



Dave Yost • Auditor of State



# HANCOCK 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, 13<sup>th</sup> 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 Hancock County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2010 and 2011 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2010 and 2011 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*) and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with 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.

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

### **Statistics – Square Footage**

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

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

We also compared 2010 and 2011 square footage totals to final 2009 square footage totals and discussed square footage changes with the County Board and noted significant changes have occurred and we performed the procedures below.

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

We measured three rooms and compared the square footage to the County Board's square footage summary.

We found no square footage variances for rooms that were measured exceeding 10 percent.

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

We compared square footage for each room on the floor plan for the Industries building to the County Board's summary for 2010 and the floor plan for the School building to the County Board's summary for each year.

We found no variances.

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

We compared the County Board's square footage summary to the square footage reported for each cell in *Schedule B-1, Section A, Square Footage*.

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

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

We found one inconsistency between the County Board's methodology and the Cost Report Guide as square footage should be allocated for the MAC Coordinator and Assistant Coordinator.

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

### **Statistics – Attendance**

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

We determined that there were no individuals served or units of service omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which resulted in unassigned program or general expenses-all program costs.

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

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

We found no differences.

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

We compared the County Board's Attendance Summary by Program and Acuity reports for the number of individuals served, days of attendance, with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and 15 minute Community Employment units 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 exceeding two percent in 2010. We found variances exceeding two percent in 2011 for Adult Day Services.

The County Board stated it does not track Community Employment services and was not able to provide supporting documentation for Community Employment services provided in 2010 and 2011. Therefore, without supporting documentation, corresponding costs reported on *Worksheet 10, Adult Program* in 2010 and 2011 could not be supported as required under 2 CFR Part 225, Appendix A, Sections (C)(1)(j) and (C)(3)(a). See also procedure 5 in Revenue Cost Reporting and Reconciliation to the County Auditor Report Section for adjustment to offset expenses reimbursed by the Ohio Rehabilitation Services Commission.

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

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

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

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

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

We haphazardly selected 15 Enclave individual names from the County Board's attendance sheets for 2010 and 15 names for 2011, 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*.

We found no differences.

6. DODD requested us to report variances to *Schedule B-1, Section B, Attendance Statistics* if more than three of the 15 minute community employment units tested were not calculated in accordance with the Cost Report Guides.

We did not perform this procedure because the County Board does not track Community Employment services (see procedure 3 above).

### Acuity Testing

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

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

We found no variances in 2008.

We found 2,717 Adult Day Services attendance days and 838 Enclave attendance days that should be added to the acuity level A for 2009. We reported these differences on the Days of Attendance by Acuity supplemental Cost Report worksheet for 2009 submitted to DODD.

We found no variances in 2010 and 2011.

2. We also compared two individuals from each acuity level on the County Board's 2008, 2009, 2010 and 2011 Attendance Summary by Program and Acuity reports to the Acuity Assessment Instrument for each individual for 2008 and 2009, 2010, and 2011.

For 2008, we found 230 days of Adult Day Services Days of Attendance for one individual that should be reclassified from Acuity level B to A and 26 days of Adult Day Services Days of Attendance for one individual that should be reclassified from Acuity level A to B.

For 2009, we found 370 days of Adult Day Services Days of Attendance for two individuals that should be reclassified from Acuity level A to B.

We found no errors in 2010.

For 2011, we found nine Enclave attendance days for one individual that should be reclassified to the Acuity level C to A.

We reported these differences on the Days of Attendance by Acuity supplemental Cost Report worksheet for 2008, 2009 and 2011 submitted to DODD.

### Statistics – Transportation

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

We compared the number of one-way trips from the County Board's Print Transportation by Age Group reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services*. We also footed the County Board's transportation reports for accuracy.



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

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

We traced the number of trips for four adult individuals and one child for June and July 2010 and July and September for 2011 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 Services*.

We did not perform this procedure as the County Board did not report the cost of bus tokens/cabs on *Schedule B-3* for 2010 and 2011. However, we did review the County Board's State Expenses Detailed reports for any of these costs not identified by the County Board (see procedures and results in the Non-Payroll Expenditures and Reconciliation to the County Audit Report Section). We found no unreported costs of bus tokens/cabs.

#### **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 Summary and quarterly SSA 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 Summary quarterly SSA reports for accuracy.

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

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

We haphazardly selected two samples of 60 Other SSA Allowable units for both 2010 and 2011 from the quarterly Non-Billable Unit 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).

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

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

We haphazardly selected a sample of 60 Unallowable SSA service units for both 2010 and 2011 from the quarterly Non-Billable Unit 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).

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

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

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

The final Other SSA Allowable units decreased by more than five percent from the prior year's *Schedule B-4* in 2010 and final SSA Unallowable units decreased by more than five percent between 2010 and 2011 and we obtained the County Board's explanation that staff training and education and an increase in level one waivers occurred during the time periods and these resulted in the decrease in Other SSA Allowable and Unallowable units. We reported no variances in Appendix A (2010) and Appendix B (2011).

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

We did not perform this procedure because the County Board stated it did not track general time units.

#### **Revenue Cost Reporting and Reconciliation to the County Auditor Report**

1. We compared the receipt totals from the 12/31/2010 and 12/31/2011 County Auditor's Revenue report for the (2016) Developmental Disability, (2040) Blanchard Valley School Donations, (2055) Community Residential, (2090) Family Resource Services, and (4149) Capital Improvement funds to the County Auditor's Report totals reported on the *Reconciliation to County Auditor Worksheets*.

