



Dave Yost • Auditor of State

**LORAIN COUNTY BOARD OF DEVELOPMENTAL DISABILITIES
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Independent Accountants' 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, 8th 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 Lorain 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 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.

STATISTICS – SQUARE FOOTAGE

1. DODD requested that 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 and found no unreported rented or idle floor space.

We did not compare the 2011 and 2012 square footage totals to final 2010 square footage totals as the County Board informed us that the square footage in the Cost Reports was not accurate.

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 variances exceeding 10 percent and measured three additional rooms. We found additional variances and, due to the variances found, we requested that the County Board revise its square footage summaries.

STATISTICS – SQUARE FOOTAGE (Continued)

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 the Administration building in 2011 and the Murray Ridge School building in 2012 to the County Board's revised summary.

We found no variances exceeding 10 percent.

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 Report for any cell within *Schedule B-1, Section A, Square Footage*.

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

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

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 that the County Board erroneously included common space as non-reimbursable square footage in 2011 and 2012 and dietary as nutritional services square footage in 2012. We reported these differences in Appendix A (2011) and Appendix B (2012).

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 found no unassigned program or general expenses-all program costs; however, as a result of differences identified in our square footage testing, we determined that the number of individuals served for *Worksheet 7D, Psychological Services* needed to be obtained as costs were allocated to (X) General Expense – All Program in 2011 and 2012 and needed to be assigned to (E) Facility Based Services and (K) County Board Operated ICF/MR.

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.

STATISTICS – ATTENDANCE (Continued)

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 Client Summary, Supportive Employment Competitive, and Supported Employment – Enclave 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 in 2011 or 2012. However, we found that individuals whose acuity level changed during 2012 were not properly classified. We reported these variances in Appendix B (2012).

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

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

The number of reported individuals served did not change by more than 10 percent.

5. DODD requested that we report variances if the individuals served on the 2011 *Schedule B-1, Section B, Attendance Statistics* were not within three of the individuals documented on the attendance sheets if the variance in procedure 4 was greater than 10 percent.

We did not perform this test since 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 Client Attendance reports to the Acuity Assessment or other documentation for each individual.

We traced the number of attendance days for four Adult Day Services and one Enclave individual from January through May and July through November 2012 from the County Board's Client Attendance Reports to *Schedule B-1*.

We found no differences.

We compared each acuity level on the 2012 Client Attendance reports to the Acuity Assessment Instrument for the same five individuals. We also selected an additional eight individuals, to ensure that at least two individuals from each acuity level is tested, and performed the same acuity level comparison.

STATISTICS – ATTENDANCE (Continued)

We found the following acuity variances:

- 691 Adult Day Services attendance days should be removed from acuity level B and added to acuity level A; 10 Enclave attendance days should be added to acuity level A;
- 17 Enclave attendance days should be removed from acuity level B; and
- 7 Enclave attendance days should be added to acuity level C.

7. DODD requested that we 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 units did not meet the service documentation requirements of Ohio Admin. Code § 5123:2-9-05 (see Paid Claims Testing, procedure 1).

We haphazardly selected 15 units from 2011 and 15 units from 2012 from the County Board's Supported Employment Competitive 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.

ACUITY TESTING

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

We compared the County Board's Client Attendance reports for Day Habilitation/Adult Day Services/ Vocational Habilitation and Enclave services with the Days of Attendance by Acuity supplemental worksheet for 2008, 2009, 2010 and 2011.

For 2008, we found the following acuity variances:

- 18 Adult Day Services attendance days should be removed from acuity level A-1;
- 6,600 Adult Day Services attendance days should be removed from acuity level A;
- 2,086 Adult Day Services attendance days should be removed from acuity level B;
- 8,714 Adult Day Services attendance days should be added to acuity level C;
- 228 Enclave attendance days should be added to acuity level A; and
- 262 Enclave attendance days should be removed from acuity level B.

For 2009, we found the following acuity variances:

- 759 Adult Day Services attendance days should be removed from acuity level A-1;
- 970 Adult Day Services attendance days should be added to acuity level A;
- 186 Adult Day Services attendance days should be added to acuity level B;
- 397 Adult Day Services attendance days should be removed from acuity level C;
- 14 Enclave attendance days should be removed from acuity level A-1; and
- 14 Enclave attendance days should be added to acuity level A.

