



Dave Yost • Auditor of State



**WARREN 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 Warren 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* of the Cost Reports.

We measured three rooms in those areas where the square footage changed 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* of the Cost Reports.

We compared square footage for each room on the floor plan for the Banta building to the County Board's 2010 square footage summary and for the Warren C. Young building to the 2011 square footage summary.

We found no variances exceeding 10 percent when comparing the County Board's floor plans to the County Board's summaries.

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

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

We found no variances exceeding 10 percent.

### **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 found the reported typical hours of service changed in 2010 and 2011 and we compared the County Board's supporting documentation for typical hours of service to the typical hours of service reported on *Schedule B-1* for 2010 and 2011.

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

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 2010 and 2011 Day Services Attendance Summary by Consumer, Location, Acuity and Month and Services Provided Detail 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* 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 variances or computational errors exceeding two percent. 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 more than 10 percent from the prior year's Schedule B-1 and as a result we performed procedure 5 below.

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

We haphazardly selected 15 individual names from the County Board's attendance sheets for 2010 and 17 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* of the Cost Reports.

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

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 haphazardly selected 15 units from 2010 and 15 units from 2011 from the County Board's Services Provided Detail reports and determined if the units were calculated in accordance with the Cost Report Guide.

We found no differences.

### **Acuity Testing**

1. DODD requested us to report variances if 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 2008 and 2009 Attendance Days - Acuity reports and 2010 and 2011 Day Services Attendance Summary by Consumer, Location, Acuity and Month and Services Provided Detail 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 2008, 2009, 2010, and 2011.

We found no variances for 2008. We found seven days of facility based attendance on the 2009 Days of Attendance by Acuity supplemental Cost Report worksheet that should be reclassified from acuity level B to acuity level C.

We found 1,362 and 599 facility based days of attendance on the 2010 Days of Attendance by Acuity supplemental Cost Report worksheet that should be added to acuity level A and B, respectively. We also found 487 days that should be removed from acuity level C. In addition, for Enclave days of attendance, we found 439 days that should be removed from acuity level A and 51 and 27 days that should be added to acuity levels B and C, respectively.

We found 535 facility based days of attendance on the 2011 Days of Attendance by Acuity supplemental Cost Report worksheet that should be added to acuity level A. We also found 604 and 120 days that should be removed from acuity levels B and C, respectively. In addition, for Enclave days of attendance, we found six days that should be added to acuity level A and 62 days that should be removed from acuity level B.

We reported these differences on the Days of Attendance by Acuity supplemental cost report worksheet for 2009, 2010 and 2011 and submitted these documents separately to DODD.

2. We also compared two individuals from each acuity level on the County Board's 2008 and 2009 Attendance Days - Acuity reports and 2010 and 2011 Day Services Attendance Summary by Consumer, Location, Acuity and Month and Services Provided Detail reports to the Acuity Assessment Instrument or equivalent document for each individual for all four years.

We found 20 days of attendance for one individual on the 2008 Days of Attendance and Individuals Served by Acuity supplemental Cost Report worksheet that should be reclassified from acuity level B to acuity level C. We also found 36 days of attendance for one individual that should be reclassified from acuity level A to acuity level B. We found one individual in 2008 where the acuity assessment instrument or equivalent document could not be located by the County Board.

## **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 Statistics*.

We compared the number of one-way trips from the County Board's Units Delivered-Transportation by Service, Month and Age Group, Enclave and Community Employment one way trip reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Statistics* of the Cost Reports. We also footed the County Board's transportation 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 seven adults for August 2010 and October for 2011 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no differences exceeding 10 percent.

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

We compared the cost of bus tokens/cabs from the County Board's State Expenses Detailed reports to the amount reported in *Schedule B-3* of the Cost Reports.

We did not perform this procedure as the County Board did not report the cost of bus tokens, cabs on *Schedule B-3* of the Cost report 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).

#### **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, and SSA Unallowable) from the County Board's Receivable Billing Reimbursable Detail By Consumer, Service and Date and Unallowable Case Note Unit reports with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*. We also footed the County Board's SSA reports for accuracy.

