



Dave Yost • Auditor of State



**NORTH EAST OHIO NETWORK  
MAHONING COUNTY**

**TABLE OF CONTENTS**

<b>Title</b>	<b>Page</b>
Independent Auditor's Report .....	1
Recommendation: Maintain Documentation for Random Moment Time Study .....	5
Appendix A: Income and Expenditure Report Adjustments – 2012 .....	6

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# Dave Yost • Auditor of State

## Independent Auditor's Report on Applying Agreed-Up 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 Revised Code Section 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 has 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 North East Ohio Network (NEON or the COG) prepared its *Income and Expenditure Report* (Cost Report) and *County Summary Workbooks*<sup>1</sup> for the year ended December 31, 2012 in accordance with DODD's Guide to Preparing Income and Expenditure Reports for COGs and County Boards of Developmental Disabilities (Cost Report Guide) 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 Council of Government's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Revenue Testing

1. DODD requested us to compare the COG's receipts with those reported on *Schedule C Income Report* of the *County Summary Workbooks* and report variances exceeding two percent of total receipts on *Schedule C Income Report* or greater than \$1,000.

We compared amounts paid to the COG per the 2012 Annual Subsidy Amount and Reconciliation Final reports (DODD confirmations) to *Schedule C, Income Report* of the *County Summary Workbooks*.

We found differences as reported in Appendix A.

### Trial Balance Analysis and Non-Payroll Expenditures Testing

1. We compared the COG's total assets to total liabilities plus equity on the trial balance report.

We found a difference related to an error in the beginning balance for one fund; however, this resulted in no variance to the Cost Report.

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<sup>1</sup> NEON recorded receipts and disbursements on behalf of the county developmental disabilities (County Boards). NEON prepared *County Summary Workbooks* to distribute these receipts and disbursements to each of the following County Boards: Ashland, Ashtabula, Columbiana, Cuyahoga, Geauga, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull and Wayne.

2. DODD asked us to compare the COG's disbursements on the trial balance and general ledger reports to *Schedule A, Summary of Service Costs-By Program* and worksheets 2 through 5 of the COG's Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks*, and report variances exceeding \$100 for total service contracts, other expenses and COG expenses on any worksheet.

We compared all service contracts, other expenses and COG expenses on *Schedule A*, and worksheets 2 through 5 of the COG's Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks* to disbursements on the COG's trial balance and general ledger reports.

We found differences as reported in Appendix A.

3. DODD asked us to determine whether the COG's disbursements on the general ledger report were properly classified within two percent of total service contracts, other expenses and COG expenses for worksheets 2 through 5 of the COG's Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks* and if these worksheets included disbursements over \$100 which are non-federal reimbursable under 2 CFR Appendix B.

We scanned the COG's general ledger report for service contracts, other expenses and COG expense rows on worksheets 2 through 5 of the COG's Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks* and reviewed documentation to identify disbursements not classified according to the Cost Report Guide or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

We found differences as reported in Appendix A for misclassified costs and non-federal reimbursable costs.

4. We haphazardly selected a sample of 60 non-payroll disbursements from the general ledger report that were classified as total service contracts, other expenses or COG expenses on worksheets 2 through 5 of the COG Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks*.

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 Guide.

We found differences as reported in Appendix A for misclassified and non-federal reimbursable costs.

5. We scanned the COG's general ledger for items purchased during 2012 that met the COG's capitalization criteria and traced them to inclusion on the COG's Book Asset Detail.

We found no unrecorded purchases meeting the capitalization criteria.

## **Payroll Testing**

1. DODD asked us to determine if salaries on the COG's annual salary report and trial balance report were within two percent of payroll costs reported on the COG's Cost Report and the *County Summary Workbooks*.

We compared the total payroll costs per the COG's annual salary report and trial balance report with payroll costs reported on the COG's Cost Report and the *County Summary Workbooks*.

We found differences as reported in Appendix A.

2. We selected a haphazard sample of five employees and compared the COG's organizational chart to the worksheet on the COG's Cost Report or the *County Summary Workbooks* in which each employee's salary and benefit costs were allocated to ensure the allocation is consistent with the Cost Report Guide. DODD asked us to report differences greater than two percent of the total wage and benefit of any worksheet affected.