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

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

Total County Board receipts were within 1/4 percent of the County Auditor's yearly receipt totals reported for these funds in 2010. However, total County Board receipts were not within 1/4 percent of the County Auditor's yearly receipt totals reported for these funds in 2011 as receipts in the County Auditor's report exceeded the County Board's receipts by \$306,570 and we reported differences in Appendix B (2011). See also procedure 1 above.

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

We did not perform this procedure since the total County Board receipts were within 1/4 percent of the County Auditor's yearly receipt totals for 2010 and in 2011, after the corresponding adjustment described in procedure 2 above was made.

4. DODD requested that we compare revenue entries on *Schedule C, Income Report* to the Council of Government (COG) prepared County Board Summary Workbook.

We did not perform this procedure because the County Board did not participate in a COG in 2010 or 2011.

5. We reviewed the County Board's State Account Code 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, reimbursements and other income in the amount of \$51,227 in 2010 and \$28,732 in 2011;
- IDEA Part B revenues in the amount of \$88,695 in 2010 and \$29,482 in 2011;
- IDEA Early Childhood Special Education revenues in the amount of \$11,689 in 2010 and \$10,275 in 2011;
- Workers' Compensation refunds in the amount of \$5,038 in 2010 and \$8,067 in 2011;
- Title XX revenues in the amount of \$62,763 in 2010 and \$52,291 in 2011;
- Freed-Up grant in the amount of \$21,836 in 2010;
- Payroll reimbursements in the amount of \$49,871 in 2010;
- Student reimbursements in the amount of \$25,615 in 2011;
- Insurance reimbursements on the amount of \$7,638 in 2010 and \$19,972 in 2011; and
- Utility reimbursements in the amount of \$20,677 in 2010 and \$27,954 in 2011.

We also noted Ohio Rehabilitation Services Commission (Pathways/Transition to Work Grants) revenues in the amount of \$296,441 in 2011; however, corresponding expenses were offset on *Schedule A1, Adult Program Worksheet* as reported in Appendix A (2010) and Appendix B (2011).

### **Paid Claims Testing**

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

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

- Signature of the person delivering the service or initials of the person delivering the service if the signature and corresponding initials are on file with the provider;
- Type of service (for homemaker/personal care, type must include if routine, on-site/on-call, or level one emergency);
- Number of units of the delivered service or continuous amount of uninterrupted time during which the service was provided; and
- Arrival and departure times of the provider of service's site visit to the recipient's location or of the recipient's visit to the provider of service's location.<sup>1</sup>

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

**Recoverable Finding - 2010**

**Finding \$8,180.42**

We found six paid claims for Non-Medical Transportation-Per Trip-Eligible Vehicle - IO waiver (ATB) and Level 1 Waiver (FTB) trips in which the claims included two or more field trips. We reviewed the 2010 MBS claims data and identified where the County Board was reimbursed for 273 ATB and 244 FTB field trips which are covered under the County Board's reimbursement of Adult Day Support services already reimbursed on those service days in accordance with Ohio Admin. Code § 5123:2-9-18 (B)(9)(a). The County Board responded that any non-Enclave individuals should have only been billed for two trips per day.

We also removed field trips units from *Schedule B-3, Quarterly Summary of Transportation Services* in accordance with the Cost Report Guidelines as part the differences noted under Statistics – Transportation Section, procedure 1.

We also determined the County Board was over reimbursed for 19 units of Targeted Case Management – 15 minute (TCM) due to lack of supporting documentation.

Service Code	Units	Review Results	Total Finding
ATB	273	Billed in error for field trips	\$4,610.62
FTB	244	Billed in error for field trips	\$3,427.69
TCM	19	Lack of supporting documentation	\$142.11
		TOTAL	<b>\$8,180.42</b>

**Recoverable Finding - 2011**

**Finding \$17,160.94**

We found seven paid claims for Non-Medical Transportation-Per Trip-Eligible Vehicle - IO waiver (ATB) and Level 1 Waiver (FTB) trips in which the claims included two or more field trips. We reviewed the 2011 MBS claims data and identified where the County Board was reimbursed for 416 ATB and 897 FTB field trips which are covered under the County Board's reimbursement of Adult Day Support services already reimbursed on those service days in accordance with Ohio

<sup>1</sup> 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).

Admin. Code § 5123:2-9-18 (B)(9)(a). The County Board responded that any non-Enclave individuals should have only been billed for two trips per day.

We also removed field trips units from *Schedule B-3, Quarterly Summary of Transportation Services* in accordance with the Cost Report Guidelines as part the differences noted under Statistics – Transportation Section, procedure 1.

We also determined the County Board was over reimbursed for 30 units of Targeted Case Management – 15 minute (TCM) due to lack of supporting documentation.

Service Code	Units	Review Results	Total Finding
ATB	416	Billed in error for field trips	\$5,479.75
FTB	897	Billed in error for field trips	\$11,383.28
TCM	30	Lack of supporting documentation	\$297.91
		TOTAL	<b>\$17,160.94</b>

**Recommendation:**

The County Board should develop procedures to ensure that claims for transportation services are submitted in compliance with Ohio Admin. Code § 5123:2-9-18 (B)(9)(a) which states in pertinent part, "Billing for the provision of non-medical transportation is limited to those times when an individual is transported to, from, and/or between sites where adult day support, vocational habilitation, supported employment-enclave, and/or supported employment-community waiver services are provided to the individual."