We found differences 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 Receivable Billing Reimbursable Detail By Consumer, Service and Date 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 two samples of 60 Unallowable SSA service units for both 2010 and 2011 from the 2010 and 2011 Unallowable Case Note Units 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).

From the population of 5,601 Other SSA Unallowable units for 2010, we selected our sample of 60 units and found 37 percent of those units were for allowable activities. We projected based on this error rate and reclassified 1,947 units as TCM units and 107 units as Other SSA Allowable units.

We reported the differences in Appendix A (2010). The units found to be in error did not exceed 10 percent of our sample for 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* Other SSA Allowable units in 2010 and we obtained the County Board's explanation that more individuals became Medicaid eligible and were enrolled onto waivers in 2010. We reported no variances in Appendix A (2010) or 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 indicated a systemic issue.

We did not perform this procedure because the County Board 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 Master Fund Inquiry reports for (204) Community Residential Services, (205) Board of Developmental Disabilities, (211) WCBDD Various Grants, (218) Coordinated Care, and (635) WCBDD - Self Insurance funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found differences as reported in Appendix A (2010) and 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 yearly receipt totals reported for these funds.

3. DODD asked us to compare 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 if total County Board receipts were not within ¼ percent of the County Auditor yearly receipt totals in Procedure 2 above.

We did not perform this procedure since the total County Board receipts were within 1/4 percent of the County Auditor yearly receipt totals in Procedure 2 above.

4. We compared revenue entries on *Schedule C, Income Report* to the Southwest Ohio Council of Government prepared County Board Summary Workbooks for 2010 and 2011.

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

5. We reviewed the County Board's detailed revenue report and *Schedule C, Income Report* to determine whether revenues are maintained separately to offset corresponding expenses 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 \$39,325.59 in 2010 and \$22,591.61 in 2011;
- Title XX revenues in the amount of \$106,552 in 2010 and \$127,857 in 2011; and
- Insurance Reimbursements in the amount of \$996.95 in 2010 and \$4,864.08 in 2011.

We also noted Ohio Rehabilitation Services Commission revenues in the amount of \$98,397 in 2010 and \$391,291 in 2011; therefore, we offset corresponding expenses 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>

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<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).

**Recoverable Finding - 2010**

**Finding \$79.13**

We determined the County Board was over reimbursed for one unit of Supported Employment - Community - 15 min. (ACO) service, one unit of Supported Employment - Enclave - Daily (AND), and seven units of Supported Employment - Enclave - 15 min.(FNF) service in which no support was provided. We also determined the County Board was over reimbursed for two units of Adult Day Support - 15 min. (ADF) service and for 39 units of Adult Day Support and Vocational Habilitation "Combo" - 15 min. (AXF) service in which the incorrect number of units was reimbursed.

Service Code	Units	Review Results	Total Finding
ACO	1	No support	\$4.36
AND	1	No support	\$25.92
FNF	7	No support	\$7.58
ADF	2	Billing error	\$7.12
AXF	39	Billing error	\$34.16
		<b>Total</b>	<b>\$79.13</b>

**Recoverable Finding - 2011**

**Finding \$25.53**

We determined the County Board was over reimbursed for two units of Non-Medical Transportation - Per Trip-Eligible Vehicle (FTB) service in which no support was provided.

Service Code	Units	Review Results	Total Finding
FTB	2	No support	\$25.53

2. DODD requested us to report variances if units reimbursed by Medicaid were more than the units reported in the Cost Reports.

We compared the number of reimbursed TCM units and Community Employment units from the MBS Summary by Service Code report, to the final units on *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*, Line (1)(F), *TCM Units* and to *Schedule B-1, Section B, Attendance Statistics, Line (4)(C), Supported Employment – Community Employment*, 15 minute units, respectively.

We found no instance where the Medicaid reimbursed units were greater than audited TCM and Supported Employment - Community Employment units.

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

We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Lines (20), 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 report.

