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Independent Accountants' Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, with were agreed to by the Ohio Department of Developmental Disabilities (DODD), on the *Income and Expenditure Report* of the Madison County Board of Developmental Disabilities (County Board) for the years ended December 31, 2015 and 2016 (Cost Reports). The County Board's management is responsible for preparing these reports. 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. We compared program costs and statistics to reported square footage and we found no potential errors.
2. We compared the 2015 and 2016 square footage to the most recently reviewed totals and found program areas that changed by more than 10 percent and performed procedures 3 and 4 on those program areas.
3. We compared the square footage for each room on the floor plan of the Fairhaven building in 2015 and the Central Office building in 2016 to the County Board's summary. We confirmed square footage was allocated by program in accordance with DODD's Guide to Preparing Income and Expenditure Report for 2015 and 2016 (Cost Report Guides) and that there were no variances greater than 10 percent.
4. We compared the County Board's square footage summaries to the square footage reported on the Cost Reports. We found variances greater than 10 percent as reported in Appendix A (2015) and Appendix B (2016).
5. We reviewed reclassifications identified in the payroll testing procedures and confirmed they did not result in additional square footage variances greater than 10 percent.

Statistics – Attendance

1. We reviewed the Cost Reports and confirmed no individuals served or units of service were omitted resulting in unallocated program or general expenses-all program costs.
2. We compared the number of individuals served and days of attendance on the County Board's YTD Totals reports to the Cost Reports and to the Cost Report Guides. We found variances greater than two percent of attendance statistics at each acuity level as reported in Appendix A (2015) and Appendix B (2016). We also footed the County Board's attendance reports for accuracy and found no computational errors.
3. We traced total attendance days for one Enclave and four Adult Day Service individuals for two months in 2015 and 2016 from the County Board's monthly attendance documentation and YTD Totals reports to the Cost Reports. We found no differences.

Statistics – Attendance (Continued)

We also compared the acuity level on the County Board's YTD Totals reports to the DODD Acuity Assessment Instrument Ratio Listing for each individual and ensured at least two individuals from each acuity level were selected. We found no differences. The County Board could not locate the DODD Acuity Assessment Instrument Ratio Listing or Acuity Assessment Instrument for one individual in 2015 and one individual in 2016.

4. We did not perform the procedure to compare Community Employment units to service documentation requirements as the County Board did not provide this service.

Statistics – Transportation

1. We compared the number of one-way trips from the Trips Entered by Route by Month and Children Trips reports to the Cost Reports. We found no variances greater than two percent of total children or adult program trips. We also footed the County Board's transportation reports for accuracy and found no computational errors.
2. We traced the number of trips for nine adults and one child for one month in 2015 and 2016 from the County Board's daily reporting documentation to the Trips Entered by Route by Month and Children Trips reports and the Cost Reports. We found no variances greater than 10 percent of the total trips tested.
3. We compared the cost of bus tokens/cabs from the County Board's General Fund reports to the Cost Reports. We found no variances. We also confirmed corresponding transportation costs were reported in accordance to the Cost Report Guides in 2015. We found variances as reported in Appendix B (2016).

Statistics – Service and Support Administration (SSA)

1. We compared the number of Targeted Case Management (TCM), Other SSA Allowable and SSA Unallowable units from the County Board's Billing History reports to the Cost Reports. We found no variances greater than two percent. We also footed the County Board's SSA reports for accuracy and found no computational errors.
2. We selected 60 Other SSA Allowable units for both 2015 and 2016 from the Billing History reports and confirmed the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) and included the elements required by Ohio Admin. Code § 5160-48-01(F). We found no variances greater than 10 percent of total units tested.
3. We selected 30 SSA Unallowable units for both 2015 and 2016 from the Billing History reports and confirmed the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) and included the elements required by Ohio Admin. Code § 5160-48-01(F). We found no variances greater than 10 percent of total units tested.
4. We confirmed that the County Board maintained case note documentation for non-individual specific activities (general time units) as described in the Cost Report Guides and these units accounted for over 10 percent of the total final SSA units plus any general time units recorded.

We selected 60 general time units from the Case Notes Summary of Time and Units Billed by Case Manager reports and confirmed the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) and the Cost Report Guides. We found no variances.

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the county auditor's Revenue Audit Trail Reports for the Developmental Disabilities (2035) and Capital (2038) funds to the county auditor's report total reported on the reconciliation worksheet/form. We found no variances.

We then compared the total County Board receipts reported on the reconciliation worksheet/form to the county auditor's receipt totals and confirmed the Cost Reports reconciled within acceptable limits.