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 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*.

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* by two percent.

We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Lines (20), Environmental Accessibility Adaptations to Line (25), Other Waiver Services to the amount reimbursed for these services in 2010 and 2011 on the MBS Summary by Service Code reports.

We found no differences as the County Board did not report costs on *Schedule A, Summary of Service Costs - By Program*, for Lines (20) to Line (25). We also reviewed the MBS Summary by Service Code report and found the County Board did not get reimbursed for these services in 2010 and 2011.

### **Non-Payroll Expenditures and Reconciliation to the County Auditor Report**

1. We compared the disbursement totals from the 12/31/2010 and 12/31/2011 County Auditor's Report listed on the *Reconciliation to County Auditor Worksheets* to the County Auditor's Expense report balances for the (2016) Developmental Disability, (2040) Blanchard Valley School Donations, (2055) Community Residential, (2090) Family Resource Services and (4149) Capital Improvement funds.

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

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

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

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

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

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

We compared all service contract and other expenses entries on worksheets 2 through 10 to the County Board's State Expenses Summary reports.

We found no differences exceeding \$100 on any worksheet in 2010 or 2011.

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

We did not perform this procedure as the County Board did not participate in a COG in 2010 or 2011.

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

We scanned the County Board's State Expenses Detailed reports for service contracts and other expenses in the following columns and worksheets: column X-General Expense-all Programs on worksheets 2 through 8; column N-Service and Support Administration Costs on worksheet 9; and columns E-Facility Based Services, F-Enclave, and G-Community Employment and H-unassigned on worksheet 10 and reviewed documentation to identify disbursements not classified as

prescribed by the Cost Report Guides or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

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

Please note the reclassifications as reported in Appendix A (2010) and Appendix B (2011) of \$147,694 in Early Retirement Incentive Payments from worksheets 5, 7E, 8 and 10 in 2010 and \$22,588 in Early Retirement Incentive Payments from worksheet 2 in 2011 to non-federal reimbursable as the County Board did not obtain the required approval per 2 CFR 225 Appendix B (8)(g)(3).

7. We scanned the County Board's State Expenses Detailed reports for items purchased during 2010 and 2011 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Depreciation Schedule.

We reported differences for 2010 purchases to record their first year's depreciation in Appendix B (2011).

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

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

### **Property, Depreciation, and Asset Verification Testing**

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

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

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

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

3. DODD asked us to compare the depreciation costs reported in the County Board's Depreciation 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 Schedule.

We found differences exceeding \$100 as reported in Appendix A (2010) and Appendix B (2011).

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

We reported differences for purchases that were not properly capitalized in Appendix A (2010) and Appendix B (2011).

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

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

6. We selected three disposed assets from 2010 and 2011 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. We also recalculated depreciation and any gain or loss applicable to 2010 and 2011, for the disposed items based on its un-depreciated 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.

While the County Board reported no disposed assets, we scanned the County Board's revenue reports and found revenues related to the disposal of assets. The County Board then identified the assets related to these disposals. We selected all of the identified assets for testing.

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

### **Payroll Testing**

1. DODD asked us to determine whether total County Board salaries and benefits in the 2010 and 2011 Cost Reports were within two percent of the County Auditor's Expense report totals for the (2016) Developmental Disabilities fund.

We totaled salaries and benefits from worksheets 2 through 10 from the 2010 and 2011 Cost Reports and compared the yearly totals to the County Auditor's Expense reports.

The variance was less than two percent for 2010. We found differences exceeding two percent due to Medicaid Administrative Claiming (MAC) salaries; see also MAC section, procedure 2.

2. DODD asked us to compare the County Board 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 State Expenses Summary Reports.

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



3. We selected 40 employees and compared the County Board's organizational chart 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 from these procedures in Appendix A (2010) and Appendix B (2011) and because misclassification errors exceeded 10 percent of the sample size we performed procedure 4 below.

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

We scanned the County Board's State Expenses Summary Reports for 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 (2010). We found no differences in 2011.

#### **Medicaid Administrative Claiming (MAC)**

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

We compared the salary and benefits entered on the Individual MAC Costs by Code report to the County Board's State Expenses Summary Reports.

We found no variance exceeding one percent.

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

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

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

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

4. We selected 16 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 and 12 RMTS observed moments from the third quarter of 2011 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the County Board employees' activity for each observed moment was maintained and the observed moment was properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2010 and 2011.

We found five RMTS observed moments for Activity Code 1-Direct Care; one RMTS observed moment for Activity code 6-Facilitating Eligibility for Non-Medicaid Programs; one RMTS observed

moment for Activity Code 8-Referral, Coordination and Monitoring of Non-Medicaid Services; one RMTS observed moment for Activity Code 17-Major Unusual Incidents and Unusual Incidents; two RMTS observed moments for Activity Code 18-General Administration; and 2 RMTS moments that were incomplete that lacked supporting documentation in 2010.