We found differences as reported in Appendix A.

3. DODD asked us to scan the COG's payroll journal for 2012 and compare classification of employees to entries on the COG's Cost Report and *County Summary Workbooks* to determine if salary and benefit costs were reported in accordance with the Cost Report Guide.

We tested all of the COG's salary allocations and, as a result of the differences found, we prepared a spreadsheet allocating employee costs to the correct *County Board summary Workbook* and proper cost center. We used the COG's methodology for allocating salary and recalculated allocations and found variances. In addition we applied the same methodology (hours of work) to employees that were not properly allocated to the *County Summary Workbooks*.

We reported these differences in Appendix A.

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

1. DODD asked us to compare the COG's procedures regarding capitalization of fixed assets with the Cost Report Guide 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 COG's capitalization procedures and the guidelines listed above.

2. DODD asked us to compare the COG's depreciation schedule to *Worksheet 1, Capital Costs* of the COG Cost Report and report any variances exceeding \$100.

We compared all depreciation entries on *Worksheet 1, Capital Costs* to the COG's Book Asset Detail 1/01/12 - 12/31/12 report.

We found differences as reported in Appendix A.

3. DODD asked us to scan the COG's depreciation schedule for 2012 for depreciation taken on the same asset more than once, assets that have been fully depreciated, or depreciation taken on assets during the period of acquisition which were not in compliance with the Cost Report Guide.

We had developed a 2011 depreciation schedule as the COG's Book Asset Detail report did not show salvage value and therefore correct depreciation amounts. For 2012, the COG again provided a Book Asset Detail report that did not calculate depreciation according to the Cost Report Guide. As a result, we took the depreciation schedule we developed for 2011 and updated this schedule to reflect 2012 purchases and to calculate current year depreciation.

We reported these differences in Appendix A.

4. We compared the COG's final 2011 depreciation schedule to the COG's 2012 depreciation schedules for changes in the depreciation amounts for assets purchased prior to the period under review which were not in compliance with the Cost Report Guide.

We did not perform this procedure as we developed the 2011 depreciation schedule and updated this schedule for 2012 (see procedure 3 above).

5. DODD asked us to haphazardly select one of the COG's fixed assets which meet the COG's capitalization policy and are being depreciated in its first year in 2012 to determine if their useful lives agreed to the estimated useful lives prescribed in the 2008 AHA Asset Guides. 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.

We did not perform this step as there were no items purchased in 2011 that met the capitalization criteria and depreciated for the first time in 2012.

6. DODD asked us to haphazardly select the lesser of five percent or five disposed assets in 2012 from the COG's list of disposed assets and determined if the asset was removed from the COG's fixed asset ledger. DODD also asked us to recalculate depreciation and any gain or loss applicable to 2012 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 COG stated that no capital assets were disposed of in 2012. We scanned the COG's general ledger report and found no proceeds from the sale or exchange of fixed assets.

### **Medicaid Administrative Claiming Testing**

1. DODD asked us to contact its Random Moment Time Study (RMTS) Coordinator to report differences between the MAC salary and benefits versus the COG's payroll records exceeding one percent.

We compared salaries and benefits entered on the MAC RMTS Summary reports to the COG's annual payroll records.

We found no differences exceeding one percent.

2. We compared the MAC RMTS Summary reports to Lines 1 and 2 of *Worksheet 4, Medicaid Administrative Claiming*.

We found differences as reported in Appendix A.

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

We found difference as reported in Appendix A.

4. We selected 12 RMTS observed moments completed by employees of the COG from the DODD RMTS Participant Moments Question and Answer report for the second quarter of 2012 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the COG employees' activity for each observed moment was maintained and the observed moment was properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2010.

We found one observed moment for Medicaid Services and Activity Code 13 - Medicaid Related Provider Relations that lacked supporting documentation in accordance with the above guidelines.



We reported this instance of non-compliance to DODD. DODD is currently working with the Ohio Department of Medicaid (ODM) to determine an acceptable methodology to calculate the findings for recovery.