We found no differences for 2010. Because reimbursements exceeded the amount reported by two percent in 2011, we obtained the County Board's explanation that the variance was due to timing differences of reimbursements; therefore, we reported no variances in Appendix A (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 2010 and 2011 expenditures reports balances for the (204) Community Residential Services, (205) Board of Developmental Disabilities, (211) WCBDD Various Grants, (218) Coordinated Care, and (635) WCBDD - Self Insurance funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We found differences as reported in Appendix A (2010). We found no differences in 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 yearly disbursement totals reported for these funds.

3. DODD also asked us to compare 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 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 Detailed reports and Expense by Program worksheets.

We found no differences exceeding \$100 on any worksheet.

5. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 2 through 10 to the final 2010 and 2011 Southwest Ohio Council of Government prepared County Board Summary Workbooks.

We found no differences.

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 2010 and 2011 State Expenses Detailed reports for service contracts and other expenses in the following columns and worksheets: Column X-Gen Expense all Programs on worksheets 2 through 8; Column N-Service and Support Admin 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.

7. We scanned the County Board's 2010 and 2011 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 Fixed Asset & Depreciation Listing.

We found no unrecorded purchases meeting the capitalization criteria.

8. We haphazardly selected 40 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 found differences as reported in Appendix A (2010) and Appendix B (2011).

#### **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 no differences.

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

We compared all depreciation entries reported on *Worksheet 1, Capital Costs* to the County Board's Depreciation Schedule. We found no differences exceeding \$100.

4. We scanned the County Board's Depreciation Schedule 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 found no differences.

5. We haphazardly selected three County Board's fixed assets which met the County Board's capitalization policy and were 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 no differences.

6. We haphazardly selected nine disposed assets in 2011 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 2011 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 in 2010 because the County Board stated that no capital assets were disposed of in 2010. We scanned the County Board's 2010 Revenue Received Report and did not find any proceeds from the sale or exchange of fixed assets. We found differences as reported in 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 report totals for the (204) Community Residential Services, (205) Board of Developmental Disabilities, (211) WCBDD Various Grants, (218) Coordinated Care, and (635) WCBDD - Self Insurance funds.

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 financial reports.

The variance was less than two percent in both 2010 and 2011.

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 Payroll Totals by Date Span reports.

We found no differences.

3. We selected 40 employees and compared the County Board's organizational chart and Payroll Totals by Date Span reports 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 found no differences.

4. DODD asked us to scan the County Board's State Expenses Detailed 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 did not perform this procedure as the misclassification errors in Procedure 3 above did not exceed 10 percent.

### **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 and MAC RMTS Summary reports to the County Board's payroll records.

We found no variance exceeding one percent.

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

We reported differences in Appendix A (2010). We found no differences in 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 15 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 15 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 RMTS Methodology for 2010 and 2011.

We found no errors.

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.

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 14, 2014

cc: Megan Manuel, Superintendent, Warren County Board of Developmental Disabilities  
Kristi Black, Business Service Manager, Warren County Board of Developmental Disabilities  
Michele Swearingen, Business Manager, Warren County Board of Developmental Disabilities  
Eugene Rose, Board President, Warren County Board of Developmental Disabilities

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Schedule B-1, Section B</b>				
1. Total Individuals Served By Program (A) Facility Based Services	282	19	301	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	23	(1)	22	To correct individuals served
1. Total Individuals Served By Program (C) Supported Emp. -Community Employment	77	(2)	75	To correct 15 minute units
2. Days Of Attendance (A) Facility Based Services	45,328	1,474	46,802	To correct days of attendance
2. Days Of Attendance (B) Supported Emp. -Enclave	1,319	(361)	958	To correct days of attendance
3. Typical Hours Of Service (A) Facility Based Services	6	2	8	To correct typical hours of service
3. Typical Hours Of Service (B) Supported Emp. - Enclave	6.00	1.63	7.63	To correct typical hours of service
<b>Schedule B-3</b>				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	6,760	4,629	11,389	To correct one way trips
<b>Schedule B-4</b>				
1. TCM Units (D) 4th Quarter	22,718	1,947	24,665	To correct TCM units
2. Other SSA Allowable Units (D) 4th Quarter	427	(233)		To correct other SSA allowable units
		107	301	To correct other SSA allowable units
5. SSA Unallowable Units (C) 3rd Quarter	1,933	(756)		To correct SSA unallowable units
		(107)	1,070	To correct SSA unallowable units
5. SSA Unallowable Units (D) 4th Quarter	1,051	140		To correct SSA unallowable units
		(1,191)	-	To correct SSA unallowable units
<b>Schedule C</b>				
<b>I. County</b>				
(B) Interest- COG Revenue	\$ 3,055	\$ 7	\$ 3,062	Corrected to tie to COG Report
<b>II. Department of DD</b>				
(A) Family Support Services- COG Revenue	\$ 88,672	\$ (88,672)	\$ -	Corrected to tie to COG Report
(B) County Board Subsidy (501)	\$ 422,687	\$ 149,715	\$ 572,402	Corrected to tie to COG Report
(C) Residential Facility - Non Waiver Services - COG Revenue	\$ 55,117	\$ (55,117)	\$ -	Corrected to tie to COG Report
(E) Waiver Administration - COG Revenue	\$ 4,324	\$ (4,324)	\$ -	Corrected to tie to COG Report
(H) Purchase of Service - COG Revenue	\$ 1,601	\$ (1,601)	\$ -	Corrected to tie to COG Report
<b>Worksheet 2</b>				
1. Salaries (X) Gen Expense All Prgm.	\$ 587,389	\$ (11,819)	\$ 575,570	To correct salaries
4. Other Expenses (O) Non-Federal Reimbursable	\$ 25,808	\$ 3,285	\$ 29,093	To correct Non-Federal Reimbursable
4. Other Expenses (X) Gen Expense All Prgm.	\$ 138,154	\$ (3,285)		To correct other expenses
		\$ (27,693)	\$ 107,176	To correct Non-Federal Reimbursable
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 340,189	\$ 27,693	\$ 367,882	To correct Non-Federal Reimbursable
<b>Worksheet 5</b>				
3. Service Contracts (C) School Age	\$ 151,681	\$ (150,829)	\$ 852	To correct service contracts
3. Service Contracts (L) Community Residential	\$ 797,571	\$ 12	\$ 797,583	To correct depreciation from siding replacement
4. Other Expenses (A) Early Intervention	\$ 41,817	\$ (1,293)	\$ 40,524	To correct Other Expenses
4. Other Expenses (C) School Age	\$ 17,929	\$ (16,830)	\$ 1,099	To correct Other Expenses
<b>Worksheet 6</b>				
1. Salaries (I) Medicaid Admin	\$ 326,052	\$ 11,819	\$ 337,871	To correct salaries
<b>Worksheet 7-E</b>				
4. Other Expenses (A) Early Intervention	\$ 5,314	\$ 1,293	\$ 6,607	To correct 7-E, Other expenses

**Appendix A (cont.)  
Warren County Board of Developmental Disabilities  
2010 Income and Expenditure Report Adjustments**

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Worksheet 10</b>				
4. Other Expenses (G) Community Employment	\$ -	\$ 16,830	\$ 16,830	To correct Community Employment
<b>a1 adult</b>				
10. Community Employment (B) Less Revenue	\$ -	\$ 98,397	\$ 98,397	To offset RSC costs with revenue received, less match amount
<b>Reconciliation to County Auditor Worksheet</b>				
<b>Expense:</b>				
Plus: Passthrough Fund 218 - Coordinated Care	\$ -	\$ 270,585	\$ 270,585	Fund 218 was not included
Less Pathways	\$ -	\$ 150,829	\$ 150,829	To reclassify match payment per Cost Report FAQ
Total from 12/31 County Auditor's Report	\$ 23,119,454	\$ 270,585	\$23,390,039	Fund 218 was not included
<b>Revenue:</b>				
Plus: Passthrough Fund 218 - Coordinated Care		\$ 445,984	\$ 445,984	Fund 218 was not included
Total from 12/31 County Auditor's Report	\$ 15,776,028	\$ 445,984	\$16,222,012	Fund 218 was not included
<b>Medicaid Administration Worksheet</b>				
6. - Ancillary Costs (A) Reimbursement Requested	\$ -	\$ 21,055	\$ 21,055	To correct Medicaid Administration Worksheet
10. Through Calendar Year				

