



Dave Yost • Auditor of State

CLINTON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

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Independent Auditor's Report on Applying Agreed-Upon Procedures

Halina Schroeder, Audit Chief
Division of Fiscal Administration, Audit Office
Ohio Department of Developmental Disabilities
30 E. Broad Street, 13th Floor
Columbus, Ohio 43215

Dear Ms. Schroeder:

As permitted by Ohio Rev. Code § 5123.05 and as required by the *Application for a § 1915(c) Home and Community Based Services Waiver*, Appendix I-2(c), the Auditor of State's Office performed the procedures enumerated below, to which the Ohio Department of Developmental Disabilities (DODD) agreed. The purpose is to assist you in evaluating whether the Clinton County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2011 and 2012 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2011 and 2012 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*), and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with American Institute of Certified Public Accountants' attestation standards. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Statistics – Square Footage

1. DODD requested we tour the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle space. DODD also asked us to perform the additional procedures listed below only on those areas that changed by more than 10 percent from the final 2010 square footage totals.

We toured the facilities 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 2011 and 2012 square footage totals to final 2010 square footage totals and found that the square footage showed changes greater than 10 percent and we performed the procedures below.

In addition, while performing the initial scan of the Cost Reports, we noted speech, occupational and physical therapy costs reported in 2011 and 2012 with no square footage reported. We inquired of the County Board which stated there was no specific dedicated space for these services in 2011; however, we were provided the square footage used in 2012. We reported this variance in Appendix B (2012).

Statistics – Square Footage (Continued)

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

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

We compared square footage for each room on the floor plan of Building E to the County Board's summary for each year. We found no variances exceeding 10 percent when comparing the total square footage of Building E building's floor plan to the County Board's summary.

4. DODD requested that we report variances if the County Board's square footage summary varied by more than 10 percent when comparing the County Board's summary to the Cost Reports 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 in each cell in *Schedule B-1, Section A, Square Footage*.

We found no variances exceeding 10 percent.

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

We obtained the County Board's methodology and compared it to 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 in 2012 for *Worksheet 7C, Speech/Audiology*; *Worksheet 7E, Occupational Therapy*; and *Worksheet 7F, Physical Therapy* were needed as costs were reclassified to column (X) General Expense-All Programs and needed to be allocated to column (A) Early Intervention. (See procedure 8 in the Non-Payroll Expenditures and Reconciliation to the County Auditor Report section.)

The County Board provided the omitted statistics as reported in Appendix B (2012).

Statistics – Attendance (Continued)

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

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

We found no differences.

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

We compared the County Board's Day Services Attendance Summaries by Consumer, Location, Acuity and Month and the 2011 Services Provided Summary and 2012 Receivable Billing Reimbursable Summary by Funding Source and Service reports for the number of individuals served, days of attendance, and 15 minute units with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and Community Employment on *Schedule B-1, Section B, Attendance Statistics* 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 differences.

4. DODD requested that we report variances if the County Board's number of individuals served varied by more than 10 percent when compared to the prior period's attendance statistics on *Schedule B-1, Section B, Attendance Statistics* for 2011.

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

The number of reported individuals served did not change by more than 10 percent from the prior year's *Schedule B-1*.

5. DODD requested that we 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.

This procedure was not performed because the variance in procedure 4 was less than 10 percent.

6. DODD requested that we report variances in the total attendance days for five individuals for two months in 2012 between the County Board's monthly attendance documentation and the number of days reported on *Schedule B-1, Section B, Attendance Statistics*. DODD also asked us to compare the acuity level on the County Board's 2012 attendance acuity report to the IDS screen shot for each individual.

We traced the number of attendance days for four adult day individuals and one enclave individual from the February, April, June, August and October of 2012 from the County Board's 2012 Day Services Attendance Summaries by Consumer, Location, Acuity and Month reports to *Schedule B-1*.

We found no differences.

Statistics – Attendance (Continued)

We also compared each acuity level on the 2012 attendance acuity reports to the IDS screen shot for the same five individuals. We also selected an additional five individuals, to ensure that at least two individuals from each acuity level is tested, and performed the same acuity level comparison.

We found no acuity variances.

