (4)	\$ -	To adjust for unsupported depreciation
7. Other (N) Service & Support Admin	\$ 330	\$ (330)	\$ -	To correct for posting error of COG expenses
7. Other (O) Non-Federal Reimbursable	\$ 10	\$ (8)		To correct for posting error of COG expenses
		\$ (2)	\$ -	To adjust for unsupported depreciation
8. COG Expenses (L) Community Residential	\$ -	\$ 46	\$ 46	To match COG report
8. COG Expenses (N) Service & Support Admin	\$ -	\$ 330	\$ 330	To match COG report
8. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 8	\$ 8	To match COG report

Appendix B (Page 2)
Erie County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 394,008	\$ (209,432) \$ (33,324)		To reclassify MAC salaries and benefits To reclassify Community support specialist salary
		\$ (45,507)	\$ 105,745	To reclassify Community support specialist salary
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 271,269	\$ 1,947 \$ (5,149)		To reclassify administration benefits To reclassify community support specialist benefits
		\$ (7,031)	\$ 261,036	To reclassify community support specialist benefits
3. Service Contracts (X) Gen Expense All Prgm.	\$ 86,154	\$ (3,000)	\$ 83,154	To reclassify Medicaid billing service fees
4. Other Expenses (O) Non-Federal Reimbursable	\$	\$ 123 \$ 17,700		To reclassify non-federal reimbursable expenditure To reclassify public relations expenditure
		\$ 3,000	\$ 20,823	To reclassify Medicaid billing service fees
4. Other Expenses (X) Gen Expense All Prgm.	\$ 275,213	\$ (1,947) \$ (123)		To reclassify administration benefits To reclassify non-federal reimbursable expenditure
		\$ 50,416		To reclassify administrative costs
		\$ (17,700)		To reclassify public relations expenditure
		\$ (69,350)	\$ 236,509	To reclassify payments made to the COG
5. COG Expense (G) Community Employment	\$ 1,820	\$ (1,820)	\$ -	To match COG report
5. COG Expenses (L) Community Residential	\$ -	\$ 1,422	\$ 1,422	To match COG report
5. COG Expense (N) Service & Support Admin	\$ 11,943	\$ (1,658)	\$ 10,285	To match COG report
5. COG Expense (O) Non-Federal Reimbursable	\$ 362	\$ (116)	\$ 246	To match COG report
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 170,207	\$ 4,065 \$ (3,973)	\$ 170,299	To record auditor/treasurer fees To reclassify non-federal reimbursable benefits
Worksheet 2A				
5. COG Expenses (L) Community Residential	\$ 123	\$ (123)	\$ -	To match COG report
5. COG Expenses (N) Service & Support Admin	\$ 810	\$ (810)	\$ -	To match COG report
5. COG Expenses (O) Non-Federal Reimbursable	\$ 25	\$ (25)	\$ -	To match COG report
Worksheet 3				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 62,112	\$ 319	\$ 62,431	To reclassify building services benefits
4. Other Expenses (X) Gen Expense All Prgm.	\$ 260,707	\$ (319) \$ 1,507	\$ 261,895	To reclassify building services benefits To agree to compiled report
5. COG Expenses (L) Community Residential	\$ -	\$ 116	\$ 116	To match COG report
5. COG Expenses (N) Service & Support Admin	\$ -	\$ 842	\$ 842	To match COG report
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 20	\$ 20	To match COG report
Worksheet 5				
1. Salaries (A) Early Intervention	\$ 395,838	\$ (51,048)	\$ 344,790	To reclassify communication specialist salary
1. Salaries (L) Community Residential	\$ -	\$ 3,046	\$ 3,046	To reclassify PAWS worker salary
1. Salaries (M) Family Support Services	\$ -	\$ 33,324 \$ 45,507	\$ 78,831	To reclassify Community support specialist salary To reclassify Community support specialist salary
1. Salaries (O) Non-Federal Reimbursable	\$ 27,442	\$ (27,442)	\$ -	To reclassify MAC salaries and benefits