**Recommendation:**

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

The COG responded that they were unable to provide this documentation as the staff person was no longer employed. They are aware of the noncompliance for 2012 and intend to correct the matter going forward in subsequent reviews.

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 COG's Cost Report. 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 COG, DODD, the Ohio Department of Medicaid, the Centers for Medicare and Medicaid Services, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

June 16, 2014

cc: Shirley Riggs, Executive Director, North East Ohio Network  
Bud Patterson, Director of Financial Operations, North East Ohio Network  
Elfriede Roman, Board President, North East Ohio Network  
Superintendents of all member County Boards of Developmental Disabilities  
Business Managers of all member County Boards of Developmental Disabilities

Appendix A  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>North East Ohio Network Council of Government Income and Expenditure Report</u></b>				
<b>Schedule A</b>				
16. Match Paid to DODD on Behalf of County Boards	\$ 29,990,779	\$ (125,071)		To reclassify room and board expenses
		\$ (10,878)		To reclassify room and board expenses
		\$ (35,173)		To reclassify room and board expenses
		\$ (1,443,345)	\$ 28,376,312	To reclassify admin fees
<b>CBDD Allocated Costs</b>				
15. Wayne Summary Sheet Lines 1-8	\$ 10,970	\$ 5,629	\$ 16,599	To agree to compiled reports
15. Wayne Summary Sheet Lines 13-27	\$ 13,223	\$ (5,630)		To agree to compiled reports
		\$ 868		To show flow up adjustments from Wayne
		\$ (5,053)		To show flow up adjustments from Wayne
		\$ 3,042		To show flow up adjustments from Wayne
		\$ 20,910	\$ 27,360	To show flow up adjustments from Wayne
<b>Worksheet 1</b>				
5. Moveable Equipment	\$ 18,610	\$ (2,799)		To agree to compiled report
		\$ (4,287)	\$ 11,524	To agree to AOS compiled depreciation report
<b>Worksheet 2</b>				
1. Salaries	\$ 235,141	\$ (15,728)	\$ 219,413	To agree to compiled report; salary allocation tab; C/31
3. Service Contracts	\$ 75,972	\$ (14,272)	\$ 61,700	To agree to compiled report
4. Other Expenses	\$ 342,238	\$ (12,254)		To agree to compiled report
		\$ (72)		To reclassify non-federal reimbursable expenses
		\$ (102)		To reclassify non-federal reimbursable expenses
		\$ (4,497)		To reclassify non-federal reimbursable expenses
		\$ (1,797)		To reclassify non-federal reimbursable expenses
		\$ (3,210)		To reclassify non-federal reimbursable expenses of county board
		\$ (5,068)		To reclassify non-federal reimbursable expenses of county board
		\$ (34,440)	\$ 280,798	To reclassify non-federal reimbursable expenses of county board
<b>Worksheet 2A</b>				
1. Salaries	\$ 21,657	\$ (21,657)	\$ -	To remove program supervision as no position meets criteria

Appendix A (page 2)  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>North East Ohio Network Council of Government Income and Expenditure Report (continued)</u></b>				
<b>Worksheet 4</b>				
1. Salaries (A) MAC Costs	\$ 556,931	\$ 6	\$ 556,937	To agree to confirmation
1. Salaries (B) Non-Federal Reimbursable	\$ 92,925	\$ 8	\$ 92,933	To agree to confirmation
4. Other Expenses (A) MAC Costs			\$ -	
4. Other Expenses (B) Non-Federal Reimbursable	\$ 6,627	\$ 12,254		To agree to compiled report
		\$ 72		To reclassify non-federal reimbursable expenses
		\$ 102		To reclassify non-federal reimbursable expenses
		\$ 4,497		To reclassify non-federal reimbursable expenses
		\$ 1,797	\$ 25,349	To reclassify non-federal reimbursable expenses
<b>MAC Reconciliation Worksheet</b>				
<b>Lines (6-10) Other Cost</b>				
A. Reimbursement Requested Through Calendar Year	\$ -	\$ 26,474	\$ 26,474	To record ancillary costs
<b><u>Ashland County</u></b>				
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ -	\$ 2,503	\$ 2,503	To reclassify salaries
15. Direct Services (M) Family Support Services	\$ -	\$ 39	\$ 39	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 4,188	\$ 415	\$ 4,603	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 2,524	\$ 2,524	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 1,620	\$ (1,620)	\$ -	To reclassify salaries
<b><u>Ashtabula County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 6	\$ 54,397		To reclassify admin fees
		\$ 1,015	\$ 55,418	To record admin fees;
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 170,938	\$ 597	\$ 171,535	To reclassify salaries
15. Direct Services (M) Family Support Services	\$ 37,468	\$ 4,775	\$ 42,243	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 85	\$ 8	\$ 93	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 1,422	\$ 1,422	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 912	\$ (912)	\$ -	To reclassify salaries
<b>Schedule C</b>				
<b>II. Department of DD</b>				
E. Waiver Administration	\$ 2,042	\$ 2,042	\$ 4,084	To agree to compiled reports