For 2010, we found the following acuity variances:

- 2,885 Adult Day Services attendance days should be removed from acuity level A-1;
- 2,884 Adult Day Services attendance days should be added to acuity level A;
- 369 Enclave attendance days should be removed from acuity level A-1; and
- 369 Enclave attendance days should be added to acuity level A.

ACUITY TESTING (Continued)

For 2011, we found the following acuity variances:

- 3,176 Adult Day Services attendance days should be removed from acuity level A-1;
- 3,176 Adult Day Services attendance days should be added to acuity level A;
- 320 Enclave attendance days should be removed from acuity level A-1; and
- 320 Enclave attendance days should be added to acuity level A.

2. We compared two individuals from each acuity level on the County Board's 2008 through 2011 Client Attendance reports to the Acuity Assessment Instrument for each individual for each respective year.

For 2008, we found 41 Enclave attendance days should be reclassified from acuity level B to A.

For 2009, we found 233 Adult Day Services attendance days should be reclassified from acuity level B to C and 11 Enclave attendance days should be reclassified from acuity level B to C.

For 2010, we found the following acuity variances:

- 239 Adult Day Services attendance days should be reclassified from acuity level A to A-1;
- 210 Adult Day Services attendance days should be reclassified from acuity level B to A; and
- 4 Enclave attendance days should be reclassified from acuity level B to A-1.

For 2011, we found 23 Enclave attendance days should be reclassified from acuity level B to A.

For the four years tested, we found four individuals where the acuity assessment instrument or equivalent document could not be provided by the County Board.

We reported the differences from procedures 1 and 2 on a revised Days of Attendance by Acuity supplemental worksheet for 2009, 2010 and 2011 and submitted it to DODD.

STATISTICS – TRANSPORTATION

1. DODD requested that we 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 Rider Summary and 2012 Schedule B-3 Transportation reports with those statistics as reported in *Schedule B-3*. We also footed the County Board's transportation reports for accuracy.

We found no differences in 2011. We found no differences exceeding two percent in 2012.

2. DODD requested that we report variances of more than 10 percent of the total trips taken for 10 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 10 adults and one child for one month in 2011 and 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*.

STATISTICS – TRANSPORTATION (Continued)

We compared the cost of bus tokens/cabs from the County Board's IHAC Expense Detail with CAC reports to the amount reported in *Schedule B-3*.

We found no differences.

STATISTICS – SERVICE AND SUPPORT ADMINISTRATION (SSA)

1. DODD requested that we 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 Targeted Case Management (TCM), Other SSA Allowable, Home Choice and SSA Unallowable units from the County Board's 2011 Other SSA Allowable and SSA Unallowable Units and 2012 Schedule B-5 TCM, SSA Allowable and SSA reports with those statistics reported in *Schedule B-4*. We also footed the County Board's SSA reports for accuracy.

We found differences as reported in Appendix A (2011). We found no differences exceeding two percent in 2012.

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 SSA Other Allowable units from the 2011 Other SSA Allowable and SSA Unallowable Units and 2012 TCM, Other SSA Allowable and SSA Unallowable 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 elements required by Ohio Admin. Code § 5101:3-48-01(F).

We found no differences.

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

We haphazardly selected a sample of 60 SSA Unallowable service units from the 2011 Other SSA Allowable and SSA Unallowable Units and 2012 TCM, Other SSA Allowable and SSA Unallowable 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 elements required by Ohio Admin. Code § 5101:3-48-01(F).

We found no differences exceeding 10 percent in 2011. We found no differences in 2012.

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

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 Home Choice Units decreased by more than five percent and we determined this was because the County Board did not participate in Home Choice in 2011.

STATISTICS – SERVICE AND SUPPORT ADMINISTRATION (Continued)

The final 2012 TCM units increased by more than five percent and Other SSA Allowable and SSA Unallowable units decreased by five percent or more from 2011. We obtained the County Board's explanation that the TCM units increased because the County Board added two full-time staff members. Other Allowable units decreased because the County Board had a greater number of clients being enrolled in Medicaid and increased staff training that allowed the County Board to better identify Medicaid clients. SSA Unallowable units decreased because the County Board focused on providing more service coordination and less direct service. In addition, the staff was better able to identify allowable and unallowable activities.