We found one RMTS observed moments for Activity Code 1-Direct Care; one RMTS observed moment for Activity code 7-Referral, Coordination and Monitoring of Medicaid Services; two RMTS observed moments for Activity Code 11-Program Planning, Development and Interagency Coordination of Medicaid Services; and one RMTS observed moments for Activity Code 12-Program Planning, Development and Interagency Coordination of Non-Medicaid Services that lacked supporting documentation in 2011.

We have reported these instances of non-compliance to DODD. DODD is currently working with the Ohio Department of Medicaid to determine an acceptable methodology to calculate the findings for recovery.

**Recommendation:**

The RMTS program is subject to federal monitoring and is under the oversight of the Ohio Department of Medicaid. A failure to follow established rules may result in unsubstantiated activities and monetary findings against the County Board.

We recommend the County Board maintain documentation for RMTS observed moments in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the RMTS Methodology. 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."

We did not receive a response from 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.

Hancock County Board of Developmental Disabilities  
Independent Auditor's Report on  
Applying Agreed-Upon Procedures  
Page 15

Sincerely,

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

**Dave Yost**  
Auditor of State

January 31, 2014

cc: Connie Ament, Superintendent, Hancock County Board of Developmental Disabilities  
Greg Wehr, Business Manager, Hancock County Board of Developmental Disabilities  
Dr. Kathleen Crates, Board President, Hancock County Board of Developmental Disabilities

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Schedule B-1, Section A</b>				
2. Dietary Services (B) Adult	1,327	(1,327)	0	To reclassify to facility based
5. Speech/Audiology (B) Adult	118	(118)	0	To reclassify to facility based
7. Occupational Therapy (B) Adult	118	(118)	0	To reclassify to facility based
8. Physical Therapy (B) Adult	118	(118)	0	To reclassify to facility based
12. 3-5 Age Children (C) Child	3,496	550	4,046	To reclassify EI
14. Facility Based Services (B) Adult	12,842	3,647	16,489	To reclassify to school age
15. Supported Emp. -Enclave (B) Adult	0	7	7	To record square footage
16. Supported Emp. -Comm Emp. (B) Adult	0	13	13	To record square footage
17. Medicaid Administration (A) MAC	0	3	3	To record square footage
20. Family Support Services (D) General	0	6	6	To record square footage
22. Program Supervision (B) Adult	367	(212)	155	To reclassify to square footage
22. Program Supervision (C) Child	379	(379)	0	To reclassify to square footage
23. Administration (D) General	0	2,270	2,270	To record square footage
24. Transportation (D) General	0	3,651	3,651	To record square footage
25. Non-Reimbursable (B) Adult	0	195	195	To record square footage
<b>Schedule B-3</b>				
3. Children 6-21 (C) One Way Trips- Second Quarter	2,585	(2,375)	210	To report correct number of one-way trips
3. Children 6-21 (E) One Way Trips- Third Quarter	2,024	(2,024)	0	To report correct number of one-way trips
3. Children 6-21 (G) One Way Trips- Fourth Quarter	2,195	(2,195)	0	To report correct number of one-way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	6,924	3,594	10,518	To report correct number of one-way trips
6. Supported Emp. -Enclave (G) One Way Trips- Fourth Quarter	0	1,660	1,660	To report correct number of one-way trips
<b>Schedule B-4</b>				
1. TCM Units (D) 4th Quarter	7,937	5	7,942	To correctly report SSA units
2. Other SSA Allowable Units (D) 4th Quarter	0	1,450	1,450	To correctly report SSA units
		(6)	1,444	To correctly report SSA units
5. SSA Unallowable Units (D) 4th Quarter	1,630	(1,450)	179	To correctly report SSA units
		6		To correctly report SSA units
		(7)		To correctly report SSA units
<b>Worksheet 1</b>				
2. Land Improvements (V) Admin	\$ 9,282	\$ (9,282)	\$ -	To agree with compiled report
3. Buildings/Improve (V) Admin	\$ -	\$ 9,282	\$ 9,282	To agree with compiled report
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 4,621	\$ 1,603	\$ 6,224	To record depreciation error from prior audit
4. Fixtures (K) Co. Board Operated	\$ 15,264	\$ 675	\$ 15,939	To correct asset useful life
5. Movable Equipment (K) Co. Board Operated ICF/MR	\$ 1,254	\$ 495	\$ 1,749	To record depreciation from prior audit
5. Movable Equipment (U) Transportation	\$ 11,325	\$ 1,688	\$ 13,013	To record the loss on the disposal of assets