Appendix A (page 3)  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>Columbiana County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 1,647	\$ 148,604		To reclassify admin fees
		\$ 100		To reclassify non-federal reimbursable
		\$ 8,259	\$ 158,610	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 33,761	\$ (11,389)	\$ 22,372	To agree to compiled report
15. Direct Services (M) Family Support Services	\$ 88,849	\$ 2,015	\$ 90,864	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 23,559	\$ 2,340		To reclassify salaries
		\$ 1,150	\$ 27,049	To reclassify non-federal reimbursable
<b>Worksheet 7-B</b>				
Nursing Services (L) Community Residential	\$ -	\$ 6,261	\$ 6,261	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 4,019	\$ 20,976	\$ 24,995	To reclassify salaries
<b>Schedule C</b>				
<b>I. County</b>				
B. Interest	\$ 27,164	\$ (2,052)	\$ 25,112	To agree to compiled report
<b>II. Department of DD</b>				
A. Family Support Services	\$ 50,700	\$ (25,350)	\$ 25,350	To agree to compiled reports
C. Residential Facility - Non Waiver Services	\$ 22,000	\$ (11,000)	\$ 11,000	To agree to compiled reports
E. Waiver Administration	\$ 4,804	\$ (2,402)	\$ 2,402	To agree to compiled reports
<b><u>Cuyahoga County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 1,129	\$ 608,708		To reclassify admin fees
		\$ 8,879	\$ 618,716	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 79,728	\$ 76,344		To reclassify salaries
		\$ (79,728)	\$ 76,344	To removed unsupported costs
15. Direct Services (M) Family Support Services	\$ 2,007,557	\$ 1,812		To reclassify salaries
		\$ (80,354)	\$ 1,929,015	To agree to compiled report
15. Direct Services (O) Non-Federal Reimbursable	\$ 10,314	\$ 1,025		To reclassify salaries
		\$ 1,920		To reclassify non-federal reimbursable
		\$ 5,280	\$ 18,539	To reclassify non-federal reimbursable
<b>Schedule C</b>				
<b>I. County</b>				
B. Interest	\$ 31,500	\$ (143)	\$ 31,357	To agree to compiled report
<b><u>Geauga County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ -	\$ 820	\$ 820	To reclassify admin fees

**Appendix A (page 4)**  
**North East Ohio Network**  
**2012 Income and Expenditure Report and County Summary Workbook Adjustments**

<b>Cost Report Location</b>	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Comments</b>
<b><u>Geauga County (continued)</u></b>				
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 32,975	\$ 399	\$ 33,374	To agree to compiled report
15. Direct Services (M) Family Support Services	\$ -	\$ 79	\$ 79	To reclassify salaries
<b>Worksheet 6</b>				
16. MAC (I) Medicaid Administration	\$ 820	\$ (820)	\$ -	To reclassify admin fees
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 8,522	\$ 8,522	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 5,470	\$ (5,470)	\$ -	To reclassify salaries
<b><u>Lake County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ -	\$ 37,216	\$ 37,216	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 219,904	\$ 43		To reclassify salaries
		\$ (671)	\$ 219,276	To agree to compiled reports
15. Direct Services (M) Family Support Services	\$ 266,202	\$ 6,695	\$ 272,897	To reclassify salaries
15. Direct Services (N) Service & Support Admin	\$ 211,771	\$ (211,771)	\$ -	To remove pathways costs
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 7,677	\$ 7,677	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 4,919	\$ 1,364	\$ 6,283	To reclassify salaries
<b><u>Lorain County</u></b>				
<b>Schedule A</b>				
1. Room and Board/Cost to Live	\$ 380,033	\$ (193,368)	\$ 186,665	To agree to compiled report
5. Homemaker/Personal Care	\$ 176,063	\$ (2,879)	\$ 173,184	To agree to compiled report
<b>Worksheet 2</b>				
10. Indirect Costs (A) Early Intervention	# \$ 3,415	\$ 889	\$ 4,304	To allocate costs to correct program
10. Indirect Costs (B) Pre-School	# \$ 14,747	\$ 921	\$ 15,668	To allocate costs to correct program
10. Indirect Costs (C) School Age	# \$ 65,450	\$ 9,191	\$ 74,641	To allocate costs to correct program
10. Indirect Costs (E) Facility Based Services	# \$ 152,524	\$ 4,149	\$ 156,673	To allocate costs to correct program
10. Indirect Costs (K) Co. Board Operated ICF/MR	# \$ 19,766	\$ 2,331	\$ 22,097	To allocate costs to correct program
10. Indirect Costs (O) Non-Federal Reimbursable	# \$ 12	\$ 11,715	\$ 11,727	To allocate costs to correct program

**Appendix A (page 5)**  
**North East Ohio Network**  
**2012 Income and Expenditure Report and County Summary Workbook Adjustments**

<b>Cost Report Location</b>	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Comments</b>
<b><u>Lorain County (continued)</u></b>				
<b>Worksheet 2A</b>				
11. Program Supervision (A) Early Intervention	# \$ -	\$ 971	\$ 971	To allocate costs to correct program
11. Program Supervision (B) Pre-School	# \$ -	\$ 1,006	\$ 1,006	To allocate costs to correct program
11. Program Supervision (C) School Age	# \$ -	\$ 10,114	\$ 10,114	To allocate costs to correct program
11. Program Supervision (E) Facility Based Services	# \$ -	\$ 60,529	\$ 60,529	To allocate costs to correct program
11. Program Supervision (G) Community Employment	# \$ -	\$ 7,186	\$ 7,186	To allocate costs to correct program
11. Program Supervision (M) Family Support Services	# \$ -	\$ 2,157	\$ 2,157	To allocate costs to correct program
11. Program Supervision (N) Service & Support Admin	# \$ -	\$ 45,149	\$ 45,149	To allocate costs to correct program
<b>Worksheet 3</b>				
12. Building Services (A) Early Intervention	# \$ 460	\$ 5,808	\$ 6,268	To allocate costs to correct program
12. Building Services (B) Pre-School	# \$ 1,989	\$ 6,016	\$ 8,005	To allocate costs to correct program
12. Building Services (C) School Age	# \$ 8,825	\$ 60,053	\$ 68,878	To allocate costs to correct program
12. Building Services (E) Facility Based Services	# \$ 20,565	\$ 103,195	\$ 123,760	To allocate costs to correct program
12. Indirect Costs (K) Co. Board Operated ICF/MR	# \$ 2,665	\$ 38,461	\$ 41,126	To allocate costs to correct program
12. Building Services (N) Service & Support Admin	# \$ 1,652	\$ 13,831	\$ 15,483	To allocate costs to correct program
<b>Worksheet 4</b>				
13. Dietary (K) Co. Board Operated ICF/MR	\$ 6,701	\$ (6,701)	\$ -	To agree to compiled report
<b>Worksheet 5</b>				
15. Direct Services (A) Early Intervention	\$ 31,556	\$ (11,926)	\$ 19,630	To agree to compiled report
15. Direct Services (B) Pre-School	\$ 20,744	\$ (403)	\$ 20,341	To agree to compiled report
15. Direct Services (C) School Age	\$ 205,472	\$ (2,402)	\$ 203,070	To agree to compiled report
<b>Worksheet 7-B</b>				
18. Nursing Services (B) Pre-School	\$ 1,049	\$ (487)	\$ 562	To agree to compiled report
18. Nursing Services (C) School Age	\$ 5,246	\$ 370	\$ 5,616	To agree to compiled report
18. Nursing Services (E) Facility Based Services	\$ 10,764	\$ (785)	\$ 9,979	To agree to compiled report
18. Nursing Services (K) Co. Board Operated ICF/MR	\$ 5,135	\$ 2,829	\$ 7,964	To agree to compiled report
<b>Worksheet 7-C</b>				
19. Speech/Audiology (A) Early Intervention	\$ 2,260	\$ (107)	\$ 2,153	To agree to compiled report
19. Speech/Audiology (C) School Age	\$ 14,558	\$ (259)	\$ 14,299	To agree to compiled report
19. Speech/Audiology (E) Facility Based Services	\$ 256	\$ (133)	\$ 123	To agree to compiled report
<b>Worksheet 7-E</b>				
21. Occupational Therapy (C) School Age	\$ 127,122	\$ (653)	\$ 126,469	To agree to compiled report
21. Occupational Therapy (E) Facility Based Services	\$ 49,665	\$ (279)	\$ 49,386	To agree to compiled report
<b>Worksheet 7-F</b>				
22. Physical Therapy (B) Pre-School	\$ 43,302	\$ (105)	\$ 43,197	To agree to compiled report
22. Physical Therapy (C) School Age	\$ 47,643	\$ (507)	\$ 47,136	To agree to compiled report
22. Physical Therapy (E) Facility Based Services	\$ 40,358	\$ (419)	\$ 39,939	To agree to compiled report