5. DODD asked 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 *Schedule B-4* plus any general time units recorded, DODD requested that we 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 as the County Board stated it did not track general time units.

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 Funds Available Analysis Reports for the Special Levy (3280), Residential (3300) and Medicaid Services (3320) 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). We found no differences in 2012.

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 \$3,500,000. We determined the difference was due to the County Board not including a transfer on the Cost Report. We reported this difference in Appendix A (2011) and with this adjustment, the County Board receipts reconciled within 1/4 percent.

Total County Board receipts were within 1/4 percent of the county auditor's yearly receipt totals reported for these funds in 2012.

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 Revenue Received reports and other supporting documentation.

We did not perform this procedure as the Cost Reports reconciled within acceptable limits.

REVENUE COST REPORTING AND RECONCILIATION TO THE COUNTY AUDITOR REPORT (Continued)

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 North East Ohio Network (COG) prepared County Board Summary Workbooks.

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

5. We reviewed the county auditor's Funds Available Analysis Reports and *Schedule C, Income Report* to determine whether revenues are maintained separately to offset corresponding expense via the use of specific expenditure costs centers and identified any potential revenue offsets/applicable credits.

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

- Miscellaneous refunds, reimbursements and other income in the amount of \$1,141,283 in 2011 and \$913,487 in 2012;
- Title IV-B revenues in the amount of \$109,954 in 2011 and \$107,459 in 2012;
- School Lunch Program revenues in the amount of \$33,948 in 2011 and \$45,526 in 2012;
- Title XX revenues in the amount of \$248,850 in 2011 and \$234,285 in 2012; and
- ARRA revenues in the amount of \$544,839 in 2011 and \$6,917 in 2012.

PAID CLAIMS TESTING

1. We selected 110 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.

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). In addition, for selected transportation service 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.

PAID CLAIMS TESTING (Continued)

We found one instance of non-compliance with these documentation requirements for 2011 in the Supported Employment - Enclave - 15 minute unit (ANF) service. We found no instances of non-compliance with these documentation requirements for 2012. There were no non-medical transportation services provided by a commercial vehicle/bus or taxi/livery in our sample.

We also noted TCM service units in 2011 in which the individual met criteria for coverage exclusion. Per Ohio Admin. Code § 5101-3-48-01(2)(a) "Activities performed on behalf of an eligible individual residing in an institution are not billable for medicaid TCM reimbursement except for the last one hundred eighty consecutive days of residence where the activities are related to moving the eligible individual from an institution to a noninstitutional community setting."

Recoverable Finding – 2011

Finding \$102.69

Service Code	Units	Review Results	Finding
ANF	47	Billed wrong procedure code resulting in overpayment	\$23.25
TCM	8	Services provided to a nursing home resident	\$79.44
		Total	\$102.69

Recoverable findings are subject to interest collection pursuant to Ohio Rev. Code § 5164.60.

- DODD requested that we 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.

In 2011, we found total Medicaid reimbursed units were greater than the County Board's final TCM units on *Schedule B-4*. We obtained the County Board's Other SSA Allowable and Unallowable Units report and the compiled TCM units exceeded total Medicaid reimbursed units. We did not report variances in the Statistics – Service and Support Administration section, procedure 1, as the variance did not exceed the two percent threshold; however, we reported this variance in Appendix A so that the Medicaid reimbursed units do not exceed final TCM units. The County Board was not reimbursed for Supported Employment - Community Employment units in 2011.

We found no instances where the Medicaid reimbursed units were greater than final TCM and Supported Employment - Community Employment units in 2012.

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

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

We found no differences.

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 Funds Available Analysis Reports for the Special Levy (3280), Residential (3300) and Medicaid Services (3320) funds.

We found differences as reported in Appendix A (2011). We found no differences in 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 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 in 2011. Disbursements in the county auditor's report exceeded the County Board disbursements by \$3,496,978. We determined the difference was mostly due to the County Board not including a transfer on the Cost Report. We reported this difference in Appendix A (2011) and with this adjustment, the County Board disbursements reconciled within 1/4 percent.

Total County Board disbursements were within 1/4 percent of the county auditor's yearly disbursements totals reported for these funds in 2012.