7. DODD asked us to select 30 units from 2011 and 2012 and determine if the units were calculated in accordance with Cost Report Guides and met the service documentation requirements of Ohio Admin. Code § 5123:2-9-05 (as described in Paid Claims Testing Section, procedure 1). DODD also asked 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 or if any unit did not meet the documentation requirements.

We haphazardly selected 15 units from 2011 and 17 units from 2012 from the County Board's 2011 Services Provided and 2012 Receivable Billing Reimbursable Summary by Funding Source and Service reports and determined if the units were calculated in accordance with the Cost Report Guides and met the service documentation requirements.

We found no differences or instances of non-compliance with these documentation requirements.

Acuity Testing

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

We compared the County Board's Attendance by Acuity reports for the 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 2009, 2010, and 2011.

We could not perform this procedure for 2008 because the County Board lacked acuity based reports for the months of January through July. However, we did compare August through December Acuity by Attendance report and the January through August Job Cost Report and found no variances in total attendance days reported on the 2008 Days of Attendance by Acuity Supplemental Cost Report worksheet.

We found no variances for 2009, 2010 or 2011.

2. We also compared two individuals from each acuity level on the County Board's 2008 through 2011 attendance by acuity reports to the IDS report for each individual for each respective year.

We found no acuity variances for 2008 and 2011. For 2009, we found 10 Adult Day Service days of attendance that should be reclassified from acuity level A1 to B. For 2010, we found 13 Adult Day Service days of attendance that should be reclassified from acuity level A1 to C.

We reported these differences on a revised Days of Attendance by Acuity supplemental Cost Report worksheet for 2009 and 2010 and submitted it to DODD.

Statistics – Transportation

1. DODD asked 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 2011 Transportation Trips by Age Group and 2012 Receivable Billing Reimbursable Summary By Funding Source and Service report with those statistics as reported in *Schedule B-3*. We also footed the County Board's transportation reports for accuracy.

We found no differences.

2. DODD requested us to report variances of more than 10 percent of the total trips taken for five individuals for both 2011 and 2012, between the County Board's internal documentation versus the amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We traced the number of trips for four adults and one child for January through March 2011 and five adults for January through March 2012 from the County Board's daily reporting documentation to *Schedule B-3*.

We found no differences exceeding 10 percent.

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

The County Board did not report any cost of bus tokens cabs on *Schedule B-3* for 2011 or 2012. We reviewed the County Board's State Expenses Detailed reports for any costs not identified by the County Board. We found no unreported costs of bus tokens or cabs.

Statistics – Service and Support Administration (SSA)

1. DODD asked us to report variances if the County Board's SSA units were not within two percent of total units reported on each line of *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*.

We compared the number of SSA units (Targeted Case Management (TCM), Other SSA Allowable, and SSA Unallowable) from the County Board's Receivable Billing Reimbursable Summary By Funding Source, Service and Biller reports with those statistics reported in *Schedule B-4*. We also footed the County Board's SSA reports for accuracy.

We found no differences.

2. DODD requested that we 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 2011 and 2012 from the Receivable Billing Reimbursable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and included the elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error did not exceed 10 percent of our sample for 2011 or 2012.

Statistics – Service and Support Administration (Continued)

3. DODD asked 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 units for both 2011 and 2012 from Receivable Billing Reimbursable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and included the documentation elements required by Ohio Admin. Code § 5101:3-48-01(F).

The units found to be in error did not exceed 10 percent of our sample for 2011 or 2012.

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

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

The final 2011 Other SSA Allowable units decreased by five percent or more from the 2010 *Schedule B-4*. We obtained the County Board's explanation that more individuals were Medicaid eligible.

The final 2012 TCM, Other SSA Allowable, and Unallowable SSA units increased by more than five percent or more from the 2011 *Schedule B-4*. We obtained the County Board's explanation that this was due to the County Board bringing the billing function back in-house, providing TCM training, and hiring an additional SSA.

5. DODD requested that we determine if the County Board maintained case note documentation for non-individual specific activities (general time units) as described in *Worksheet 9, Service and Support Administration Costs* of the Cost Report Guides. If the County Board did record general time units and they accounted for over 10 percent of total SSA units on the final *Schedule B-4* plus any general time units recorded, DODD requested 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 they did not track general time units in 2011 or 2012.