2. We inspected the County Board's Receipts reports and found the following sources of potential revenue offsets/applicable credits where revenues are maintained separately; however, the County Board did not offset corresponding expenses via the use of specific expenditure costs centers or separate costs between federal programs on the Cost Reports in accordance with 2 CFR 200.405 and 2 CFR 200.406:

- Miscellaneous refunds, reimbursements and other income in the amount of \$134,477 in 2015 and \$47,945 in 2016;
- IDEA Early Childhood Special Education revenues in the amount of \$23,429 in 2015 and \$23,249 in 2016;
- Motor Fuel Refund in the amount of \$2,183 in 2015 and \$2,440 in 2016; and
- School Lunch Program revenues in the amount of \$6,836 in 2015 and \$6,229 in 2016.

We also noted Opportunities for Ohioans with Disabilities revenue in the amount of \$49,882 in 2015 and \$85,967 in 2016; however, corresponding expenses were offset by the County Board on *A1 Adult worksheet/form*.

Paid Claims Testing

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

1. We selected 50 paid claims among all service codes (excluding TCM) for both 2015 and 2016 from the Medicaid Billing System (MBS) data. We compared the County Board's service documentation to the requirements of each respective service code per Ohio Admin. Code § 5123:2-9 in effect at the time of service delivery. We found instances of non-compliance in Non-Medical Transportation – Per Trip (ATB/FTB) and Non-Medical Transportation – Per Mile (ATW/FTW) as described in the tables below. We also confirmed there were no corresponding unit adjustments in 2015 and reported corresponding unit adjustment in Appendix B (2016).
2. We selected 50 TCM paid claims per year from the MBS data for 2015 and 2016 and compared the County Board's documentation to the requirements per Ohio Admin. Code § 5160-48-01 in effect at the time of service delivery. We found instances of non-compliance as described in the tables below and reported the corresponding unit adjustments in Appendix A (2015) and Appendix B (2016).

Recoverable Finding – 2015

Service Code	Units	Non-TCM Review Results	Finding
ATB	2	Billed incorrect service code resulting in overpayment	\$21.94
FTB	4	Billed incorrect service code resulting in overpayment	\$30.50

Paid Claims Testing (Continued)

Recoverable Finding – 2015 (Continued)

Service Code	Units	TCM Review Results	Finding
TCM	5	Billed for general time activities	\$18.93
		Total	\$71.37

Recoverable Finding – 2016

Service Code	Units	Non-TCM Review Results	Finding
ATB	2	Billed incorrect service code resulting in overpayment	\$19.57
ATW	274	Units billed in excess of service delivery	\$216.86
FTB	2	Lacked supporting documentation	\$24.32
FTW	355	Units billed in excess of service delivery	\$280.97
		TCM Review Results	
TCM	33	Billed for general time activities; billed for coverage exclusion; units billed in excess of service delivery	\$136.43
		Total	\$678.15

3. We did not perform the procedure to compare the County Board's usual and customary rate with the reimbursed rate for contracted transportation services as the County Board was not reimbursed for those services.
4. We did not compare any new transportation contracts to the guidance for non-medical transportation services issued by DODD on May 15, 2015 as the County Board did not have any commercial transportation contracts.
5. We compared the reimbursed TCM units from the MBS data to the final units and confirmed total net Medicaid reimbursed units were less than final TCM units.
6. We compared the amounts reported on *Summary of Service Costs - By Program* for categories from Environmental Accessibility Adaptations to Other Waiver Services to the MBS data. We confirmed total net reimbursements did not exceed disbursements by two percent.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. We compared the disbursement totals from the county auditor's report listed on the reconciliation worksheet/form to the county auditor's Expense Transaction Ledger reports for the Developmental Disabilities (2035) and Capital (2038) funds. We found no variances.

We then compared the total County Board disbursements reported on the reconciliation worksheet/form to the county auditor's disbursement totals and confirmed the Cost Reports reconciled within acceptable limits.

2. We compared the County Board's General Fund and Capital Fund reports to all service contract and other expenses entries. We found variances exceeding \$500 that resulted in reclassification to any program or worksheet/form in Appendix A (2015). We found no variances in 2016.