3. DODD asked us to compare the account description and amount for each reconciling item on the *County Auditor Reconciliation Worksheets* to the County Board's detailed expense reports and other supporting documentation.

We did not perform this procedure as the Cost Reports reconciled within acceptable limits.

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 IHAC Expense Detail With CAC reports.

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

5. DODD asked us to compare disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 1 through 10 to the COG prepared County Board Summary Workbooks.

We compared disbursement entries on worksheets 1 through 10 to the COG prepared County Board Summary Workbooks.

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

NON-PAYROLL EXPENDITURES AND RECONCILIATION TO THE COUNTY AUDITOR REPORT (Continued)

We found that the County Board included both County Board and COG expenditures in its detailed expenditure reports. Due to this, we were unable to trace disbursement entries on *Schedule A, Summary of Service Costs – By Program* to the COG prepared County Board Summary Workbooks.

Recommendation:

We recommend the County Board separate the COG expenditures from the County Board expenditures in order to clearly trace costs in accordance with the Cost Report Guide which states in pertinent part, "In addition to maintaining all documentation to verify revenues and expenses, keep records that clearly trace or allocate all costs from accounting records to this report."

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 IHAC Expense Detail With CAC reports for service contracts and other expenses in the following columns and worksheets: column (X) General Expense-All Programs on worksheets 2 through 8; column (N) Service and Support Administration Costs on worksheet 9; and columns (E) Facility Based Services, (F) Enclave and (G) Community Employment 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 reported misclassified and non-federal reimbursable costs in Appendix A (2011) and Appendix B (2012).

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 threshold and trace them to inclusion on the County Board's fixed asset listing.

We scanned the County Board's IHAC Expense Detail With CAC 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 Capital Costs - Depreciation reports.

We found no unrecorded purchases meeting the capitalization criteria.

8. DODD asked us to select 60 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 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 haphazardly selected 60 disbursements from the County Board's IHAC Expense Detail With CAC reports that were classified as service contract and other expenses on worksheets 2 through 10. We determined if supporting documentation was maintained as required and the disbursement was properly classified according to the Cost Report Guides.

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

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 as a result of applying this procedure.

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 Capital Costs - Depreciation reports.

We found no differences.

3. We compared the County Board's final 2010 Capital Costs - Depreciation report to the County Board's 2011 and 2012 Capital Costs - Depreciation 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.

4. We haphazardly selected five of the County Board's fixed assets which meet the County Board's capitalization policy and were being depreciated in their first year 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 haphazardly selected two disposed assets from the County Board's 2011 and 2012 list of disposed assets and determined if the assets were removed from the County Board's fixed asset ledgers. We also recalculated depreciation and any gain or loss applicable to 2011 and 2012 for the disposed items based on its undepreciated basis and any proceeds received from the disposal of the asset to determine compliance with the Cost Report Guides and CMS Publication 15-1, Chapter 1.

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

PAYROLL TESTING

1. DODD asked us to determine whether total County Board salaries and benefits in the 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 Cost Reports and compared the yearly totals to the county auditor's Funds Available Analysis Reports for the Special Levy (3280), Residential (3300) and Medicaid Services (3320) 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 IHAC Expense Detail With CAC reports.

We found no differences exceeding \$100.

3. DODD asked us to select a sample of 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 perform procedure 4.

We selected 40 employees and compared the County Board's organizational chart and Hours and Wages by Cost Center - Detailed 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 reported differences in Appendix A (2011) and Appendix B (2012).

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 did not perform this procedure as the errors in procedure 3 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 MAC Cost by Individual reports to the County Board's Hours and Wages by Cost Center - Detailed and Calendar Year Salary/Fringe Benefit Costs for Participants in MAC RMTS Program reports.

We found no variances exceeding one percent.

2. We compared the MAC Cost by Individual reports to *Worksheet 6, columns (I) and (O)*.

MEDICAID ADMINISTRATIVE CLAIMING (Continued)

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 15 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 16 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 one observed moment in 2011 for Activity Code 7-Referral, Coordination and Monitoring of Medicaid Services in which the accompanying supporting documentation was unclear or vague to support the response to the sampled moment as required by the RMTS guide, section on Examples of Unacceptable documentation.