Revenue Cost Reporting and Reconciliation to the County Auditor Report

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

We compared the receipt totals from the 12/31/2011 and 12/31/2012 county auditor's Revenue Report Summary Activity report for the 169 Board (100), Contingency (009), Susan Lacy (240), Capital (403), and Board of DD Health Insurance (654) funds to the county auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

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

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

2. DODD asked us to determine whether total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total receipts for these funds and, if the Cost Reports do not reconcile within limits, to perform procedure 3.

Total County Board receipts were not within 1/4 percent of the county auditor's yearly receipt totals reported for these funds. In 2011, receipts in the county auditor's report exceeded the County Board receipts by \$1,287,812. In 2012, receipts in the county auditor's report exceeded the County Board receipts by \$28,453 and we performed procedure 3 below.

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 detailed revenue reports and other supporting documentation such as county tax settlement sheets.

We determined the 2011 and 2012 differences were due to the County Board including part of the county auditor receipt balance as a reconciling item instead of the county auditor receipt total. We reported adjustments in procedure 1 above and County Board receipts reconciled within 1/4 percent.

The County Board stated these were adjustments we made on the reconciliation page to reconcile with the auditor. The reports the auditor provided included duplicate entries. If they made an error on the revenue side, they made the adjustment by showing it as an expense and duplicating the revenue. In our system we made adjustments for errors strictly on the revenue side so it did not inflate our revenue and expenditures. We had to make the adjustments on the reconciliation report in accordance with the cost report instructions. We provided State Auditors the reports provided to us from the county auditor as supporting documentation.

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

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

We found no differences in 2011 or 2012.

5. We reviewed the County Board's State Account Code Detailed Report and *Schedule C, Income Report* to determine whether revenues are maintained separately to offset corresponding expense via the use of specific expenditure costs centers and identified any potential revenue offsets/applicable credits.

We identified the following sources of potential revenue credits for which the County Board did not offset costs on the Cost Reports in accordance with 2 CFR 225, Appendix A (C)(3)(c) and (4)(a):

- Miscellaneous refunds, reimbursements and other income in the amount of \$151,916 in 2011 and \$119,607 in 2012;
- IDEA Early Childhood Special Education revenues in the amount of \$3,844 in 2011; and
- Title XX revenues in the amount of \$39,612 in 2011 and \$39,859 in 2012.

Paid Claims Testing

1. We selected 100 paid services among all service codes from 2011 and 2012 from the Medicaid Billing System (MBS) data and determined if the services met the following service documentation requirements of Ohio Admin. Code §§ 5123:2-9-05, 5123-2-9-18 (H)(1)-(2), and 5101:3-48-01(F) as applicable to the specific service provided:

- Date of service;
- Place of service;
- Name of the recipient;
- Name of the provider;
- Signature of the person delivering the service or initials of the person delivering the service if the signature and corresponding initials are on file with the provider;
- Type of service;
- Number of units of the delivered service or continuous amount of uninterrupted time during which the service was provided;
- Group size in which the services were delivered; and
- Arrival and departure times of the provider of service's site visit to the recipient's location or of the recipient's visit to the provider of service's location.¹

For selected services codes that have contracted services, DODD asked us to compare the County Board's usual and customary rate with the reimbursed rate to ensure that the County Board was reimbursed the lesser of the two as per Ohio Admin. Code § 5123:2-9-06. For any errors found, DODD asked that we obtain documentation and identify all overpayments related to reimbursements exceeding the usual and customary rate.

We found instances of non-compliance with these documentation requirements for 2011 and 2012 in the following service codes: Non-Medical Transportation Per Trip - Eligible Vehicle (FTB) and Targeted Case Management (TCM). Upon our notification that TCM services were billed after a recipient's date of death, the County Board submitted an adjustment to reverse those paid services; however, it was outside of the time period for making adjustments in the claims processing system. We performed no comparison to the usual and customary rate as there were no service codes that had contracted services in our sample.

Recoverable Finding - 2011

Finding \$118.74

Service Code	Units	Review Results	Finding
FTB	9	Units billed in excess of actual service delivery	\$118.74

Recoverable Finding - 2012

Finding \$442.90

Service Code	Units	Review Results	Finding
TCM	5	Units billed in excess of actual service delivery	\$49.21
TCM	40	Services rendered after recipient's date of death	\$393.69
		Total	\$442.90

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). We also reviewed Targeted Case Management (TCM) services with dates of service after a recipient's date of death. For all services, we applied the service documentation rules in effect at the time of service delivery.