Appendix A (page 6)  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>Lorain County (continued)</u></b>				
<b>Worksheet 8</b>				
25. Transportation (B) Pre-School	\$ 124	\$ (124)	\$ -	To agree to compiled report
25. Transportation (C) School Age	\$ 3,315	\$ (2,030)	\$ 1,285	To agree to compiled report
25. Transportation (E) Facility Based Services	\$ 582,157	\$ (8,972)	\$ 573,185	To agree to compiled report
25. Transportation (F) Enclave	\$ 809	\$ (809)	\$ -	To agree to compiled report
25. Transportation (G) Community Employment	\$ 45,746	\$ (119)	\$ 45,627	To agree to compiled report
25. Transportation (K) Co. Board Operated ICF/MR	\$ 224	\$ (224)	\$ -	To agree to compiled report
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 33,623	\$ 7,944		To reclassify salaries
		\$ 36,601	\$ 78,168	To agree to compiled report
<b>Worksheet 10</b>				
27. Direct Services (E) Facility Based Services	\$ 191,458	\$ 30,013	\$ 221,471	To agree to compiled report
27. Direct Services (O) Non-Federal Reimbursable	\$ 2,977	\$ (2,977)	\$ -	To agree to compiled report
<b><u>Mahoning County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 1,950	\$ 3,535	\$ 5,485	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (M) Family Support Services	\$ 76,863	\$ 17,672	\$ 94,535	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 1,158	\$ 115		To reclassify salaries
		\$ 5,068		To reclassify non-federal reimbursable
		\$ 25,270		To reclassify non-federal reimbursable
		\$ 408	\$ 32,019	To reclassify non-federal reimbursable
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 10,219	\$ 10,219	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 5,110	\$ (5,110)	\$ -	To reclassify salaries
<b><u>Medina County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 1,596	\$ 134,871	\$ 136,467	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 374,410	\$ (2,072)	\$ 372,338	To agree to compiled report
15. Direct Services (M) Family Support Services	\$ 55,636	\$ 2,530	\$ 58,166	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 23,846	\$ 2,368	\$ 26,214	To reclassify salaries
<b>Worksheet 6</b>				
16. MAC (I) Medicaid Administration	\$ 3,515	\$ (3,515)	\$ -	To agree to compiled report
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 5,881	\$ 5,881	To reclassify salaries