We found one observed moment in 2012 for Activity Code 18-General Administration in which the supporting documentation was a written note by the participant that described the activity, but included no additional accompanying documentation reflecting the date and time of the sampled moment as required by the RMTS guide, section on Examples of Unacceptable documentation.

We reported these instances of non-compliance to DODD. In response, DODD communicated to us that it is working with ODM to calculate findings for recovery, if needed.

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, ODM 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.



Dave Yost
Auditor of State

August 25, 2015

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (B) Adult	3,177	(1,555)	1,622	To match revised square footage
4. Nursing Services (B) Adult	910	(68)	842	To match revised square footage
5. Speech/Audiology (B) Adult	374	138	512	To match revised square footage
6. Psychology (B) Adult	-	242	242	To match revised square footage
7. Occupational Therapy (B) Adult	992	(150)	842	To match revised square footage
8. Physical Therapy (B) Adult	992	(413)	579	To match revised square footage
10. Nutritional Services (C) Child	-	20	20	To match revised square footage
12. Pre-School (C) Child	10,858	693	11,551	To match revised square footage
13. School Age (C) Child	22,372	1,127	23,499	To match revised square footage
14. Facility Based Services (B) Adult	70,644	(1,580)	69,064	To match revised square footage
15. Supported Emp. - Enclave (B) Adult	860	(860)	-	To match revised square footage
16. Supported Emp. - Comm Emp. (B) Adult	860	920	1,780	To match revised square footage
17. Medicaid Administration (A) MAC	1,698	(1,511)	187	To match revised square footage
19. Community Residential (D) General	19,031	128	19,159	To match revised square footage
21. Service And Support Admin (D) General	3,749	154	3,903	To match revised square footage
22. Program Supervision (B) Adult	4,818	(1,543)	3,275	To match revised square footage
22. Program Supervision (C) Child	1,207	359	1,566	To match revised square footage
23. Administration (D) General	6,673	1,637	8,310	To match revised square footage
24. Transportation (D) General	65	(9)	56	To match revised square footage
25. Non-Reimbursable (B) Adult	17,909	9,198		To match revised square footage
		(26,270)	837	To remove common space
25. Non-Reimbursable (C) Child	6,485	(6,485)	-	To match revised square footage
25. Non-Reimbursable (D) General	18,838	(18,589)	249	To match revised square footage
Schedule B-4				
1. TCM Units (D) 4th Quarter	21,545	1,181	22,726	To adjust for reimbursed units
2. Other SSA Allowable Units (D) 4th Quarter	4,779	1,097	5,876	To correctly report SSA units
3. Home Choice Units (A) 1st Quarter	470	(470)	-	To correctly report SSA units
3. Home Choice Units (B) 2nd Quarter	408	(408)	-	To correctly report SSA units
3. Home Choice Units (C) 3rd Quarter	737	(737)	-	To correctly report SSA units
3. Home Choice Units (D) 4th Quarter	395	(395)	-	To correctly report SSA units
3. Home Choice Units (E) COG Activity	35	(35)	-	To correctly report SSA units
Schedule C				
I. County				
(B) Interest - COG Revenue	\$ 152,417	\$ (32,697)	\$ 119,720	To match final COG workbook
II. Department of DD				
(B) County Board Subsidy (501) - COG Revenue	\$ 592,618	\$ (3,483)	\$ 589,135	To match final COG workbook
(E) Waiver Administration- COG Revenue	\$ 10,449	\$ 3,483	\$ 13,932	To match final COG workbook
Worksheet 1				
5. Movable Equipment (V) Admin	\$ 2,883	\$ 795	\$ 3,678	To record loss on disposal
8. COG Expenses (B) Pre-School	\$ -	\$ 71	\$ 71	To match final COG workbook
8. COG Expenses (E) Facility Based Services	\$ -	\$ 21	\$ 21	To match final COG workbook
8. COG Expenses (K) Co. Board Operated ICF/MR	\$ -	\$ 1,301	\$ 1,301	To match final COG workbook
8. COG Expenses (L) Community Residential	\$ -	\$ 2,018	\$ 2,018	To match final COG workbook
8. COG Expenses (M) Family Support Services	\$ -	\$ 162	\$ 162	To match final COG workbook
8. COG Expenses (N) Service & Support Admin	\$ -	\$ 50	\$ 50	To match final COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 14	\$ 14	To match final COG workbook
Worksheet 2				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 242,362	\$ (22,000)	\$ 220,362	To reclassify unallowable retainer fees
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 22,000		To reclassify unallowable retainer fees
	\$ -	\$ 4,924		To reclassify unallowable promotional expenses
	\$ -	\$ 285		To reclassify unallowable promotional expenses
	\$ -	\$ 875	\$ 28,084	To reclassify unallowable food expense