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Worksheet 2</b>				
1. Salaries (X) Gen Expense All Prgm.	\$ 183,702	\$ 48,149		To reclassify S. Harper payroll
		\$ 24,885	\$ 256,736	To reclassify S. Wysocki payroll
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 83,938	\$ 36,692		To reclassify S. Harper payroll
		\$ 1,160		To reclassify benefit expenses
		\$ 3,858	\$ 125,648	To reclassify S. Wysocki benefits
3. Service Contracts (X) Gen Expense All Prgm.	\$ 210,500	\$ (442)		To reclassify non-federal reimbursable
		\$ (4,047)	\$ 206,011	To reclassify expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 442		To reclassify expenses
		\$ 19,108		To reclassify non-federal reimbursable expenses
		\$ 4,047	\$ 23,597	To reclassify expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 169,207	\$ (21,702)	\$ 147,505	To reclassify expenses
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ -	\$ 112,631		To record auditor/treasurer fees
		\$ 1,434		To record fees
		\$ 49,486	\$ 163,551	To record DODD admin fees
<b>Worksheet 2A</b>				
1. Salaries (D) Unasgn Children Program	\$ 94,683	\$ (65,500)		To reclassify S. Guyton payroll
		\$ (29,183)	\$ -	To reclassify S. Spencer payroll
1. Salaries (E) Facility Based Services	\$ 54,330	\$ (54,330)	\$ -	To reclassify S. Kayser payroll
1. Salaries (K) Co. Operated ICF/MR	\$ 109,147	\$ (24,885)	\$ 84,262	To reclassify S. Wysocki payroll
1. Salaries (U) Transportation	\$ 15,658	\$ (18,456)		To reclassify E. Farsons
		\$ 2,798	\$ -	To reclassify error of MAC adjustment of J. Ferguson
2. Employee Benefits (D) Unasgn Children Program	\$ 35,253	\$ (23,015)		To reclassify S. Guyton payroll
		\$ (10,201)	\$ 2,037	To reclassify S. Spencer payroll
2. Employee Benefits (E) Facility Based Services	\$ 24,706	\$ (23,536)	\$ 1,170	To reclassify S. Kayser payroll
2. Employee Benefits (K) Co. Operated ICF/MR	\$ 49,608	\$ (3,858)	\$ 45,750	To reclassify S. Wysocki benefits
2. Employee Benefits (U) Transportation	\$ 5,294	\$ (3,046)	\$ 2,248	To reclassify E. Farsons
<b>Worksheet 3</b>				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 203,311	\$ 4,993	\$ 208,304	To reclassify purchase < \$5,000

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Worksheet 5</b>				
1. Salaries (A) Ages 0-2	\$ 40,291	\$ 21,615		To reclassify S. Gutyon
		\$ 9,630	\$ 71,536	To reclassify S. Spencer
1. Salaries (B) Ages 3-5	\$ 174,035	\$ 21,615		To reclassify S. Gutyon
		\$ 9,630	\$ 205,280	To reclassify S. Spencer
1. Salaries (C) Ages 6-21	\$ 194,065	\$ 22,270		To reclassify S. Gutyon
		\$ 9,922	\$ 226,257	To reclassify S. Spencer
1. Salaries (D) Unasgn Children Program	\$ 45,541	\$ (6,583)	\$ 38,958	To reclassify benefit expenses
2. Employee Benefits (A) Ages (0-2)	\$ 36,866	\$ (13,974)		To reclassify ERIP
		\$ 7,595		To reclassify S. Gutyon
		\$ 3,366		To reclassify S. Spencer
		\$ 375	\$ 34,228	To reclassify K. Wymer tuition reimbursement
2. Employee Benefits (B) Ages (3-5)	\$ 86,630	\$ (6,381)		To reclassify ERIP
		\$ 7,595		To reclassify S. Gutyon
		\$ 3,366		To reclassify S. Spencer
		\$ 800	\$ 92,010	To reclassify benefit expenses
2. Employee Benefits (C) Ages (6-21)	\$ 181,077	\$ (76,388)		To reclassify ERIP
		\$ 7,825		To reclassify S. Gutyon
		\$ 3,468		To reclassify S. Spencer
		\$ 775	\$ 116,757	To reclassify benefit expenses
2. Employee Benefits (D) Unasgn Children Program	\$ -	\$ 6,583	\$ 6,583	To reclassify benefit expenses
2. Employee Benefits (K) Co. Board Operated ICF/MR	\$ 672,493	\$ (36,042)		To reclassify ERIP
		\$ 200	\$ 636,651	To reclassify benefit expenses
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 132,785	\$ 132,785	To reclassify ERIP
3. Service Contracts (O) Non-Federal Reimbursable	\$ -	\$ 42,676	\$ 42,676	To reclassify MUI expenses
4. Other Expenses (A) Ages (0-2)	\$ 5,303	\$ (375)	\$ 4,928	To reclassify K. Wymer tuition reimbursement
4. Other Expenses (B) Ages (3-5)	\$ 5,962	\$ (800)		To reclassify benefit expenses
		\$ (30)	\$ 5,132	To reclassify non-federal reimbursable expenses
4. Other Expenses (C) Ages (6-21)	\$ 19,776	\$ (775)	\$ 19,001	To reclassify benefit expenses
4. Other Expenses (K) Co. Board Operated ICF/MR	\$ 259,380	\$ (200)	\$ 259,180	To reclassify benefit expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 30	\$ 30	To reclassify non-federal reimbursable expenses
<b>Worksheet 7-C</b>				
1. Salaries (C) Ages 6-21	\$10,481	(\$10,481)	\$0	To reclassify M Estlack
1. Salaries (D) Unasgn Children Program	\$0	\$10,481	\$10,481	To reclassify M Estlack
2. Employee Benefits (C) Ages 6-21	\$ 2,336	\$ (2,111)	\$ 225	To reclassify M Estlack
2. Employee Benefits (D) Unasgn Children Program	\$ -	\$ 2,111	\$ 2,111	To reclassify M Estlack
<b>Worksheet 7-E</b>				
2. Employee Benefits (A) Ages 0-2	\$ 20,778	\$ (5,877)	\$ 14,901	To reclassify ERIP
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 5,877	\$ 5,877	To reclassify ERIP
3. Service Contracts (A) Ages 0-2	\$ 9,900	\$ (2,668)	\$ 7,232	To reclassify ICF expenses
3. Service Contracts (K) Co. Board Operated ICF/MR	\$ 31,644	\$ 2,668	\$ 34,312	To reclassify ICF expenses
4. Other Expenses (E) Facility Based Services	\$ 7,252	\$ (5,202)	\$ 2,050	To reclassify purchases > \$5,000

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

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
<b>Worksheet 8</b>						
1. Salaries (X) Gen Expense All Prgm.	\$ 406,992	\$	18,456	\$	422,650	To reclassify E. Farsons
			(2,798)			To reclassify error of MAC adjustment of J. Ferguson
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$	4,571	\$	4,571	To reclassify ERIP
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 218,298	\$	(4,571)			To reclassify ERIP
		\$	3,046	\$	216,773	To reclassify E. Farsons
<b>Worksheet 9</b>						
1. Salaries (N) Service & Support Admin. Costs	\$ 495,648	\$	(48,149)	\$	447,499	To reclassify S. Harper payroll
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 236,325	\$	(36,692)	\$	199,633	To reclassify S. Harper payroll
3. Service Contracts (N) Service & Support Admin. Costs	\$ 93,461	\$	(42,676)	\$	50,785	To reclassify MUI expenses
<b>Worksheet 10</b>						
1. Salaries (E) Facility Based Services	\$ 639,219	\$	(28,891)			To reclassify D. Webb payroll
		\$	54,330	\$	664,658	To reclassify S. Kayser payroll
1. Salaries (G) Community Employment	\$ 23,489	\$	(14,695)	\$	8,794	To reclassify Community Employment costs to NFR
1. Salaries (H) Unasgn Adult Program	\$ -	\$	28,891	\$	28,891	To reclassify D. Webb payroll
2. Employee Benefits (E) Facility Based Services	\$ 336,017	\$	(4,460)			To reclassify ERIP
		\$	(9,789)			To reclassify D. Webb payroll
		\$	23,536			To reclassify S. Kayser
		\$	1,200			To reclassify benefit expenses
		\$	1,037	\$	347,541	To reclassify benefit expenses
2. Employee Benefits (F) Enclave	\$ 24,297	\$	(1,037)	\$	23,260	To reclassify benefit expenses
2. Employee Benefits (G) Community Employment	\$ 18,360	\$	(11,485)	\$	6,875	To reclassify Community Employment costs to NFR
2. Employee Benefits (H) Unasgn Adult Program	\$ -	\$	9,789	\$	9,789	To reclassify D. Webb payroll
3. Service Contracts (E) Facility Based Services	\$ 42,031	\$	(1,739)	\$	40,292	To reclassify non-federal reimbursable expenses
3. Service Contracts (G) Community Employment	\$ 6,180	\$	(3,866)	\$	2,314	To reclassify Community Employment costs to NFR
4. Other Expenses (E) Facility Based Services	\$ 40,670	\$	(1,200)	\$	39,470	To reclassify benefit expenses
4. Other Expenses (G) Community Employment	\$ 109,849	\$	(61,025)			To reclassify grant reimbursement
		\$	(30,544)			To reclassify Community Employment costs to NFR
		\$	(7,313)	\$	10,967	To reclassify Community Employment costs to NFR
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	4,460			To reclassify ERIP
		\$	1,739			To reclassify non-federal reimbursable
		\$	60,590			To reclassify Community Employment costs to NFR
		\$	7,313	\$	74,102	To reclassify Community Employment costs to NFR

**Appendix A (page 5)**  
**Hancock County Board of Developmental Disabilities**  
**2010 Income and Expenditure Report Adjustments**

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
<b>a1Adult</b>						
10 Community Employment (B) Less . Revenue	\$ -	\$	36,263	\$	36,263	To record RSC 2010 expenses
<b>Reconciliation to County Auditor Worksheet</b>						
<b>Expense:</b>						
Plus: Purchases Greater Than \$5,000	\$296,803		(\$4,993)			To remove purchases < \$5,000
			\$5,202		\$297,012	To reclassify purchase > \$5,000
Plus: Match Paid to ODMRDD for IO and LV1 Waivers	\$899,896		(\$49,486)		\$850,410	To reclassify fees
Plus: Grant Reimbursement	\$ -	\$	61,025	\$	61,025	To reclassify grant reimbursement
Less: Capital Costs	\$ (180,886)	\$	(1,688)			To record the loss on the disposal of assets
			\$ (675)			To correct asset useful life
			\$ (2,098)		\$ (185,347)	To record depreciation errors from prior audit
Less: County Auditor/Treasurer Fees	\$ -	\$	(112,631)	\$	(112,631)	To record auditor/treasurer fees
Total from 12/31 County Auditor's Report	\$ 10,826,343	\$	3,525	\$	10,829,868	To agree to county auditor's report
<b>Medicaid Administration Worksheet</b>						
6- Ancillary Costs	\$ -	\$	6,085	\$	6,085	To record ancillary costs