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Schedule B-1, Section B</b>				
1. Total Individuals Served By Program (B) Supported Emp. -Enclave	31	(5)		To correct individuals served
		2	28	To correct individuals served
1. Total Individuals Served By Program (C) Supported Emp. -Community Employment	74	7	81	To correct individuals served
2. Days Of Attendance (B) Supported Emp. -Enclave	2,046	(1,124)		To correct days of attendance
		21	943	To correct days of attendance
3. Typical Hours Of Service (B) Supported Emp. -Enclave	8.00	(1.30)	6.70	To correct typical hours of service
<b>Schedule B-3</b>				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	7,383	3,371	10,754	To correct one way trips
<b>Schedule B-4</b>				
2. Other SSA Allowable Units (D) 4th Quarter	827	1,255	2,082	To correct other SSA allowable unit
5. SSA Unallowable Units (D) 4th Quarter	1,019	(416)	603	To correct SSA unallowable units
<b>Worksheet 1</b>				
3. Buildings/Improve (L) Community Residential	\$ 28,314	\$ 12	\$ 28,326	To correct Buildings/Improvements
5. Movable Equipment (O) Non-Federal Reimbursable	\$ -	\$ 8,471	\$ 8,471	To record loss on donated transportation equipment
5. Movable Equipment (U) Transportation	\$ 88,276	\$ 18,077	\$ 106,353	To record loss on transportation equipment
<b>Worksheet 2</b>				
3. Service Contracts (X) Gen Expense All Prgm	\$ 178,886	\$ (39,901)	\$ 138,985	To correct non-Federal reimbursable expenses
4. Other Expenses (O) Non-Federal Reimbursable	\$ 426,339	\$ 2,371	\$ 428,710	To correct other expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 153,146	\$ (2,371)		To correct other expenses
		\$ (7,781)	\$ 142,994	To correct non-Federal reimbursable expenses
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ -	\$ 39,901		To correct non-Federal reimbursable expenses
		\$ 7,781	\$ 47,682	To correct non-Federal reimbursable expenses
<b>Worksheet 5</b>				
3. Service Contracts (C) School Age	\$ 20,583	\$ (20,583)	\$ -	To correct service contracts
4. Other Expenses (C) School Age	\$ 12,520	\$ (12,520)	\$ -	To correct other expenses
<b>Worksheet 10</b>				
3. Service Contracts (G) Community Employment	\$ -	\$ 20,583	\$ 20,583	To correct other expenses
4. Other Expenses (G) Community Employment	\$ -	\$ 12,520	\$ 12,520	To correct other expenses
<b>a1 adult</b>				
10. Community Employment (B) Less Revenue	\$ -	\$ 391,291	\$ 391,291	To offset RSC expenses

Appendix B (cont.)

Warren County Board of Developmental Disabilities  
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Reconciliation to County Auditor Worksheet</b>				
<b>Expense:</b>				
Less: Capital Costs	\$ (329,870)	\$ (8,471)		To correct capital costs.
		\$ (18,077)		To correct capital costs.
		\$ (12)	\$ (356,430)	To correct capital costs.
<b>Revenue:</b>				
Plus: Passthrough Fund 218 - Coordinated Care		\$ 331,586	\$ 331,586	Fund 218 was not included
Total from 12/31 County Auditor's Report	\$ 15,952,562	\$ 331,586	\$ 16,284,148	Fund 218 was not included
<b>Medicaid Administration Worksheet</b>				
6. - Ancillary Costs (A) Reimbursement Requested	\$ -	\$ 34,989	\$ 34,989	To correct Medicaid
10. Through Calendar Year				Administration Worksheet



# Dave Yost • Auditor of State

## WARREN COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

### WARREN 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 27, 2014