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2 (Continued)				
4. Other Expenses (X) Gen Expense All Prgm.	\$ 112,686	\$ (11,673)		To match to detailed expense report
		\$ (4,924)		To reclassify unallowable promotional expenses
		\$ (285)		To reclassify unallowable promotional expenses
		\$ 5,162		To reclassify software expense
		\$ (875)	\$ 100,091	To reclassify unallowable food expense
5. COG Expenses (B) Pre-School	\$ -	\$ 4,450	\$ 4,450	To match final COG workbook
5. COG Expense (E) Facility Based Services	\$ -	\$ 1,295	\$ 1,295	To match final COG workbook
5. COG Expense (K) Co. Board Operated ICF/MR	\$ -	\$ 81,685	\$ 81,685	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 438,819	\$ 438,819	To match final COG workbook
5. COG Expense (M) Family Support Services	\$ -	\$ 10,199	\$ 10,199	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ -	\$ 3,135	\$ 3,135	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 107,282	\$ (48,994)	\$ 58,288	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 449,725	\$ 35,893		To reclassify MAC fees
		\$ 271,203	\$ 756,821	To reclassify auditor and treasurer fees
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 1,402,516	\$ (144,700)	\$ 1,257,816	To reclassify Hab Manager and OVC Director salaries
2. Employee Benefits (E) Facility Based Services	\$ 551,717	\$ (58,910)	\$ 492,807	To reclassify Hab Manager and OVC Director benefits
3. Service Contracts (E) Facility Based Services	\$ 6,341	\$ (1,150)		To reclassify Special Olympics expenses
		\$ (5,191)	-	To reclassify direct service expenses
3. Service Contracts (N) Service & Support Admin	\$ 48,307	\$ (30,510)	\$ 17,797	To reclassify developmental center fees
4. Other Expenses (E) Facility Based Services	\$ 49,335	\$ (4,647)		To reclassify Special Olympics expenses
		\$ (39,786)	\$ 4,902	To reclassify direct service expenses
5. COG Expenses (C) School Age	\$ 7,931	\$ (7,931)	-	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 145,573	\$ (145,573)	-	To match final COG workbook
5. COG Expenses (F) Enclave	\$ 4,700	\$ (4,700)	-	To match final COG workbook
5. COG Expenses (G) Community Employment	\$ 9,708	\$ (9,708)	-	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 4,855	\$ (4,855)	-	To match final COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 35,965	\$ (35,965)	-	To match final COG workbook
Worksheet 3				
4. Other Expenses (V) Admin	\$ 20,129	\$ 11,673	\$ 31,802	To match detailed expense report
5. COG Expenses (D) Unasgn Children Program	\$ 24,297	\$ (24,297)	-	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 86,238	\$ (86,238)	-	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 6,398	\$ (6,398)	-	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 12,709	\$ (12,709)	-	To match final COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 3,467	\$ (3,467)	-	To match final COG workbook
5. COG Expenses (U) Transportation	\$ -	\$ -	-	To match final COG workbook
5. COG Expenses (V) Admin	\$ 261,001	\$ (261,001)	-	To match final COG workbook
5. COG Expenses (X) Gen Expense All Prgm.	\$ 156	\$ (156)	-	To match final COG workbook
Worksheet 4				
5. COG Expenses (E) Facility Based Services	\$ -	\$ 15,532	\$ 15,532	To match final COG workbook
Worksheet 5				
3. Service Contracts (K) Co. Board Operated ICF/MR	\$ 130,583	\$ 5,948	\$ 136,531	To reclassify architect fees
4. Other Expenses (D) Unasgn Children Program	\$ 27,016	\$ 12,670	\$ 39,686	To reclassify equipment expense
5. COG Expenses (A) Early Intervention	\$ 41,654	\$ (41,654)	-	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ 16,584	\$ 36,791	\$ 53,375	To match final COG workbook