Paid Claims Testing (Continued)

2. DODD asked 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 final TCM units. The County Board was not reimbursed for Supported Employment - Community Employment during 2011 or 2012.

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

We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Lines (20), Environmental Accessibility Adaptations to Line (25), Other Waiver Services to the amount reimbursed for these services in 2011 and 2012 on the MBS Summary by Service Code report.

We found no differences as the County Board did not report costs on *Schedule A*, for Lines (20) to Line (25). We reviewed the MBS Summary by Service Code reports and found the County Board was not reimbursed for these services in 2011 and 2012.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

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

We compared the disbursement totals from the 12/31/2011 and 12/31/2012 county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's Expenditure Report Summaries for the 169 Board (100), Contingency (009), Susan Lacy (240), Capital (403), and Board of DD Health Insurance (654) funds.

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

2. DODD asked us to determine whether total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total disbursements for these funds and, if the Cost Reports did not reconcile within acceptable limits, to perform procedure 3.

Total County Board disbursements were not within 1/4 percent of the county auditor's yearly disbursement totals reported for these funds. Disbursements in the county auditor's report exceeded the County Board disbursements by \$1,285,059 in 2011 and by \$28,447 in 2012, and we performed procedure 3 below.

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

3. We 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 determined the 2011 and 2012 differences were due to the County Board including part of the county auditor disbursement balance as a reconciling item. We reported adjustments in procedure 1 above and County Board disbursements reconciled within 1/4 percent.

The County Board stated these were the adjustments we made on the reconciliation page to reconcile with the auditor. The reports the auditor provided included duplicate entries. If they made an error on the expenditure side, they made the adjustment by showing it as revenue and duplicating the expenditure. In our system we made adjustments for errors strictly on the expenditure side so it did not inflate our revenue and expenditures. We had to make the adjustment on the reconciliation report in accordance with the cost report instructions. We provided State Auditors the reports provided to us from the county auditor as supporting documentation.

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 State Expenses Detailed Reports. We found no differences exceeding \$100 on any worksheet.

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

We compared disbursement entries on *Schedule A* and worksheets 2 through 10 to the COG prepared County Board Summary Workbooks.

We found differences as reported in Appendix A (2011). We found no difference in 2012.

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

We scanned the 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, (G) Community Employment and (H) Unassigned Adult Program 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 (2011) and Appendix B (2012) for misclassified and non-federal reimbursable costs.

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

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

We scanned the State Expenses Detailed reports for items purchased during 2011 and 2012 that met the County Board's capitalization criteria.

We found no unrecorded purchases meeting the capitalization criteria.

8. DODD asked us to select disbursements from 2011 and 2012 from the County Board's detailed expense reports that were classified as service contract and other expenses on worksheets 2 through 10 and determine if supporting documentation was maintained, the costs were allowable and properly classified according to the Cost Report Guides and 2 CFR 225, and report any differences.

We haphazardly selected 20 disbursements from 2011 and 2012 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 the supporting documentation was maintained and if the costs were allowable and properly classified according to the Cost Report Guides and 2 CFR 225.

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

Property, Depreciation, and Asset Verification Testing

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

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

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

We compared all depreciation entries reported on *Worksheet 1, Capital Costs* to the County Board's Assets Not Totally Depreciated By Date Span reports.

We found no differences.

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

We found no differences.

Property, Depreciation, and Asset Verification Testing (Continued)

4. We haphazardly selected two of the County Board's fixed assets which meet the County Board's capitalization policy and purchased in either 2011 or 2012 to determine if the useful lives agreed to the estimated useful lives prescribed in the 2008 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for these assets, based on their cost, acquisition date and useful life to determine compliance with the Cost Report Guides and AHA Asset Guide.

We found no differences.

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

We did not perform this procedure because the County Board stated that no capital assets were disposed of in 2011 or 2012. We scanned the County Board's State Account Code Detailed Reports and did not find any proceeds from the sale or exchange of fixed assets.

Payroll Testing

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

We totaled salaries and benefits from worksheets 2 through 10 from the 2011 and 2012 Cost Reports and compared the yearly totals to the county auditor's Expenditure Report Summaries for the 169 Board (100) and Board of DD Health Insurance (654) funds.

The variance was less than two percent.

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

We compared all salary and employee benefit entries on worksheets 2 through 10 to the County Board's State Expenses Detailed reports.

We found no differences.

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

We selected 11 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 in Appendix A (2011) and Appendix B (2012) and, because misclassification errors exceeded 10 percent of the sample size, we performed procedure 4 below.

Payroll Testing (Continued)

4. DODD asked us to scan the County Board's detailed payroll reports for 2011 and 2012 and compare classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides if the errors in procedure 3 above exceeded 10 percent.

We scanned the County Board's Salary by Job Title reports 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 (2011) and Appendix B (2012).

Medicaid Administrative Claiming (MAC)

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

We compared the salary and benefits entered on the MAC Cost by Individual reports to the 2011 State Expense Detailed Report and 2012 State Expenses Payroll Only by SAC/Employee Summary Report.

We found no variances.

2. We compared the original MAC Cost by Individual reports 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 Medicaid (ODM) report to Lines 6-10 of the *MAC Reconciliation Worksheet*.

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

4. We selected all five RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the third quarter of 2011 and 10 RMTS observed moments from the second quarter of 2012 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the County Board employees' activity for each observed moment was maintained and the observed moment was properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2010 and 2012.

We found no differences.

We received a response from officials to exceptions noted above under Revenue Cost Reporting and Reconciliation to the County Auditor Report, procedure 3 and Non-Payroll Expenditures and Reconciliation to the County Auditor Report, procedure 3. We did not audit the response and, accordingly, we express no opinion on it.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the County Board's Cost Reports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the County Board, DODD, the Ohio Department of Medicaid, and the Centers for Medicare and Medicaid Services, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

December 16, 2014

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

	<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 1						
8. COG Expenses (E) Facility Based Services	\$ 132	\$	(132)	\$	-	To match COG report.
8. COG Expenses (N) Service & Support Admin	\$ 20	\$	(20)	\$	-	To match COG report
Worksheet 2						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 116,135	\$	(26,352)			To reclassify worker's compensation benefits
		\$	3,930	\$	93,713	To reclassify worker's compensation benefits
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	400	\$	400	To reclassify non-federal reimbursable expense
4. Other Expenses (X) Gen Expense All Prgm.	\$ 65,525	\$	(400)	\$	65,125	To reclassify non-federal reimbursable expense
5. COG Expense (E) Facility Based Services	\$ 6,184	\$	(6,184)	\$	-	To match COG report
5. COG Expense (N) Service & Support Admin	\$ 947	\$	(947)	\$	-	To match COG report
10. Unallowable Fees (O) Non-Federal	\$ 144,858	\$	(18,613)	\$	126,245	To correct auditor/treasurer fees
Worksheet 2A						
1. Salaries (D) Unasgn Children Program	\$ 70,960	\$	(70,960)	\$	-	To reclassify first level supervisor salary
1. Salaries (E) Facility Based Services	\$ 126,042	\$	(33,266)			To reclassify account clerk salary
		\$	(8,058)	\$	84,718	To reclassify account clerk salary
1. Salaries (N) Service & Support Admin	\$ 11,140	\$	(11,140)	\$	-	To reclassify first level supervisor salary
2. Employee Benefits (D) Unasgn Children	\$ 27,989	\$	(27,989)	\$	-	To reclassify first level supervisor benefits
2. Employee Benefits (E) Facility Based Services	\$ 39,835	\$	1,203			To reclassify worker's compensation benefits
		\$	(18,830)			To reclassify account clerk benefits
		\$	(4,561)	\$	17,647	To reclassify account clerk benefits
2. Employee Benefits (N) Service & Support	\$ 6,094	\$	(6,094)	\$	-	To reclassify first level supervisor
4. Other Expenses (A) Early Intervention	\$ 3,342	\$	(1,931)	\$	1,411	To reclassify first level supervisor expense.
4. Other Expenses (B) Pre-School	\$ 803	\$	(803)	\$	-	To reclassify first level supervisor expense.
5. COG Expenses (E) Facility Based Services	\$ 375	\$	(375)	\$	-	To match COG report
5. COG Expenses (N) Service & Support Admin	\$ 57	\$	(57)	\$	-	To match COG report
Worksheet 3						
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 59,903	\$	1,977	\$	61,880	To reclassify worker's compensation benefits
3. Service Contracts (U) Transportation	\$ 62,291	\$	(46,763)	\$	15,528	To reclassify diesel fuel used for transportation
5. COG Expenses (E) Facility Based Services	\$ 35	\$	(35)	\$	-	To match COG report
5. COG Expenses (N) Service & Support Admin	\$ 5	\$	(5)	\$	-	To match COG report
Worksheet 5						
1. Salaries (D) Unasgn Children Program	\$ -	\$	70,960	\$	70,960	To reclassify first level supervisor salary
2. Employee Benefits (A) Early Intervention	\$ 50,109	\$	1,476	\$	51,585	To reclassify worker's compensation benefits
2. Employee Benefits (B) Pre-School	\$ 45,797	\$	1,315	\$	47,112	To reclassify worker's compensation benefits
2. Employee Benefits (D) Unasgn Children	\$ -	\$	27,989			To reclassify first level supervisor benefits
		\$	1,008	\$	28,997	To reclassify worker's compensation benefits
2. Employee Benefits (M) Family Support Services	\$ 338	\$	10	\$	348	To reclassify worker's compensation benefits
3. Service Contracts (L) Community Residential	\$ 28,217	\$	1,100			To reclassify expenses for special olympics
		\$	1,000	\$	30,317	To reclassify expenses for special olympics

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

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Worksheet 5 (Continued)				
4. Other Expenses (A) Early Intervention	\$ 6,046	\$ 1,931	\$ 7,977	To reclassify first level supervisor expense.
4. Other Expenses (B) Pre-School	\$ 5,221	\$ 803	\$ 6,024	To reclassify first level supervisor expense.
4. Other Expenses (L) Community Residential	\$ 19,996	\$ (1,050)	\$ 18,946	To reclassify donation
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,050	\$ 1,050	To reclassify donation
Worksheet 7-B				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 17,049	\$ 529	\$ 17,578	To reclassify worker's compensation benefits
13. No. of Individual Served (B) Pre-School	12	(6)	6	To adjust for 1/2 year of preschool individuals served.
Worksheet 7-C				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 11,845	\$ 505	\$ 12,350	To reclassify worker's compensation benefits
Worksheet 8				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 194	\$ 18	\$ 212	To reclassify worker's compensation benefits
4. Other Expenses (H) Unasgn Adult Program	\$ 4,234	\$ 46,763	\$ 50,997	To reclassify diesel fuel used for transportation
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 287,470	\$ 11,140	\$ 298,610	To reclassify first level supervisor salaries.
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 111,765	\$ 6,094	\$ 117,859	To reclassify first level supervisor benefits.
		\$ 6,323	\$ 124,182	To reclassify worker's compensation benefits
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 526,315	\$ (102,635)	\$ 423,680	To reclassify and allocate enclave salaries
		\$ 33,266	\$ 456,946	To reclassify account clerk salary.
1. Salaries (F) Enclave	\$ -	\$ 102,635	\$ 102,635	To reclassify and allocate enclave salaries
		\$ 8,058	\$ 110,693	To reclassify account clerk salary.
2. Employee Benefits (E) Facility Based Services	\$ 224,211	\$ (43,721)	\$ 180,490	To reclassify and allocate enclave benefits
		\$ 18,830	\$ 199,320	To reclassify account clerk benefits.
		\$ 6,488	\$ 205,808	To reclassify worker's compensation benefits
2. Employee Benefits (F) Enclave	\$ -	\$ 43,721	\$ 43,721	To reclassify and allocate enclave benefits
		\$ 4,561	\$ 48,282	To reclassify account clerk benefits.
		\$ 1,572	\$ 49,854	To reclassify worker's compensation benefits
3. Service Contracts (E) Facility Based Services	\$ 73,743	\$ (1,100)	\$ 72,643	To reclassify expenses for special olympics
		\$ (13,802)	\$ 58,841	To allocate portion of adult expenses to enclave
3. Service Contracts (F) Enclave	\$ -	\$ 13,802	\$ 13,802	To allocate portion of adult expenses to enclave
4. Other Expenses (E) Facility Based Services	\$ 24,548	\$ (1,000)	\$ 23,548	To reclassify expenses for special olympics
		\$ (4,474)	\$ 19,074	To allocate portion of adult expenses to enclave
4. Other Expenses (F) Enclave	\$ -	\$ 4,474	\$ 4,474	To allocate portion of adult expenses to enclave

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Miscellaneous County Auditor adjustments for mistakes made in 2011	\$ 1,285,059	\$ (1,285,059)	\$ -	To adjust for updated/corrected County Auditor Report.
Less: COG Revenue	\$ (54,420)	\$ 132		To reconcile to COG report
		\$ 20		To reconcile to COG report
		\$ 6,184		To reconcile to COG report
		\$ 947		To reconcile to COG report
		\$ 375		To reconcile to COG report
		\$ 57		To reconcile to COG report
		\$ 35		To reconcile to COG report
		\$ 5	\$ (46,665)	To reconcile to COG report
Less: County Auditor/Treasurer Fees	\$ (97,541)	\$ 18,613	\$ (78,928)	To correct auditor/treasurer fees
Total from 12/31 County Auditor's Report	\$ 5,392,192	\$ (1,285,059)	\$ 4,107,133	To adjust for updated/corrected County Auditor Report.
Revenue:				
Revenue from Co. Auditor STRS expense error in 2010	\$ 2,753	\$ (2,753)	\$ -	To adjust for updated/corrected County Auditor Report.
Miscellaneous County Auditor adjustments for mistakes in 2011	\$ 1,285,059	\$ (1,285,059)	\$ -	To adjust for updated/corrected County Auditor Report.
Total from 12/31 County Auditor's Report	\$ 6,521,260	\$ (1,285,059)		To adjust for updated/corrected County Auditor Report.
		\$ (2,753)	\$ 5,233,448	To adjust for updated/corrected County Auditor Report.
Medicaid Administration Worksheet				
6- Ancillary Costs (A) Reimbursement	\$ -	\$ 5,060	\$ 5,060	To record ancillary costs
10. Requested Through Calendar Year				

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

		<u>Reported Amount</u>		<u>Correction</u>		<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Schedule B-1, Section A							
5.	Speech/Audiology (C) Child	-		143		143	To correctly report therapy square footage
7.	Occupational Therapy (C) Child	-		143		143	To correctly report therapy square footage
8.	Physical Therapy (C) Child	-		143		143	To correctly report therapy square footage
11.	Early Intervention (C) Child	5,123		(429)		4,694	To reclassify as therapy square footage
Worksheet 2							
2.	Employee Benefits (X) Gen Expense All Prgm.	\$ 116,414	\$	(24,354)			To reclassify worker's compensation benefits
				\$ 4,593	\$	96,653	To reclassify worker's compensation benefits
4.	Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	1,000			To reclassify gift cards.
				\$ 145	\$	1,145	To reclassify non-federal food and award expenses
4.	Other Expenses (X) Gen Expense All Prgm.	\$ 55,576	\$	(1,000)			To reclassify gift cards.
		\$	\$	(145)	\$	54,431	To reclassify non-federal food and award expenses
Worksheet 2A							
1.	Salaries (D) Unasgn Children Program	\$ 72,633	\$	(72,633)	\$ -		To reclassify first level supervisor salary
2.	Employee Benefits (D) Unasgn Children	\$ 29,435	\$	(29,435)	\$ -		To reclassify first level supervisor benefits
4.	Other Expenses (D) Unasgn Children Program	\$ 2,746	\$	(2,746)	\$ -		To reclassify first level supervisor expense.
Worksheet 3							
2.	Employee Benefits (X) Gen Expense All Prgm.	\$ 63,320	\$	1,918	\$ 65,238		To reclassify worker's compensation benefits
4.	Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	300	\$ 300		To reclassify gift cards.
4.	Other Expenses (X) Gen Expense All Prgm.	\$ 70,984	\$	(300)	\$ 70,684		To reclassify gift cards.
Worksheet 5							
1.	Salaries (D) Unasgn Children Program	\$ -	\$	72,663	\$ 72,663		To reclassify first level supervisor salary
2.	Employee Benefits (A) Early Intervention	\$ 70,177	\$	1,985	\$ 72,162		To reclassify worker's compensation benefits
2.	Employee Benefits (D) Unasgn Children	\$ -	\$	29,435			To reclassify first level supervisor benefits
				\$ 973	\$ 30,408		To reclassify worker's compensation
3.	Service Contracts (A) Early Intervention	\$ 157,308	\$	(44,915)			To reclassify speech expenses.
				\$ (50,491)			To reclassify occupational therapy expenses.
				\$ (60,848)	\$ 1,054		To reclassify physical therapy expenses.
4.	Other Expenses (A) Early Intervention	\$ 13,691	\$	(600)	\$ 13,091		To reclassify gift cards.
4.	Other Expenses (D) Unasgn Children Program	\$ -	\$	2,746	\$ 2,746		To reclassify first level supervisor expense.
4.	Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	600	\$ 600		To reclassify gift cards.
Worksheet 7-B							
2.	Employee Benefits (E) Facility Based Services	\$ 19,548	\$	515	\$ 20,063		To reclassify worker's compensation benefits
Worksheet 7C							
3.	Service Contracts (A) Early Intervention	\$ -	\$	44,915	\$ 44,915		To reclassify speech expenses.
13.	No. of Individual Served (A) Early Intervention	-		19	19		To record statistics for early intervention.