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

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Schedule B-1, Section A</b>				
2. Dietary Services (B) Adult	1,327	(1,327)	-	To correct square footage
2. Dietary Services (C) Child	1,798	(3)	1,795	To correct square footage
4. Nursing Services (B) Adult	-	140	140	To correct square footage
4. Nursing Services (C) Child	-	115	115	To correct square footage
5. Speech/Audiology (B) Adult	468	(468)	-	To correct square footage
5. Speech/Audiology (C) Child	-	269	269	To correct square footage
6. Psychology (B) Adult	468	(468)	-	To correct square footage
7. Occupational Therapy (B) Adult	468	(468)	-	To correct square footage
7. Occupational Therapy (C) Child	-	268	268	To correct square footage
8. Physical Therapy (C) Child	-	269	269	To correct square footage
11. 0-2 Age Children (C) Child	-	813	813	To correct square footage
14. Facility Based Services (B) Adult	14,511	2,605	17,116	To correct square footage
15. Supported Emp. -Enclave (B) Adult	137	(73)	64	To correct square footage
16. Supported Emp. -Comm Emp. (B) Adult	137	(19)	118	To correct square footage
17. Medicaid Administration (A) MAC	12	(7)	5	To correct square footage
22. Program Supervision (C) Child	612	(612)	-	To correct square footage
<b>Schedule B-1, Section B</b>				
1. Individuals Served By Program (A) Facility Based Services	168	(4)	164	To correctly report Individual Served
<b>Schedule B-3</b>				
3. Children 6-21 (A) One Way Trips- First Quarter	2,054	(703)	1,351	To report correct number of one-way trips
3. Children 6-21 (C) One Way Trips- Second Quarter	2,260	(2,260)	-	To report correct number of one-way trips
3. Children 6-21 (E) One Way Trips- Third Quarter	1,436	(1,436)	-	To report correct number of one-way trips
3. Children 6-21 (G) One Way Trips- Fourth Quarter	1,557	(1,557)	-	To report correct number of one-way trips
5. Facility Based Services (G) One Way Trips- Fourth Quarter	803	7,147	7,950	To report correct number of one-way trips
6. Supported Emp. -Enclave (G) One Way Trips- Fourth Quarter	6,834	(3,304)	3,530	To report correct number of one-way trips
<b>Schedule B-4</b>				
1. TCM Units (D) 4th Quarter	12,316	4	12,320	To correctly report SSA Units
2. Other SSA Allowable Units (D) 4th Quarter	-	2,153		To correctly report SSA Units
		(4)	2,149	To correctly report SSA Units
5. SSA Unallowable Units (C) 3rd Quarter	1,765	(1,171)		To correctly report SSA Units
		(4)	590	To correctly report SSA Units
5. SSA Unallowable Units (D) 4th Quarter	982	(982)	-	To correctly report SSA Units

**Appendix B (page 2)**  
**Hancock 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>
<b>Worksheet 1</b>				
3. Buildings/Improve (N) Service & Support Admin	\$ 19,021	\$ (10)	\$ 19,011	To correct historical cost
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 2,004	\$ 1,603	\$ 3,607	To record depreciation from prior audit error
4. Fixtures (K) Co. Board Operated ICF/MR	\$ 7,367	\$ 675		To correct useful life of asset
		\$ (449)	\$ 7,593	To remove depreciation from 2010 purchase
5. Movable Equipment (E) Facility Based Services	\$ 805	\$ 468	\$ 1,273	To record depreciaiton from 2010 purchase
5. Movable Equipment (K) Co. Board Operated ICF/MR	\$ -	\$ 495	\$ 495	To record depreciation from prior audit error
5. Movable Equipment (U) Transportation	\$ 35,543	\$ 2,653	\$ 38,196	To record the loss on the disposal of assets
<b>Worksheet 2</b>				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 159,959	\$ (22,588)	\$ 137,371	To reclassify ERIP payments
3. Service Contracts (X) Gen Expense All Prgm.	\$ 373,848	\$ (16,530)	\$ 357,318	To reclassify expense
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 22,588		To reclassify ERIP payments
		\$ 3,032		To reclassify non-federal reimbursable expenses
		\$ 16,530		To reclassify non-federal reimbursable expenses
		\$ 1,551	\$ 43,701	To reclassify non-federal reimbursable expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 109,095	\$ (1,551)	\$ 107,544	To reclassify non-federal reimbursable expenses
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 51,170	\$ 62,726		To record admin fees
		\$ 128,441		To record auditor/treasurer fees
		\$ (3,032)		To reclassify non-federal reimbursable expenses
		\$ (42,988)	\$ 196,317	To reclassify MUI expenses
<b>Worksheet 2A</b>				
1. Salaries (D) Unasgn Children Program	\$ 66,000	\$ (66,000)	\$ -	To reclassify S. Guyton payroll
1. Salaries (N) Service & Support Admin. Costs	\$ 53,455	\$ (53,455)	\$ -	To agree to compiled reports
1. Salaries (U) Transportation	\$ 26,114	\$ (26,114)	\$ -	To reclassify E. Farsons
2. Employee Benefits (D) Unasgn Children Program	\$ 28,132	\$ (28,132)	\$ -	To reclassify S. Guyton payroll
2. Benefits (N) Service & Support Admin. Costs	\$ 25,223	\$ (10,751)	\$ 14,472	To agree to compiled reports
2. Employee Benefits (U) Transportation	\$ 4,659	\$ (4,659)	\$ -	To reclassify E. Farsons
3. Service Contracts (K) Co. Operated ICF/MR	\$ 3,024	\$ (765)	\$ 2,259	To reclassify cost report expenses