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 5 (Continued)				
5. COG Expenses (C) School Age	\$ 242,087	\$ (242,087)	\$ -	To match final COG workbook
5. COG Expenses (D) Unasgn Children Program	\$ 125,045	\$ (125,045)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 135,493	\$ (135,493)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 188,450	\$ 1,189,574	\$ 1,378,024	To match final COG workbook
5. COG Expenses (M) Family Support Services	\$ 72,287	\$ 50,030	\$ 122,317	To match final COG workbook
Worksheet 6				
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 10,898	\$ 10,898	To match final COG workbook
Worksheet 7A				
5. COG Expenses (L) Community Residential	\$ -	\$ 54,832	\$ 54,832	To match final COG workbook
Worksheet 7B				
5. COG Expenses (D) Unasgn Children Program	\$ 13,082	\$ (13,082)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 20,731	\$ (20,731)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 11,236	\$ (11,236)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 9,527	\$ (681)	\$ 8,846	To match final COG workbook
Worksheet 7C				
5. COG Expenses (A) Early Intervention	\$ 4,700	\$ (4,700)	\$ -	To match final COG workbook
5. COG Expenses (C) School Age	\$ 10,935	\$ (10,935)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 6,771	\$ (6,771)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 516	\$ 516	To match final COG workbook
Worksheet 7D				
5. COG Expenses (E) Facility Based Services	\$ 2,040	\$ (2,040)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 2,637	\$ (2,637)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 4,247	\$ 4,247	To match final COG workbook
13. No. of Individual Served (E) Facility Based Services	-	729	729	To record number of individuals served
13. No. of Individual Served (K) Co. Board Operated ICF/MR	-	18	18	To record number of individuals served
Worksheet 7E				
5. COG Expenses (B) Pre-School	\$ 6,540	\$ (6,540)	\$ -	To match final COG workbook
5. COG Expenses (C) School Age	\$ 23,439	\$ (23,439)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 9,385	\$ (9,385)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 1,584	\$ (1,584)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 42,518	\$ 42,518	To match final COG workbook
Worksheet 7F				
5. COG Expenses (B) Pre-School	\$ 8,073	\$ (8,073)	\$ -	To match final COG workbook
5. COG Expenses (C) School Age	\$ 25,061	\$ (25,061)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 8,557	\$ (8,557)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 2,526	\$ (2,526)	\$ -	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ -	\$ 31,154	\$ 31,154	To match final COG workbook
Worksheet 7H				
5. COG Expenses (B) Pre-School	\$ 4,928	\$ (4,928)	\$ -	To match final COG workbook
5. COG Expenses (C) School Age	\$ 3,048	\$ (3,048)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 850	\$ (850)	\$ -	To match final COG workbook
Worksheet 8				
3. Service Contracts (F) Enclave	\$ -	\$ 120,346	\$ 120,346	To reclassify enclave transportation expenses

Appendix A (Page 4)
Lorain County Board of Developmental Disabilities
2011 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 8 (Continued)				
3. Service Contracts (G) Community Employment	\$ 120,346	\$ (120,346)	\$ -	To reclassify enclave transportation expenses
4. Other Expenses (F) Enclave	\$ -	\$ 12,047	\$ 12,047	To reclassify enclave transportation expenses
4. Other Expenses (G) Community Employment	\$ 12,047	\$ (12,047)	\$ -	To reclassify enclave transportation expenses
5. COG Expenses (A) Early Intervention	\$ 61	\$ (61)	\$ -	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ 10,917	\$ (10,917)	\$ -	To match final COG workbook
5. COG Expenses (C) School Age	\$ 105,480	\$ (105,480)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 749,926	\$ (749,926)	\$ -	To match final COG workbook
5. COG Expenses (G) Community Employment	\$ 112,671	\$ (112,671)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 2,826	\$ 976,849	\$ 979,675	To match final COG workbook
5. COG Expenses (X) Gen Expense All Prgm.	\$ 6,218	\$ (6,218)	\$ -	To match final COG workbook
Worksheet 9				
5. COG Expenses (N) Service & Support Admin. