



HAMILTON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

AGREED UPON PROCEDURES

**FOR THE COST REPORTING PERIOD
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009
AND
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010**



Dave Yost • Auditor of State

HAMILTON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

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Independent Accountant'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) HCBS 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 Hamilton County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2009 and 2010 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2009 and 2010 (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 attestation standards established by the American Institute of Certified Public Accountants. 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 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 2008 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 and found no unreported or idle floor space.

The County Board stated that there were no significant square footage changes from the square footage reported in the final 2008 cost report. Therefore, we performed limited procedures below in those areas where the square footage changed since 2008.

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* of the Cost Reports.

We did not perform this procedure as there were no significant square footage changes from the final 2008 square footage to square footage reported in 2009 and 2010.

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* of the Cost Reports.

There were no significant square footage differences between 2009 and 2010 cost reports. Therefore, we compared the square footage of one County Board programs on the floor plan for six buildings to the County Board's summary for 2009.

We found no variances exceeding 10 percent when comparing the total square footage of floor plans to the County Board's summary.

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* worksheet.

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* of the Cost Reports.

We found variances exceeding 10 percent as reported in Appendix A (2009) and Appendix B (2010).

5. DODD asked us to 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 obtained the County Board's methodology for allocating square footage and compared the methodology with the Cost Report Guides.

We found no inconsistencies between the County Board's methodology and the Cost Report Guides.

Statistics – Attendance

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

We determined that the number of individuals served for worksheets 7B, 7C, 7E and 7F needed to be obtained or were reported incorrectly. As a result, costs in Column (D) Unassigned Children Program, Column (H) Unassigned Adult Program, or Column (X) General Expenses-all Program costs were not properly allocated among Columns (A) Ages 0-2, Column (C) Ages 6-21 and Column (E) Facility Based Services on these worksheets.

The County Board provided support for these statistics as reported in Appendix A (2009) and Appendix B (2010).

2. We compared the County Board's final 2008 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 2009 and 2010 and, if the hours are the same do no additional procedures.

We compared the final 2008 typical hours of service to the typical hours of service reported on Schedule B-1 for 2009 and 2010.

We found no differences.

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

We compared the County Board's Attendance Days 2009 and 2010 reports for the number of individuals served, and days of attendance, with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and Community Employment 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 no variances or computational errors exceeding two percent.

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

We compared the County Board's final 2008 number of individuals served to the final individuals served for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and Community Employment for 2009 and the final 2009 individual served to the final individuals served for 2010 on *Schedule B-1, Section B, Attendance Statistics* and determined if the variances were over 10 percent.

The number of reported individuals served for Day Habilitation/Adult Day Services/Vocational Habilitation 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* of the Cost Reports were not within three of the individuals documented on the attendance sheets.

We haphazardly selected 20 individual names from the County Board's attendance sheets for 2009 and 20 individual names for 2010, and compared the individuals by name to the compiled listing of individuals served by program documentation which rolls up to *Schedule B-1, Section B, Attendance Statistics* of the Cost Reports.

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 Guide.

We haphazardly selected 15 units from 2009 and 15 units from 2010 from the County Board's Supported Employment Community Employment 15 minute unit reports for 2009 and 2010 and determined if the units were calculated in accordance with the Cost Report Guide.

We found no differences.

Statistics – Transportation

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

We compared the number of one-way trips from the County Board's Transportation Trips 2009 and 2010 and monthly transportation trips by age group reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Statistics* of the Cost Reports. We also footed the County Board's Transportation Trips by Age Group reports for accuracy.

We found no differences or computational errors.

2. DODD requested us to report variances of more than 10 percent of the total trips taken for 10 individuals for both 2009 and 2010, 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 10 individuals for 2009 and 10 individuals for 2010 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no differences.

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

We compared the cost of bus tokens/cabs from the County Board's Expenses Detailed report to the amount reported in Schedule B-3 and Worksheet 8 of the Cost Reports.

We found differences in amounts reported on Schedule B-3 and performed Procedure 4 below. We also noted differences impacting transportation related costs reported on *Worksheet 8, Transportation Services*. We reported these differences in Appendix A (2009) and Appendix B (2010).

4. DODD requested us to report variances if the County Board's costs paid to six transportation providers on *Worksheet 8, Transportation Services* did not result in trips being recorded on *Schedule B-3, Quarterly Summary of Transportation Services* in accordance with the Cost Report Guide.

We traced 5 trips from invoices paid in 2009 or 2010 for each of the six providers to the County Board's monthly transportation trips by age group reports which rollup to *Schedule B-3, Quarterly Summary of Transportation Statistics* of the Cost Reports.

We found all of the trips for five providers were paid on a per trip basis and did not have trips included on the County Board's monthly transportation trips by age group reports or Schedule B-3. We also found one provider was paid for bus tokens and access books; therefore, trips should not be recorded on Schedule B-3 according to the Cost Report Guides. Therefore, since no statistics for the five providers were recorded on *Schedule B-3, Quarterly Summary of Transportation Services* any corresponding costs reported for those providers on *Worksheet 8, Transportation Services* in 2009 and 2010 lacked supporting documentation to show they benefitted the County Board's transportation program and are unallowable under 2 CFR Part 225, Appendix A, Section (C)(3)(a) and were reclassified to non-federal reimbursable as reported on Appendix A (2009) and Appendix B (2010).

We also added the cost of bus tokens/cabs for the one provider onto *Schedule B-3, Quarterly Summary of Transportation Services* on Appendix A (2009) and Appendix B (2010).

Recommendation:

We recommended the County Board maintain documentation and track and summarize the required statistical information for transportation services as required by the Cost Report Guide in section *Schedule B-3, Quarterly Summary of Transportation Services* which states in pertinent part, "This worksheet requires statistical information for the children and adult programs. Transportation records indicating trips to and from the county mrdd board programs must be maintained for each person transported and must be maintained by each county mrdd board. The county mrdd board will need to convert all programs transportation to one way trips for only county mrdd board provided transportation and contracted transportation services." This schedule requires statistical information specific to the Adult and Children's Programs and the *Audit and Records Retention Requirements* section, which states, "Expenditure and Income Reports are subject to audit by DODD, ODJFS 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."