Appendix A (page 7)  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>Medina County (continued)</u></b>				
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 3,775	\$ (3,775)	\$ -	To reclassify salaries
<b><u>Portage County</u></b>				
<b>Schedule A</b>				
1. Room and Board/Cost to Live	\$ 7,063	\$ 35,193	\$ 42,256	To reclassify room and board
<b>Worksheet 2</b>				
10. Line 10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 175	\$ 209,906		To reclassify admin fees
		\$ 18,748	\$ 228,829	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 307,200	\$ (523)		To agree to compiled report
		\$ (35,193)	\$ 271,484	To reclassify room and board
15. Direct Services (M) Family Support Services	\$ 164,849	\$ 18,401	\$ 183,250	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 5,089	\$ (2,218)	\$ 2,871	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 7,706	\$ 7,706	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 4,946	\$ (4,946)	\$ -	To reclassify salaries
<b><u>Richland County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ -	\$ 162,596		To reclassify admin fees
		\$ 50,559	\$ 213,155	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 249,794	\$ (8,941)	\$ 240,853	To agree to compiled report
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 10,037	\$ 10,037	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 6,442	\$ (6,442)	\$ -	To reclassify salaries
<b><u>Stark County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 1,777	\$ 294,864		To reclassify admin fees
		\$ 19,079	\$ 315,720	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 1,368,456	\$ (12,497)	\$ 1,355,959	To agree to compiled report
15. Direct Services (M) Family Support Services	\$ 135,653	\$ 16,130	\$ 151,783	To reclassify salaries
15. Direct Services (O) Non-Federal Reimbursable	\$ 21,546	\$ 2,164		To reclassify salaries
		\$ 2,740		To reclassify non-federal reimbursable
		\$ 2,740	\$ 29,190	To reclassify non-federal reimbursable



Appendix A (page 8)  
 North East Ohio Network  
 2012 Income and Expenditure Report and County Summary Workbook Adjustments

Cost Report Location	Reported Amount	Correction	Corrected Amount	Comments
<b><u>Stark County (continued)</u></b>				
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 16,691	\$ 16,691	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 10,718	\$ (10,718)	\$ -	To reclassify salaries
<b><u>Summit County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 94	\$ 35	\$ 129	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 1,204	\$ (1,204)	\$ -	To remove unsupported costs
15. Direct Services (O) Non-Federal Reimbursable	\$ 1,400	\$ 139	\$ 1,539	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 36,914	\$ 36,914	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 23,693	\$ (23,693)	\$ -	To reclassify salaries
<b><u>Trumbull County</u></b>				
<b>Worksheet 5</b>				
15. Direct Services (O) Non-Federal Reimbursable	\$ 107,906	\$ 10,718	\$ 118,624	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 13,235	\$ 13,235	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 8,493	\$ (8,493)	\$ -	To reclassify salaries
<b><u>Wayne County</u></b>				
<b>Worksheet 2</b>				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ -	\$ 60	\$ 60	To record admin fees
<b>Worksheet 5</b>				
15. Direct Services (L) Community Residential	\$ 5,053	\$ 868		To reclassify salaries
15. Direct Services (M) Family Support Services	\$ -	\$ (5,053)	\$ 868	To remove unsupported costs
		\$ 3,042	\$ 3,042	To reclassify salaries
<b>Worksheet 7-B</b>				
18. Nursing Services (L) Community Residential	\$ -	\$ 3,958	\$ 3,958	To reclassify salaries
<b>Worksheet 9</b>				
26. Service & Support Adm (N) Service & Support Admin	\$ 2,540	\$ 16,952	\$ 19,492	To reclassify salaries

\* Original Cost Report balances have been adjusted to reflect allocations as a result of the above adjustments to Worksheet 1, Worksheet 2 of the COG Cost Report. Other county summary workbooks have been affected by this same allocation; however, those adjustments are not shown here due to this being a function of how costs flow down from Schedule B of the COG Cost Report.

# Original Cost Report balances have been adjusted to reflect allocations as a result of the above adjustments to Worksheet 2, Worksheet 2A and Worksheet of the COG Cost Report due to the "check writing" services provided by the COG to Lorain County

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# Dave Yost • Auditor of State

**NORTH EAST OHIO NETWORK**

**MAHONING COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 22, 2014**