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

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 5 (Continued)						
2. Employee Benefits (A) Early Intervention	\$ 168,602	\$ 774	\$ (7,626)	\$ 161,750		To reclassify early intervention benefits To reclassify communication specialist benefits
2. Employee Benefits (M) Family Support Services	\$ -	\$ 5,149	\$ 7,031	\$ 12,180		To reclassify community support specialist benefits To reclassify community support specialist benefits
2. Employee Benefits (O) Non-Federal Reimbursable	\$ 12,734	\$ 12,841	\$ (13,732)	\$ 15,816		To reclassify non-federal reimbursable benefits To reclassify MAC salaries and benefits To reclassify non-federal reimbursable benefits
4. Other Expenses (A) Early Intervention	\$ 46,406	\$ (774)	\$ 45,632			To reclassify early intervention benefits
4. Other Expenses (L) Community Residential	\$ 159,079	\$ 28,019	\$ (46,492)			To reclassify direct services costs To reclassify payments to alternative care centers
		\$ 2,298				To reclassify non-federal reimbursable
		\$ 21,461	\$ 164,365			To reclassify non-federal reimbursable
4. Other Expenses (O) Non-Federal Reimbursable	\$ 13,452	\$ (12,841)	\$ 611			To reclassify non-federal reimbursable benefits
5. COG Expenses (O) Non-Federal Reimbursable	\$ 1,232	\$ (161)	\$ 1,071			To match COG report
Worksheet 6						
1. Salaries (I) Medicaid Admin	\$ -	\$ 357,236	\$ 357,236			To reclassify MAC reimbursable salaries
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 131,484	\$ 131,484			To reclassify MAC non-reimbursable salaries
Worksheet 7-C						
1. Salaries (A) Early Intervention	\$ -	\$ 51,048	\$ 51,048			To reclassify communication specialist salary
2. Employee Benefits (A) Early Intervention	\$ -	\$ 7,626	\$ 7,626			To reclassify communication specialist benefits
Worksheet 7-D						
4. Other Expenses (E) Facility Based Services	\$ 25,832	\$ (17,907)	\$ 7,925			To reclassify fees paid to COG
Worksheet 8						
1. Salaries (X) Gen Expense All Prgm.	\$ 367,078	\$ (21,378)	\$ 345,700			To reclassify MAC salaries and benefits
2. Employee Benefits (X) Gen Expense All	\$ 117,657	\$ 810	\$ 118,467			To reclassify transportation benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 87				To reclassify non-federal reimbursable costs
		\$ 660				To reclassify non-federal reimbursable costs
		\$ 597	\$ 1,344			To reclassify non-federal reimbursable costs
4. Other Expenses (X) Gen Expense All Prgm.	\$ 169,901	\$ (810)	\$ 169,091			To reclassify transportation benefits
Worksheet 9						
1. Salaries (N) Service & Support Admin. Costs	\$ 869,449	\$ (216,735)	\$ 649,668			To reclassify MAC salaries and benefits To reclassify PAWS worker salary
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 326,566	\$ 1,751	\$ 328,317			To reclassify service and support benefits
4. Other Expenses (N) Service & Support Admin. Costs	\$ 69,685	\$ (1,751)				To reclassify service and support benefits
		\$ (43,246)	\$ 24,688			To reclassify fees paid to COG
5. COG Expenses (N) Service & Support Admin. Costs	\$ 40,680	\$ 4,152	\$ 44,832			To match COG report

Appendix B (Page 4)
Erie County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Real Estate Fees	\$ -	\$ (4,065)	\$ (4,065)	To record auditor/treasurer fees
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 9,389		To reclassify fees paid to COG
		\$ 43,246		To reclassify fees paid to COG
		\$ 17,907		To reclassify fees paid to COG
		\$ 69,350	\$ 139,892	To reclassify fees paid to COG
Plus: Local payment for day services/trans, county allocation	\$ 821,231	\$ (2,385)		To reclassify non-federal reimbursable costs
		\$ (50,416)		To reclassify administrative costs
		\$ (660)		To reclassify non-federal reimbursable costs
		\$ (28,019)		To reclassify direct services costs
		\$ (597)		To reclassify non-federal reimbursable costs
		\$ (21,461)		To reclassify non-federal reimbursable costs
		\$ 46,492	\$ 764,185	To reclassify payments to alternative centers
Less: Capital Costs	\$ (173,347)	\$ (30,078)		To reconcile to 2012 depreciation report
		\$ 2,369		To record gain on sale of disposed asset
		\$ (3,592)		To add omitted depreciation
		\$ (1,447)		To add loss on disposed asset.
		\$ (480)		To add omitted depreciation
		\$ (288)		To add omitted depreciation
		\$ (9,907)		To add omitted depreciation
		\$ (5,888)	\$ (222,658)	To add omitted depreciation
Medicaid Administration Worksheet				
6- Ancillary Costs (A) Reimbursement	\$ -	\$ 17,862	\$ 17,862	To record ancillary costs
10. Requested Through Calendar Year				



Dave Yost • Auditor of State

ERIE COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

ERIE 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 28, 2015