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

3. We scanned the County Board's General Fund reports and selected 60 disbursements from service contracts and other expenses. We inspected supporting documentation maintained by the County Board and compared the classification of the costs to the Cost Report Guides and 2 CFR 200. We found variances greater than two percent of total service contracts and other expenses on worksheet/form as reported in Appendix A (2015) and Appendix B (2016).
4. We scanned for contracted transportation, service and support administration and adult services in the Cost Reports without corresponding statistics that do not comply with 2 CFR 200.405 and the Cost Report Guides. We found no program costs that lacked corresponding statistics.
5. We inspected the County Board's General Fund and Capital Fund reports for items purchased during 2015 and 2016 that met the County Board's capitalization criteria and traced any items identified to the County Board's Asset Record with Straight Line Depreciation reports. We found no unrecorded capital purchases.
6. We confirmed that the County Board had supporting documentation for February, April, July, and December in 2015 and March, May, August, and November in 2016 showing that it reconciled its income and expenditures on a monthly basis with the county auditor in accordance with Ohio Admin. Code § 5123:2-1-02(L)(1).
7. We confirmed that corresponding costs were reported for each adult program with final attendance statistics. We found Community Employment costs reported in both years with no corresponding statistics; however, these costs were offset on by the County Board on *A1 Adult* worksheet/form.

Property, Depreciation, and Asset Verification Testing

1. We compared the County Board's Asset Record with Straight Line Depreciation reports to the Cost Reports. We found variances greater than \$500 as reported in Appendix A (2015) and Appendix B (2016).
2. We compared the County Board's 2014 Asset Record with Straight Line Depreciation reports to its 2015 and 2016 Asset Record with Straight Line Depreciation reports for changes in the depreciation amounts for assets purchased prior to the period 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. We found variances as reported in Appendix A (2015) and Appendix B (2016).
3. Using the County Board's capitalization threshold, we selected the lesser of 10 or 10 percent of the fixed assets which were being depreciated for the first time in each 2015 and 2016. We computed the first year's depreciation for the two assets selected, based on their cost, acquisition date and useful life. We compared reported depreciation to the Cost Report Guides and the estimated useful lives prescribed in the 2013 American Hospital Association Asset Guide. We reported variances in Appendix A (2015) and Appendix B (2016).
4. We selected the lesser of 10 percent or 10 disposed assets from the County Board's list of disposed assets and confirmed the two assets selected were removed from the Asset Record with Straight Line Depreciation reports. We removed losses reported by the County Board under Procedure 1.

Payroll Testing

1. We compared total salaries and benefits on the Cost Reports to the payroll disbursements yearly totals on the county auditor's Expense Transaction Ledger reports for the Developmental Disabilities (2035) and Capital (2038) funds. We found no variances greater than two percent.
2. We compared the salaries and benefit costs on the County Board's Payroll and Benefits reports to the Cost Reports. We found no variances.
3. We selected the lesser of 40 employees or 25 percent of the number of total employees in 2015 and 2016. For the 26 employees selected each year, we compared the County Board's organizational chart, Staff Roster and job descriptions to the worksheet/form in which each employee's salary and benefit costs were allocated. We found employee allocations which were not consistent with the Cost Report Guides as reported in Appendix A (2015) and Appendix B (2016). We also confirmed the misclassification errors were less than 10 percent and no additional procedures were performed.

Medicaid Administrative Claiming (MAC)

1. We compared MAC salaries and benefits on the Individual Costs by Code reports to the County Board's Payroll and Benefits reports and confirmed MAC salary and benefit costs exceeded 2015 County Board salary and benefit costs by less than one percent and equaled 2016 County Board salary and benefits.
2. We compared the Individual Costs by Code reports to the Medicaid Administration worksheet/form for both years and found no variances.
3. We selected eight non-validated RMTS observed moments for the third quarter of 2015 and seven non-validated moments for the second quarter of 2016 from the RMTS Participant Moments Question and Answer report. We inspected the County Board's documentation and compared the contents and classification to the DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2014. We found that the observed moments and documentation met the minimum requirements, but did not include additional supporting documentation as preferred by the RMTS guide.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the County Board's Cost Reports. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported. This report is intended solely for the use of the County Board and the DODD, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

July 20, 2018

Appendix A
Madison County Board of Developmental Disabilities
2015 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
4. Nursing Services (B) Adult	127	38	165	To match square footage summary
4. Nursing Services (C) Child	84	(38)	46	To match square footage summary
13. School Age (C) Child	3,613	(1,381)	2,232	To match square footage summary
22. Program Supervision (C) Child	136	210	346	To match square footage summary
25. Non-Reimbursable (B) Adult	-	1,200	1,200	To match square footage summary
Schedule B-1, Section B				
6. A (C) Facility Based Services	2	(1)	1	To match attendance report
8. B (C) Facility Based Services	2	(1)	1	To match attendance report
9. C (C) Facility Based Services	-	1	1	To match attendance report
11. A-1 (C) Facility Based Services	204	23	227	To match attendance report
13. C (C) Facility Based Services	-	19	19	To match attendance report
Schedule B-4				
1. TCM Units (D) 4th Quarter	5,409	(5)	5,404	To remove paid claim errors
Worksheet 1				
2. Land Improvements (D) Unasgn Children Programs	\$ 8,116	\$ (5,647)	\$ 2,469	To match depreciation schedule
5. Movable Equipment (U) Transportation	\$ 88,196	\$ (2,373)		To match depreciation schedule
		\$ (3,947)		To remove depreciation for item under threshold
		\$ 319	\$ 82,195	To match 2014 depreciation schedule
Worksheet 3				
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 37,600	\$ 37,600	To reclassify portion of shared employees salaries
1. Salaries (X) Gen Expense All Prgm.	\$ 103,394	\$ (37,600)	\$ 65,794	To reclassify portion of shared employees salaries
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 9,650	\$ 9,650	To reclassify portion of shared employees benefits
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 26,537	\$ (9,650)	\$ 16,887	To reclassify portion of shared employees benefits
Worksheet 5				
3. Service Contracts (L) Community Residential	\$ 18,490	\$ (18,490)	\$ -	To match expenditure report
4. Other Expenses (M) Family Support Services	\$ -	\$ 563	\$ 563	To reclassify payment for consumer loan
Worksheet 9				
4. Other Expenses (N) Service & Support Admin. Costs	\$ 21,968	\$ (563)	\$ 21,405	To reclassify payment for consumer loan
Worksheet 10				
4. Other Expenses (E) Facility Based Services	\$ -	\$ 863		To reclassify facility based expense
		\$ 2,748	\$ 3,611	To reclassify Special Olympic expense
4. Other Expenses (H) Unasgn Adult Program	\$ 8,396	\$ (863)		To reclassify facility based expense
		\$ (2,748)	\$ 4,785	To reclassify Special Olympic expense
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Other	\$ 155,546	\$ 18,490	\$ 174,036	To match expenditure report

Appendix B
Madison County Board of Developmental Disabilities
2016 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Square Footage Allocation				
Community Residential, General	149	(149)	-	To match square footage summary
Family Support Services, General	-	149	149	To match square footage summary
Attendance Statistics				
Total Days of Attendance by Acuity				
A-1, Supported Emp. - Enclave (Non-Title XX Only)	85	2	87	To match attendance report
Annual Summary of Transportation Services				
Non-Title XX-Adult				
CB, Facility Based Services, One Way Trips	25,048	(2)	25,046	To remove paid claim errors
Annual Summary of Units of Service - Service and Support Administration				
TCM Units, CB Activity	28,661	(9)	28,652	To remove and reclassify paid claim errors
Capital Costs				
Land Improvements, Gen Expense All Program	\$ 16,700	\$ (349)	\$ 16,351	To correct depreciation for incorrect useful life
Moveable Equipment, Transportation	\$ 134,160	\$ (3,947)		To match depreciation schedule
		\$ (3,947)		To remove depreciation for item under threshold
		\$ (3,530)	\$ 112,563	To match 2014 depreciation schedule
Building Services Cost				
Salaries, Non-Federal Reimbursable	\$ -	\$ 37,966	\$ 37,966	To reclassify portion of shared employees salaries
Salaries, Gen Expense All Program	\$ 105,117	\$ (37,966)	\$ 67,152	To reclassify portion of shared employees salaries
Employee Benefits, Non-Federal Reimbursable	\$ -	\$ 10,034	\$ 10,034	To reclassify portion of shared employees benefits
Employee Benefits, Gen Expense All Program	\$ 27,782	\$ (10,034)	\$ 17,748	To reclassify portion of shared employees benefits
Direct Services				
Service Contracts, Community Residential	\$ 94,868	\$ (94,868)	\$ -	To reclassify developmental center fees
Transportation Services				
Service Contracts, Pre-School	\$ -	\$ 494	\$ 494	To reclassify preschool transportation expenses
Service Contracts, School Age	\$ -	\$ 909	\$ 909	To reclassify school age transportation expenses
Other Expenses, Gen Expense All Program	\$ 158,182	\$ (494)		To reclassify preschool transportation expenses
		\$ (909)	\$ 156,779	To reclassify school age transportation expenses
Adult Program				
Other Expenses, Facility Based Services	\$ 1,222	\$ 618	\$ 1,840	To reclassify Special Olympics expense
Other Expenses, Unassign Adult Program	\$ 3,046	\$ (618)	\$ 2,428	To reclassify Special Olympics expense
CBCR Reconcile				
CBCR Reconcile Expenses				
Other: Payments to Developmental Centers	\$ -	\$ 94,868	\$ 94,868	To reclassify developmental center fees



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MADISON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

MADISON 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
AUGUST 14, 2018**