**Appendix B (page 3)**  
**Hancock 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>
<b>Worksheet 5</b>				
1. Salaries (A) Ages 0-2	\$ 51,845	\$ 19,966	\$ 71,811	To reclassify S, Guyton
1. Salaries (B) Ages 3-5	\$ 148,176	\$ 19,966	\$ 168,142	To reclassify S, Guyton
1. Salaries (C) Ages 6-21	\$ 171,159	\$ 20,400	\$ 191,559	To reclassify S, Guyton
2. Employee Benefits (A) Ages (0-2)	\$ 26,331	\$ 8,488	\$ 34,819	To reclassify S, Guyton
2. Employee Benefits (B) Ages (3-5)	\$ 80,598	\$ 8,488	\$ 89,086	To reclassify S, Guyton
2. Employee Benefits (C) Ages (6-21)	\$ 80,997	\$ 8,669	\$ 89,666	To reclassify S, Guyton
2. Benefits (K) Co. Board Operated ICF/MR	\$ 633,535	\$ 683	\$ 634,218	To agree to compiled reports
3. Service Contracts (K) Co. Board Operated ICF/MR	\$ 300,409	\$ 765	\$ 301,174	To reclassify cost report expense
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 42,988	\$ 42,988	To reclassify MUI expenses
<b>Worksheet 6</b>				
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 124,935	\$ 124,935	To record non-reimbursable salaries
<b>Worksheet 8</b>				
1. Salaries (X) Gen Expense All Prgm.	\$ 355,008	\$ 5,668		To reclassify S. Guyton
		\$ 26,114	\$ 386,790	To reclassify E. Farsons
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 197,681	\$ 2,487		To reclassify S. Guyton
		\$ 4,659		To reclassify E. Farsons
		\$ 141	\$ 204,968	To agree to compiled reports
<b>Worksheet 9</b>				
1. Salaries (N) Service & Support Admin. Costs	\$ 429,865	\$ 64,219	\$ 494,084	To agree to compiled reports
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 224,623	\$ 136	\$ 224,759	To agree to compiled reports
<b>Worksheet 10</b>				
1. Salaries (G) Community Employment	\$ 66,554	\$ (608)	\$ 65,946	To reclassify Community Employment costs to NFR
2. Benefits (E) Facility Based Services	\$ 292,710	\$ 1,037	\$ 293,747	To agree to compiled reports
2. Employee Benefits (G) Community Employment	\$ 31,222	\$ (285)	\$ 30,937	To reclassify Community Employment costs to NFR
3. Service Contracts (G) Community Employment	\$ 1,500	\$ (900)		To reclassify non-federal reimbursable expenses
		\$ (600)	\$ -	To reclassify non-federal reimbursable expenses
4. Other Expenses (G) Community Employment	\$ 236,558	\$ (67,105)		To reclassify RSC match
		\$ (1,547)		To reclassify Community Employment costs to NFR
		\$ (38,119)	\$ 129,787	To reclassify Community Employment costs to NFR
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 900		To reclassify non-federal reimbursable expenses
		\$ 600		To reclassify non-federal reimbursable expenses
		\$ 2,440		To reclassify Community Employment costs to NFR
		\$ 38,119	\$ 42,059	To reclassify Community Employment costs to NFR

**Appendix B (page 4)**  
**Hancock 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>
<b>a1 adult</b>						
10. Community Employment (B) Less Revenue	\$ -		\$ 264,789		\$ 264,789	To record RSC 2011 expenses
<b>Reconciliation to County Auditor Worksheet</b>						
<b>Expense:</b>						
Plus: Match Paid To ODMRDD For IO & LVI Waivers	\$ 902,561		\$ (202,439)		\$ 700,122	To agree to compiled reports
Plus: RSC Match	\$ -		\$ 67,105		\$ 67,105	To reclassify RSC match
Less: Capital Costs	\$ (178,591)		\$ (2,653)			To record the loss on the disposal of assets
			\$ (675)			To correct useful life of asset
			\$ (2,098)			To correct depreciation from prior audit errors
			\$ 10			To correct historical cost
			\$ (468)			To record depreciation from 2010 purchase
			\$ 449		\$ (184,026)	To remove depreciation from 2010 purchases
Less: Auditor/Treasurer Fees	\$ -		\$ (128,441)		\$ (128,441)	To record auditor/treasurer fees
Total from 12/31 County Auditor's Report	\$ 11,300,594		\$ 588		\$ 11,301,182	To agree to county auditor's report
<b>Revenue:</b>						
Plus: Note Proceeds	\$ -		\$ 306,570		\$ 306,570	To record note proceeds
Total from 12/31 County Auditor's Report	\$ 13,222,143		\$ 306,570		\$ 13,528,713	To agree to County Auditor's report
<b>Medicaid Administration Worksheet</b>						
6- Ancillary Costs	\$ -		\$ 9,546		\$ 9,546	To record ancillary costs



# Dave Yost • Auditor of State

**HANCOCK COUNTY BOARD OF DEVELOPMENTAL DISABILITIES**

**HANCOCK 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  
MAY 8, 2014**