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

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
Worksheet 7E						
3. Service Contracts (A) Early Intervention	\$ -	\$	50,491	\$	50,491	To reclassify occupational therapy expenses.
13. No. of Individual Served (A) Early Intervention	-		21		21	To record statistics for early intervention.
Worksheet 7F						
3. Service Contracts (A) Early Intervention	\$ -	\$	60,848	\$	60,848	To reclassify physical therapy expenses.
13. No. of Individual Served (A) Early Intervention	-		32		32	To record statistics for early intervention.
Worksheet 8						
2. Employee Benefits (H) Unasgn Adult Program	\$ 348	\$	38	\$	386	To reclassify worker's compensation benefits
4. Other Expenses (H) Unasgn Adult Program	\$ 69,869	\$	(500)	\$	69,369	To reclassify gift cards.
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	500	\$	500	To reclassify gift cards.
Worksheet 9						
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 145,160	\$	6,955	\$	152,115	To reclassify worker's compensation benefits
4. Other Expenses (N) Service & Support Admin. Costs	\$ 30,516	\$	(900)	\$	29,616	To reclassify gift cards.
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	900	\$	900	To reclassify gift cards.
Worksheet 10						
2. Employee Benefits (E) Facility Based Services	\$ 191,279	\$	5,961	\$	197,240	To reclassify worker's compensation benefits
2. Employee Benefits (F) Enclave	\$ 44,868	\$	1,398	\$	46,266	To reclassify worker's compensation benefits
2. Employee Benefits (G) Community Employment	\$ 180	\$	16	\$	196	To reclassify worker's compensation benefits
4. Other Expenses (E) Facility Based Services	\$ 6,835	\$	(258)	\$	6,577	To reclassify gift cards.
4. Other Expenses (H) Unasgn Adult Program	\$ 27,548	\$	(1,042)	\$	26,506	To reclassify gift cards.
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$	1,300	\$	1,300	To reclassify gift cards.
Reconciliation to County Auditor Worksheet						
Expense:						
Plus: Miscellaneous County Auditor adjustments for mistakes made in 2012	\$ 28,447	\$	(28,447)	\$	-	To adjust for updated/corrected County Auditor Report.
Total from 12/31 County Auditor's Report	\$ 4,648,451	\$	(28,447)	\$	4,620,004	To adjust for updated/corrected County Auditor Report.
Revenue:						
Miscellaneous County Auditor adjustments for mistakes in 2012	\$ 28,448	\$	(28,448)	\$	-	To adjust for updated/corrected County Auditor Report.
Total from 12/31 County Auditor's Report	\$ 5,431,699	\$	(28,453)	\$	5,403,246	To adjust for updated/corrected County Auditor Report.
Medicaid Administration Worksheet						
6- Ancillary Costs (A) Reimbursement	\$ -	\$	8,809	\$	8,809	To record ancillary costs
10. Requested Through Calendar Year						

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Dave Yost • Auditor of State

CLINTON COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

CLINTON 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
FEBRUARY 3, 2015**