The County Board responded that they did not have contracts for at least two of the providers, but they were paid on a per trip basis in 2009 and 2010. They added that they have contracts for all transportation providers starting this year.

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, Home Choice, and SSA Unallowable) from the County Board's TCM Minutes/Units and Monthly Case Note Extract reports 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.

Recommendation:

We noted that the monthly case note extract reports from the County Board's GateKeeper system for TCM units, Other SSA Allowable and Unallowable units included recipient dates of service that had under the 15 minutes required by the Cost Report Guide in section *Schedule B-4, Quarterly Summary of Service and Support Administration Units* says in pertinent part, "For calculation of the unit of service, it must be a full 15 minutes. Successive units of service may be accumulated for an individual throughout a calendar day, totaled and divided by 15 minutes in order to calculate the units for the day. For the last unit of the day, if the calculation results in a number equal to or greater than 8 minutes, one additional unit may be claimed." We recommended the County Board revise its process for reporting the number of SSA units in accordance with requirements of the Cost Report Guide.

We removed those units under 15 minutes from the case note extract reports for TCM units, Other SSA Allowable and Unallowable units. We also identified Home Choice units in 2009 and 2010 when

none were originally reported. We reported the differences in Appendix A (2009) and Appendix B (2010).

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

We haphazardly selected a sample of 80 Other SSA Allowable units across both 2009 and 2010 from the Non-Medicaid TCM 2009 and Case Notes Export 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 required by Ohio Admin. Code § 5101:3-48-01(F). We also determined if the units for Other SSA Allowable services for both 2008 and 2009 were provided to individuals that were not Medicaid eligible at the time of service delivery per the Medicaid Information Technology System (MITS).

From the sample population of 27,296 Other SSA Allowable units for 2009, we selected our sample of 40 units and found 40 percent of those units were for individuals Medicaid eligible at the time of service delivery. We selected an additional 20 units and found the error rate of 10 percent of those units were for individuals Medicaid eligible at the time of service delivery.

We reported this difference in Appendix A (2009) for units found to be in error exceeding 10 percent.

From the sample population of 22,186 Other SSA Allowable units for 2010, we selected our sample of 80 units (40 from each year) and found 30 percent of those units were for individuals Medicaid eligible at the time of service delivery. We selected an additional 20 units and found the error rate of five percent of those units were for individuals Medicaid eligible at the time of service delivery.

We reported these differences in Appendix B (2010) for units found to be in error exceeding 10 percent.

3. We haphazardly selected a sample of 80 Unallowable SSA service units for both 2009 and 2010 from the Monthly Case Note reports exported from Gatekeeper 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 required by Ohio Admin. Code § 5101:3-48-01(F).

There were no units found to be in error in our sample for 2009 or 2010.

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 2008 SSA units to the final 2009 SSA units and compared the final 2009 SSA units to the final 2010 SSA units.

The final 2009 and 2010 Other Allowable SSA 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 declines were due to improvements in identification of billable TCM units. We reported no variances in Appendix A (2009) and Appendix B (2010).

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the 12/31/2009 and 12/31/2010 County Auditor's Revenue Financial Analysis Inquiry reports for the Developmental Disabilities Service (003), Breyer School Activities Donations and Memorial (961), and the Project Accounting (920) funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found no differences in 2009. We found differences as reported in Appendix B (2010).

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 yearly receipt totals reported for these funds.

3. We compared revenue entries on *Schedule C, Income Report* to the 2010 Southwest Ohio Council of Government prepared County Board Summary Workbook.

We found differences as reported in Appendix B (2010). The Southwest Ohio Council of Government did not prepare a County Board Summary Workbook for 2009.

We reviewed the County Board's Rev2009 and Rev2010 Detailed Revenue 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 in the amount of \$521,587 in 2009;
- Title XX in the amount of \$438,866 in 2009 and \$639,352 in 2010;
- Enhanced Match Stimulus Funds in the amount of \$1,593,600 in 2009 and \$1,799,233 in 2010;
- ARRA (CFDA 84.391) in the amount of \$40,884 in 2010;
- POS in the amount of \$16,270 in 2009 and \$16,975 in 2010;
- CCIP (CFDA 84.027) in the amount of \$227,768 in 2009 and \$245,334 in 2010;
- Payment for Bus Purchase Adjustment in the amount of \$4,959 in 2009 and \$4,463 in 2010;
- TANF/GRF Evaluations in the amount of \$132,579 in 2009;
- Office Space Rent in the amount of \$99,492 in 2009;
- Training and Consulting Funds in the amount of \$2,410 in 2009;
- School District Reimbursement in the amount of \$3,976,025 in 2009 and \$4,300,672 in 2010.
- Bridges Project in the amount of \$14,354 in 2010; and
- Retroactive Freed-up Match Funds in the amount of \$465,583 in 2010.

Paid Claims Testing

1. We selected 50 paid claims among all service codes from 2009 and 2010 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 interrupted 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 no instances of non-compliance with these documentation requirements for 2009 or 2010.

2. 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.

3. 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) to Line (25), Column (L) Community Residential to the amount reimbursed for these services in 2009 and 2010 on the MBS Summary by Service Code report.

We found no differences.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. We compared the disbursement totals from the 12/31/2009 and 12/31/2010 County Auditor's Report listed on the *Reconciliation to County Auditor Worksheets* to the County Auditor's Expenditure Financial Analysis Inquiry report balances for the Developmental Disabilities Service (003), Breyer School Activities Donations and Memorial (961), and the Project Accounting (920) funds.

We found no differences.

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).

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 yearly disbursement totals reported for these funds.

3. DODD asked that we compare the account description and amount for each reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's 2009 and 2010 Detailed Expense reports and other supporting documentation unless Procedure 2 above reconciled within the 1/4 percent threshold.

Total county board disbursements were within 1/4 percent of the county auditor yearly disbursement totals reported for these funds; therefore, we did not perform this procedure.

4. DODD asked us to compare the County Board disbursements on the 2009 and 2010 Detailed Expense reports 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 2009 and 2010 Detailed Expense reports.

We found differences as reported in Appendix A (2009) and Appendix B (2010).

5. We compared disbursement entries on Schedule A, Summary of Service Costs – By Program and Worksheets 2 through 10 to the Southwest Ohio Council of Government (COG) prepared County Board Summary Workbook.

We found differences as reported in Appendix B (2010). The Southwest Ohio Council of Government did not prepare a County Board Summary Workbook for 2009.

6. DODD asked us to determine whether total County Board disbursements on the 2009 and 2010 Detailed Expense reports were properly classified, on Worksheets 2 through 10, within two percent of total service contracts and other expenses for each individual Worksheet and that no Worksheet included disbursements over \$100 which are non-federal reimbursable under 2 CFR 225 Appendix B.

We scanned the County Board's 2009 and 2010 Detailed Expense reports for service contracts and other expenses in the following columns and worksheets: Column X-Gen Expense all Programs on Worksheets 2, 3 and 8; Column N-Service and Support Admin Costs on Worksheet 9; and Columns E-Facility Based Services, F-Enclave, and G-Community Employment on Worksheet 10 and reviewed documentation to identify disbursements not classified as prescribed by the Cost Report Guides or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

We found differences as reported in Appendix A (2009) and Appendix B (2010) for misclassified and non-federal reimbursable costs.

7. We scanned the County Board's Detailed Expense reports for items purchased during 2009 and 2010 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Fixed Asset Listing.

We reported differences for purchases that were not properly capitalized as reported in Appendix A (2009) and Appendix B (2010). We reported differences for 2009 purchases to record their first year's depreciation in Appendix B (2010). However, we did not determine if 2010 purchases were properly capitalized in 2011.

8. We haphazardly selected 20 disbursements from the County Board's 2009 and 2010 Detailed Expense reports that were classified as service contract and other expenses on Worksheets 2-10 (not selected for scanning under Step 6 above). 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 from these procedures in Appendix A (2009) 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 2008 Depreciation Schedules to the County Board's 2009 and 2010 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review which were not in compliance with the Cost Report Guides.

We found differences in depreciation as reported in Appendix A (2009) and Appendix B (2010).

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

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

We found differences as reported in Appendix A (2009) and Appendix B (2010).

4. We scanned the County Board's Depreciation Schedules for 2009 and 2010 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 reported differences for purchases that were not properly capitalized in Appendix A (2009) and Appendix B (2010).

5. We haphazardly selected six of the County Board's fixed assets and were purchased in either 2009 or 2010 to determine if their useful life 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 period of useful life to determine compliance with the Cost Report Guides and AHA Asset Guide.

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

6. We haphazardly selected 20 disposed assets from 2009 and 2010 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. We also recalculated depreciation and any gain or loss applicable to 2009 and 2010 for the disposed items based on its undepreciated basis and any proceeds received from the 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 (2009) and Appendix B (2010).

We also noted in 2009 and 2010 these differences included a gain on the calculation of the sale of Breyer School Building when the County Board received final payment. The original cost and renovations to the Breyer School were \$2,187,791 with an undepreciated basis of \$531,785. The total amount received by Hamilton County and the County Board, was \$1,800,000. The total amount of the gain was calculated at the end of 2009 at \$1,268,215 with adjustments recognizing \$115,610 and \$160,417 in 2009 and 2010 on Worksheet 1, Capital Costs, respectively.

We discussed the issue with representatives from DODD, who stated that the remainder of the gain should be offset in future cost reporting periods to the same cost center depreciation was originally recorded until the entire gain has been applied.

Payroll Testing

1. DODD asked us to determine whether total County Board salaries and benefits in the 2009 and 2010 cost reports were within two percent of the County Auditor's totals for the Developmental Disabilities Service (003), Breyer School Activities Donations and Memorial (961), and the Project Accounting (920) funds.

We totaled salaries and benefits from Worksheets 2-10 from the 2009 and 2010 cost reports and compared the yearly totals to the county auditor's Expenditure Financial Analysis Inquiry reports. The variance was less than two percent.

2. DODD asked us to compare the County Board disbursements on the Payroll Labor Distribution reports 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 Payroll Labor Distribution Reports.

We found no differences exceeding \$100 for Salary or Employee Benefit expenses on any Worksheet.

Please note the reclassification of \$269,447 in Early Retirement Incentive Payments from worksheets 2A, 3, 5, 9 and 10 to non-federal reimbursable as the County Board did not obtain the required approval per 2 CFR 225 Appendix B (8)(g)(3) as reported in Appendix B (2010).

3. We selected 40 employees and compared the County Board's organizational chart 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 from these procedures in Appendix A (2009) and Appendix B (2010) and because misclassification errors exceeded 10 percent of the sample size we performed Procedure 4 below.

4. We scanned the County Board's Employee Listing with Job Title and Payroll Labor Distribution reports for 2009 and 2010 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 in Appendix A (2009) and Appendix B (2010).

Medicaid Administrative Claiming (MAC)

1. DODD asked us to contact its Office of Audits to report differences if the MAC salary and benefits exceeded the County Board's payroll records by one percent or more.

We compared the salary and benefits entered on the Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) reports to the County Board's Payroll Labor Distribution reports.

We found no variance exceeding one percent.

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

We found no differences.

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

We reported differences in Appendix A (2009) and Appendix B (2010).

4. We selected 31 RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the fourth quarter of 2010 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.

We found three RMTS observed moments for Activity Code 7-Referral, Coordination and Monitoring of Medicaid Services, three RMTS observed for Activity Code 18-General Administration and 1 RMTS moment that was incomplete that lacked any supporting documentation. We have reported these instances of non-compliance to DODD.

Recommendation:

We recommended the County Board maintain documentation for RMTS observed moments in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology in the section *Response and Documentation of Random Moment* says in pertinent part, "Appropriate documentation should provide the detail needed to support the activity selected for the sample moment and clearly identify the date and time corresponding to the sampled moment."

The County Board responded that there was confusion at the beginning of the RMTS process on what documentation was required to be kept, but as the program continued, more participants started submitting appropriate supporting documentation.

The County Board's response is included under the Statistics – Transportation, Procedure 4 and MAC Section, Procedure 4 above. We did not audit the responses and, accordingly, we express no opinion on them.

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 Job and Family Services, 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.

Sincerely,



Dave Yost
Auditor of State

October 10, 2012

cc: Alice Pavey, Superintendent, Hamilton County Board of Developmental Disabilities
Craig Landers, Director of Business Services, Hamilton County Board of Developmental Disabilities
Kevin Donovan, Asst Director of Business Services, Hamilton County Board of Developmental Disabilities

Appendix A
Hamilton County Board of Developmental Disabilities
2009 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
21. Service And Support Admin (D) General	12,870	2,449	15,319	To correct square footage.
Schedule B-1, Section B				
4. 15 Minute Units (C) Supported Emp. -Community Employment	-	5,066	5,066	To correctly report the Community Employment 15 minute units.
Schedule B-3				
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ 222,180	\$ 239,830 \$ (209,773)	\$ 252,237	To add Southwest Regional Transit Assoc Costs to B-3 To remove Winton Transportation per unit costs from B-3
Schedule B-4				
1. TCM Units (D) 4th Quarter	88,857	(24,254)		To correctly report TCM Units
		16	64,619	To reclassify Medicaid units
2. Other SSA Allowable Units (D) 4th Quarter	8,573	(2,427)		To correctly report TCM Units
		(16)	6,130	To reclassify Medicaid units
3. Home Choice Units (D) 4th Quarter	-	80	80	To Correctly report Home Choice Units
5. SSA Unallowable Units (D) 4th Quarter	8,712	(1,572)	7,140	To correctly report TCM Units
Worksheet 1				
3. Buildings/Improve (D) Unasgn Children Programs	\$ 167,772	\$ (52,162)		To reclassify depreciation to Non-federal due to idle facility space of school
		\$ (115,610)	\$ -	To record gain on sale of Breyer School
3. Buildings/Improve (O) Non-Federal Reimbursable	\$ -	\$ 52,162	\$ 52,162	To reclassify depreciation to Non-federal due to idle facility space of school
5. Movable Equipment (C) Ages 6-21	\$ 30,080	\$ (10,865)		To agree depreciation to revised schedule
		\$ (38)		To adjust for depreciation taken on fully depreciated items
		\$ 5,302	\$ 24,479	To record loss on equipment sold with Breyer Building
5. Movable Equipment (E) Facility Based Services	\$ 19,453	\$ (2,146)		To agree depreciation to revised schedule
		\$ (453)	\$ 16,854	To adjust for depreciation taken on fully depreciated assets
5. Movable Equipment (L) Community Residential	\$ 905	\$ (310)		To agree depreciation to revised schedule
		\$ (203)	\$ 392	To adjust for depreciation taken on fully depreciated assets
5. Movable Equipment (N) Service & Support Admin	\$ 6,882	\$ (699)	\$ 5,983	To agree depreciation to revised schedule
5. Movable Equipment (V) Admin	\$ 64,920	\$ 1,270		To add depreciation expenses for 2008 purchase of Powerserver
		\$ (1,184)		To agree depreciation to revised schedule
		\$ (59)	\$ 64,947	To record gain on disposal
Worksheet 2				
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 120,228	\$ 120,228	Non-federal reimbursable expenses misclassified
4. Other Expenses (X) Gen Expense All Prgm.	\$ 1,694,169	\$ 29,826		To agree cost report to detailed support
		\$ 34,192		Purchase of misc equipment (<\$5,000) misclassified
		\$ 2,614		To reclassify operating leases
		\$ (15,987)		To reclassify Misc reimbursements
		\$ (120,228)	\$ 1,624,586	To reclassify Non-federal reimbursable expenses
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 2,658,137	\$ 15,987		To reclassify Misc reimbursements
		\$ 925	\$ 2,675,049	To reclassify Transportation reimbursements
Worksheet 2A				
1. Salaries (C) Ages 6-21	\$ 150,819	\$ (65,984)	\$ 84,835	To reclassify payroll exp not above 1st line supervisor
1. Salaries (D) Unasgn Children Program	\$ 681,260	\$ (80,806)	\$ 600,454	To reclassify payroll exp not above 1st line supervisor
1. Salaries (E) Facility Based Services	\$ 1,295,442	\$ (363,054)	\$ 932,388	To reclassify payroll exp not above 1st line supervisor
1. Salaries (N) Service & Support Admin	\$ 1,179,067	\$ (1,179,067)	\$ -	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (C) Ages 6-21	\$ 46,543	\$ (20,363)	\$ 26,180	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (D) Unasgn Children Program	\$ 210,237	\$ (24,937)	\$ 185,300	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (E) Facility Based Services	\$ 399,773	\$ (112,038)	\$ 287,735	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (N) Service & Support Admin	\$ 648,023	\$ (648,023)	\$ -	To reclassify payroll exp not above 1st line supervisor
3. Service Contracts (C) Ages 6-21	\$ 3,331,514	\$ 105		To agree detailed report to cost report
		\$ (3,105,221)	\$ 226,398	To reclassify Child program expenses
4. Other Expenses (D) Unasgn Children Program	\$ 106	\$ (106)	\$ -	To revise cost report to detailed support
4. Other Expenses (E) Facility Based Services	\$ 190,781	\$ 913		To revise cost report to detailed support
		\$ (91,667)	\$ 100,027	To reclassify RSC payments
4. Other Expenses (N) Service & Support Admin	\$ 97,562	\$ 1,293	\$ 98,855	To agree detailed report to cost report
Worksheet 3				
3. Service Contracts (L) Community Residential	\$ -	\$ 83,333	\$ 83,333	To reclassify residential housing maintenance
4. Other Expenses (D) Unasgn Children Program	\$ 388,735	\$ 1,272		To revise cost report to detailed support
		\$ (10,627)	\$ 379,380	To reclassify Beckman capital project
4. Other Expenses (E) Facility Based Services	\$ 925,262	\$ (1,975)		To revise cost report to detailed support
		\$ (11,300)		To capitalize purchase of heat pump
		\$ (57,150)	\$ 854,837	To reclassify Beckman capital project
4. Other Expenses (V) Admin	\$ 219,440	\$ 2,205	\$ 221,645	To agree detailed report to cost report
Worksheet 5				
1. Salaries (A) Ages 0-2	\$ 1,544,618	\$ 65,984	\$ 1,610,602	To reclassify payroll exp not above 1st line supervisor
1. Salaries (D) Unasgn Children Program	\$ -	\$ 80,806	\$ 80,806	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (A) Ages (0-2)	\$ 476,669	\$ 20,363	\$ 497,032	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (D) Unasgn Children Program	\$ -	\$ 24,937	\$ 24,937	To reclassify payroll exp not above 1st line supervisor
3. Service Contracts (C) Ages (6-21)	\$ 2,129,450	\$ 3,105,221	\$ 5,234,671	To reclassify Child program expenses
3. Service Contracts (L) Community Residential	\$ 8,761,641	\$ 844,653	\$ 9,606,294	To reclassify community residential services
3. Service Contracts (M) Family Support Services	\$ 597,887	\$ 562,754		To reclassify family support services
		\$ 134,235	\$ 1,294,876	To reclassify family support services
4. Other Expenses (A) Ages (0-2)	\$ 80,575	\$ 114,983	\$ 195,558	To reclassify operating leases
4. Other Expenses (C) Ages (6-21)	\$ 63,392	\$ 4,061		To revise cost report to detailed support
		\$ 1,020	\$ 68,473	To reclassify operating leases
4. Other Expenses (D) Unasgn Children Program	\$ 119,054	\$ (855)	\$ 118,199	To revise cost report to detailed support
Worksheet 7-B				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 7,688	\$ 7,688	To reclassify nursing services
13. No. of Individual Served (A) Ages 0-2	-	1,450	1,450	To document correct number of individuals served
13. No. of Individual Served (C) Ages 6-21	279	(45)	234	To document correct number of individuals served
13. No. of Individual Served (E) Facility Based Services	-	1,134	1,134	To document correct number of individuals served
Worksheet 7-C				
13. No. of Individual Served (A) Ages 0-2	-	1,450	1,450	To document correct number of individuals served
13. No. of Individual Served (C) Ages 6-21	279	(45)	234	To document correct number of individuals served
13. No. of Individual Served (E) Facility Based Services	-	1,134	1,134	To document correct number of individuals served
Worksheet 7-D				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 116,463	\$ 116,463	To reclassify psychological services
13. No. of Individual Served (E) Facility Based Services	-	1,134	1,134	To document correct number of individuals served

Appendix A
Hamilton County Board of Developmental Disabilities
2009 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 7-E				
13. No. of Individual Served (A) Ages 0-2	-	1,450	1,450	To document correct number of individuals served
13. No. of Individual Served (C) Ages 6-21	279	(45)	234	To document correct number of individuals served
13. No. of Individual Served (E) Facility Based Services	-	1,134	1,134	To document correct number of individuals served
Worksheet 7-F				
13. No. of Individual Served (A) Ages 0-2	-	1,450	1,450	To document correct number of individuals served
13. No. of Individual Served (C) Ages 6-21	279	(117)	162	To document correct number of individuals served
13. No. of Individual Served (E) Facility Based Services	-	1,134	1,134	To document correct number of individuals served
Worksheet 8				
3. Service Contracts (A) Ages 0-2	\$ -	\$ 7,602	\$ 7,602	To classify 0-2 transportation costs
3. Service Contracts (C) Ages 6-21	\$ 1,491,143	\$ (7,602)		To reclassify 0-2 age transportation costs
3. Service Contracts (E) Facility Based Services	\$ 9,511,832	\$ (13,210)	\$ 1,470,331	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
		\$ (163)		To revise cost report to detailed support
		\$ 57,289		To reclassify transportation costs
		\$ (925)		To reclassify Transportation reimbursements
3. Service Contracts (O) Non-Federal Reimbursable	\$ -	\$ (1,847,629)	\$ 7,720,404	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
		\$ 13,120		To reclassify transportation costs without per unit stats in B-3 to Non-Federal
		\$ 1,847,629	\$ 1,860,749	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 5,498,427	\$ 1,179,067	\$ 6,677,494	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 1,696,814	\$ 648,023	\$ 2,344,837	To reclassify payroll exp not above 1st line supervisor
3. Service Contracts (N) Service & Support Admin. Costs	\$ 134,235	\$ (134,235)	\$ -	To reclassify family support services
4. Other Expenses (N) Service & Support Admin. Costs	\$ 416,529	\$ 1,923		To reclassify Beckman capital project
		\$ 128,632	\$ 547,084	To reclassify operating leases
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 5,543,772	\$ 363,054	\$ 5,906,826	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (E) Facility Based Services	\$ 1,710,808	\$ 112,038	\$ 1,822,846	To reclassify payroll exp not above 1st line supervisor
3. Service Contracts (E) Facility Based Services	\$ 11,189,123	\$ (25,000)		To reclassify COG payment for advertising
		\$ (83,333)		To reclassify residential housing maintenance
		\$ (116,463)		To reclassify psychological services
		\$ (844,653)		To reclassify community residential services
		\$ (7,688)		To reclassify nursing services
		\$ (57,289)		To reclassify transportation costs
		\$ (562,754)		To reclassify family support services
		\$ (59,203)		To reclassify community employment expenses
		\$ (27,204)	\$ 9,405,536	To reclassify enclave expenses
3. Service Contracts (F) Enclave	\$ 321,158	\$ 27,204	\$ 348,362	To reclassify community employment expenses
3. Service Contracts (G) Community Employment	\$ 387,725	\$ 59,203		To reclassify community employment expenses
		\$ 91,667	\$ 538,595	To reclassify RSC payments
4. Other Expenses (E) Facility Based Services	\$ 316,702	\$ 766		To revise cost report to detailed support
		\$ (22,672)	\$ 294,796	To reclassify Beckman capital project
Reconciliation to County Auditor Worksheet Expense:				
Plus: Capital Improvement	\$ 151,140	\$ 90,449	\$ 241,589	To reclassify Beckman capital project
Plus: Leases And Rentals	\$ 247,369	\$ (247,369)	\$ -	To reclassify operating leases
Plus: Purchases Greater Than \$5,000	\$ 318,501	\$ 11,300		To record purchase of heat pump
		\$ (34,192)	\$ 295,609	Purchase of misc equipment (<\$5,000) misclassified
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 25,000	\$ 25,000	To reclassify COG payment for advertising
Plus: Donations	\$ 39,397	\$ (39,397)	\$ -	To revise cost report to detailed support
Less: Capital Costs	\$ (729,505)	\$ (1,270)		To record depreciation exp on 2008 purchase of Power Server
		\$ 59		To record gain on sale of asset
		\$ 453		To adjust for depreciation taken on fully depreciated items
		\$ 203		To adjust for depreciation taken on fully depreciated items
		\$ 15,405		To agree depreciation expense to revised schedule
		\$ 38		To adjust for depreciation taken on fully depreciated items
		\$ (5,302)		To record loss on equipment sold with Breyer Building
		\$ 52,162		To reclassify depreciation to Non-federal due to idle facility space of school
		\$ 115,610	\$ (552,147)	To record gain on sale of Breyer Building
Medicaid Administration Worksheet				
Lines 6 -10 Ancillary Costs	\$ -	\$ 61,416	\$ 61,416	To record ancillary costs per DODD
A-1, Allocation of Costs-Adult Worksheet				
10. Community Employment (B) Less Revenue	\$ -	\$ 91,667	\$ 91,667	To record offset for RSC payments

Appendix B
Hamilton County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
21. Service And Support Admin (D) General	12,870	2,449	15,319	To correct square footage.
Schedule B-1, Section B				
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	23	(1)	22	To correct the number of individuals enclave served
4. 15 Minute Units (C) Supported Emp. -Community Employment	-	15,617	15,617	To report the Community Employment 15 minute units.
Schedule B-3				
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ 179,500	\$ 315,901	\$ 495,401	To add Southwest Regional Transit Assoc Costs to B-3
Schedule B-4				
1. TCM Units (D) 4th Quarter	91,800	(22,890)	68,922	To correctly report TCM Units To reclassify Medicaid units
2. Other SSA Allowable Units (D) 4th Quarter	6,048	(2,314)	3,722	To correctly report TCM Units To reclassify Medicaid units
3. Home Choice Units (D) 4th Quarter	-	622	622	To Correctly report Home Choice Units
5. SSA Unallowable Units (D) 4th Quarter	11,264	(5,630)	5,634	To correctly report TCM Units
Worksheet 1				
3. Buildings/Improve (D) Unasgn Children Programs	\$ 160,417	\$ (160,417)	\$ -	To record gain on sale of Breyer Building 2009
3. Buildings/Improve (E) Facility Based Services	\$ 243,202	\$ 1,017	\$ 244,219	Heat pump addition in 2009 misclassified
5. Movable Equipment (C) Ages 6-21	\$ 17,164	\$ 12,407	\$ 29,571	To agree depreciation to revised schedule
5. Movable Equipment (E) Facility Based Services	\$ 23,035	\$ 5,742	\$ 28,777	To agree depreciation to revised schedule
		\$ 6,902		Addition of van purchased for Jackson 2009
		\$ (93)	\$ 35,586	To adjust for expense taken on fully depreciated item
5. Movable Equipment (L) Community Residential	\$ 392	\$ (284)	\$ 108	To agree depreciation to revised schedule
5. Movable Equipment (V) Admin	\$ 68,166	\$ (12,934)	\$ 55,232	To agree depreciation to revised schedule
		\$ 1,270	\$ 56,502	To add depreciation expenses for 2008 purchase of Powerserver
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 2,341,025	\$ 105,242	\$ 2,446,267	To reclassify ERI accrued benefit payouts
3. Service Contracts (X) Gen Expense All Prgm.	\$ 1,659,841	\$ (1,471)	\$ 1,658,370	To revise cost report to detailed support
		\$ 2,788		To reclassify operating lease expense
		\$ (877,200)	\$ 783,958	To reclassify bonus payments made without documentation of add'l benefit
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 23,909	\$ 23,909	To reclassify non-federal reimbursable expenses
		\$ 877,200	\$ 901,109	To reclassify bonus payments made without documentation of add'l benefit
4. Other Expenses (X) Gen Expense All Prgm.	\$ 1,134,671	\$ 43,882	\$ 1,178,553	To revise cost report to detailed support
		\$ (82,757)		To reclassify misc reimbursements/refunds
		\$ (2,088)		To reclassify nursing expenses
		\$ (46,458)		To reclassify purchase of two vehicles
		\$ (23,909)	\$ 1,023,341	To reclassify non-federal reimbursable expenses
5. COG Expenses (L) Community Residential	\$ -	\$ 398	\$ 398	To match audited COG amounts
5. COG Expense (O) Non-Federal Reimbursable	\$ 10,327	\$ (398)	\$ 9,929	To match audited COG amounts
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 1,137,524	\$ 109	\$ 1,137,633	To revise cost report to detailed support
		\$ 82,757		To reclassify misc reimbursements/refunds
		\$ 344	\$ 1,220,734	To reclassify transportation reimbursements
Worksheet 2A				
1. Salaries (A) Ages 0-2	\$ 297,691	\$ (18,942)	\$ 278,749	To reclassify payroll exp not above 1st line supervisor
1. Salaries (C) Ages 6-21	\$ 166,124	\$ (72,905)	\$ 93,219	To reclassify payroll exp not above 1st line supervisor
		\$ (4,541)	\$ 88,678	To reclassify ERI accrued benefit payouts
1. Salaries (D) Unasgn Children Program	\$ 729,279	\$ (65,601)	\$ 663,678	To reclassify payroll exp not above 1st line supervisor
1. Salaries (E) Facility Based Services	\$ 1,391,202	\$ (390,363)	\$ 1,000,839	To reclassify payroll exp not above 1st line supervisor
1. Salaries (N) Service & Support Admin	\$ 1,010,605	\$ (1,010,605)	\$ -	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (A) Ages 0-2	\$ 93,386	\$ (5,942)	\$ 87,444	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (C) Ages 6-21	\$ 52,113	\$ (22,870)	\$ 29,243	To reclassify payroll exp not above 1st line supervisor
		\$ (29,243)	\$ -	To reclassify ERIP payments without Federal approval to non-federal
2. Employee Benefits (D) Unasgn Children Program	\$ 228,775	\$ (20,579)	\$ 208,196	To reclassify payroll exp not above 1st line supervisor
		\$ (40,338)	\$ 167,858	To reclassify ERIP payments without Federal approval to non-federal
2. Employee Benefits (E) Facility Based Services	\$ 436,420	\$ (122,457)	\$ 313,963	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (N) Service & Support Admin	\$ 681,758	\$ (681,758)	\$ -	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 69,581	\$ 69,581	To reclassify ERIP payments without Federal approval to non-federal
3. Service Contracts (C) Ages 6-21	\$ 1,392,131	\$ (1,127,152)	\$ 264,979	To reclassify Child program expenses
4. Other Expenses (A) Ages 0-2	\$ 19,629	\$ 185	\$ 19,814	To revise cost report to detailed support
4. Other Expenses (E) Facility Based Services	\$ 51,272	\$ (109)	\$ 51,163	To revise cost report to detailed support
4. Other Expenses (N) Service & Support Admin	\$ 176,393	\$ 1,369	\$ 177,762	To revise cost report to detailed support
Worksheet 3				
1. Salaries (N) Service & Support Admin	\$ 191,610	\$ (14,945)	\$ 176,665	To reclassify ERI accrued benefit payouts
2. Employee Benefits (N) Service & Support Admin	\$ 60,108	\$ (14,163)	\$ 45,945	To reclassify ERIP payments without Federal approval to non-federal
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 14,163	\$ 14,163	To reclassify ERIP payments without Federal approval to non-federal
3. Service Contracts (E) Facility Based Services	\$ 2,827	\$ (2,827)	\$ -	To revise cost report to detailed support
4. Other Expenses (A) Ages 0-2	\$ 30,074	\$ 361	\$ 30,435	To revise cost report to detailed support
4. Other Expenses (D) Unasgn Children Program	\$ 376,912	\$ 577	\$ 377,489	To revise cost report to detailed support
4. Other Expenses (E) Facility Based Services	\$ 1,102,971	\$ 1,964	\$ 1,104,935	To revise cost report to detailed support
		\$ (162,302)	\$ 942,633	To reclassify Beckman capital project
4. Other Expenses (L) Community Residential	\$ 72,716	\$ 1,146	\$ 73,862	To revise cost report to detailed support
4. Other Expenses (N) Service & Support Admin	\$ 132,839	\$ (262)	\$ 132,577	To revise cost report to detailed support
4. Other Expenses (V) Admin	\$ 230,277	\$ 3,325	\$ 233,602	To revise cost report to detailed support

Appendix B
Hamilton County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 5				
1. Salaries (A) Ages 0-2	\$ 1,605,997	\$ 73,076	\$ 1,679,073	To reclassify payroll exp not above 1st line supervisor
1. Salaries (C) Ages 6-21	\$ 4,773,048	\$ 18,771	\$ 4,791,819	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (38,808)	\$ (38,808)	To reclassify ERI accrued benefit payouts
1. Salaries (D) Unasn Children Program	\$ -	\$ 65,601	\$ 65,601	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (A) Ages (0-2)	\$ 503,801	\$ 22,924	\$ 526,725	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (C) Ages (6-21)	\$ 1,497,305	\$ 5,888	\$ 1,503,193	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (78,705)	\$ (78,705)	To reclassify ERI payments without Federal approval to non-federal
2. Employee Benefits (D) Unasn Children Program	\$ -	\$ 20,579	\$ 20,579	To reclassify payroll exp not above 1st line supervisor
2. Employee Benefits (O) Non-Federal Reimbursable	\$ 155,660	\$ 78,705	\$ 234,365	To reclassify ERI payments without Federal approval to non-federal
3. Service Contracts (A) Ages (0-2)	\$ 613,023	\$ 145,811	\$ 758,834	To reclassify operating lease expense
3. Service Contracts (C) Ages (6-21)	\$ 2,176,142	\$ 1,127,152	\$ 3,303,294	To reclassify child program expense
3. Service Contracts (M) Family Support Services	\$ 598,874	\$ 883,225	\$ 1,482,099	To reclassify family support services
	\$ -	\$ 151,500	\$ 151,500	To reclassify family support services
4. Other Expenses (A) Ages (0-2)	\$ 110,137	\$ 199	\$ 110,336	To revise cost report to detailed support
4. Other Expenses (C) Ages (6-21)	\$ 70,888	\$ 6,603	\$ 77,491	To revise cost report to detailed support
4. Other Expenses (D) Unasn Children Program	\$ 64,513	\$ 1,489	\$ 66,002	To revise cost report to detailed support
Worksheet 7-B				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 17,123	\$ 17,123	To reclassify nursing expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ -	\$ 2,088	\$ 2,088	To reclassify nursing expenses
13. No. of Individual Served (C) Ages 6-21	241	(21)	220	To document correct number of individuals served
Worksheet 7-C				
13. No. of Individual Served (C) Ages 6-21	241	(21)	220	To document correct number of individuals served
Worksheet 7-D				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 129,613	\$ 129,613	To reclassify psychological service expenses
3. Service Contracts (L) Community Residential	\$ 450	\$ 3,750	\$ 4,200	To reclassify psychological services
Worksheet 7-E				
13. No. of Individual Served (C) Ages 6-21	241	(31)	210	To document correct number of individuals served
Worksheet 7-F				
3. Service Contracts (E) Facility Based Services	\$ -	\$ 3,702	\$ 3,702	To reclassify physical therapy expenses
13. No. of Individual Served (C) Ages 6-21	241	(87)	154	To document correct number of individuals served
Worksheet 8				
3. Service Contracts (A) Ages 0-2	\$ -	\$ 3,822	\$ 3,822	To classify 0-2 transportation costs
3. Service Contracts (C) Ages 6-21	\$ 1,387,147	\$ (3,822)	\$ 1,383,325	To reclassify 0-2 age transportation costs
	\$ -	\$ (51,915)	\$ (51,915)	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
3. Service Contracts (E) Facility Based Services	\$ 9,626,170	\$ 11,639	\$ 9,637,809	To reclassify transportation expenses
	\$ -	\$ (344)	\$ (344)	To reclassify transportation reimbursement
	\$ -	\$ (667)	\$ (667)	To reclassify bonus payments made with stimulus money
	\$ -	\$ (1,733,297)	\$ (1,733,297)	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
3. Service Contracts (G) Community Employment	\$ -	\$ 1,642	\$ 1,642	To reclassify transportation expenses
3. Service Contracts (O) Non-Federal Reimbursable	\$ -	\$ 667	\$ 667	To reclassify bonus payments made with stimulus money
	\$ -	\$ 51,915	\$ 51,915	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
	\$ -	\$ 1,733,297	\$ 1,733,297	To reclassify transportation costs without per unit stats in B-3 to Non-Federal
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 5,572,921	\$ 1,010,605	\$ 6,583,526	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (40,266)	\$ (40,266)	To reclassify ERI accrued benefit payouts to WK 2
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 68,627	\$ 68,627	To reclassify ERI payments without Federal approval to non-federal
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 1,877,842	\$ 681,758	\$ 2,559,600	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (68,627)	\$ (68,627)	To reclassify ERI payments without Federal approval to non-federal
3. Service Contracts (N) Service & Support Admin. Costs	\$ 222,893	\$ 136,910	\$ 359,803	To reclassify operating lease expense
	\$ -	\$ (151,500)	\$ (151,500)	To reclassify family support service expense
4. Other Expenses (N) Service & Support Admin. Costs	\$ 335,231	\$ 3,660	\$ 338,891	To revise cost report to detailed support
	\$ -	\$ (3,750)	\$ (3,750)	To reclassify psychological expenses
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 5,656,914	\$ 390,363	\$ 6,047,277	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (6,684)	\$ (6,684)	To reclassify ERI accrued benefit payouts
2. Employee Benefits (E) Facility Based Services	\$ 1,774,574	\$ 122,457	\$ 1,897,031	To reclassify payroll exp not above 1st line supervisor
	\$ -	\$ (38,371)	\$ (38,371)	To reclassify ERI payments without Federal approval to non-federal
3. Service Contracts (E) Facility Based Services	\$ 10,089,125	\$ (129,613)	\$ 9,959,512	To reclassify psychological service expenses
	\$ -	\$ (17,123)	\$ (17,123)	To reclassify nursing expenses
	\$ -	\$ (3,702)	\$ (3,702)	To reclassify physical therapy expenses
	\$ -	\$ (11,639)	\$ (11,639)	To reclassify transportation expenses
	\$ -	\$ (883,225)	\$ (883,225)	To reclassify family support services
	\$ -	\$ 136	\$ 136	To reclassify operating lease expense
	\$ -	\$ (9,333)	\$ (9,333)	To reclassify bonus paid with stimulus funds
3. Service Contracts (G) Community Employment	\$ 376,820	\$ (1,642)	\$ 375,178	To reclassify transportation expenses
4. Other Expenses (E) Facility Based Services	\$ 241,523	\$ 1,076	\$ 242,599	To revise cost report to detailed support
	\$ -	\$ (6,448)	\$ (6,448)	To reclassify Beckman Capital Project
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 9,333	\$ 9,333	To reclassify bonus paid with stimulus funds
	\$ -	\$ 38,371	\$ 38,371	To reclassify ERI payments without Federal approval to non-federal
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Capital Improvement	\$ 12,902	\$ 168,750	\$ 181,652	To reclassify Beckman capital project
Plus: Leases And Rentals	\$ 285,645	\$ (285,645)	\$ -	To reclassify operating leases
Plus: Purchases Greater Than \$5,000	\$ 111,385	\$ 46,458	\$ 157,843	To reclassify purchase of two vehicles
Plus: Donations	\$ 58,023	\$ (58,023)	\$ -	To revise cost report to detailed support
Less: Capital Costs	\$ (735,840)	\$ (4,931)	\$ (740,771)	To agree depreciation to revised schedule
	\$ -	\$ 93	\$ 93	To adjust for expense taken on fully depreciated item
	\$ -	\$ (1,270)	\$ (1,270)	To record depreciation exp on 2008 purchase of Power Server
	\$ -	\$ (1,017)	\$ (1,017)	Heat pump addition in 2009 misclassified
	\$ -	\$ (6,902)	\$ (6,902)	Addition of van purchased for Jackson 2009
	\$ -	\$ 160,417	\$ 160,417	To record gain of sale of Breyer Building in 2001
Revenue:				
Plus: Transfer In - Cash Advance	\$ -	\$ 1,749,031	\$ 1,749,031	To report Cash Advance correctly.
Total from 12/31 County Auditor's Report	\$ 109,009,907	\$ 1,749,031	\$ 110,758,938	To report the correct County Auditor Total
Medicaid Administration Worksheet				
Lines 6 -10 Ancillary Costs	\$ -	\$ 91,475	\$ 91,475	To record ancillary costs per DODD

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Dave Yost • Auditor of State

HAMILTON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 8, 2012**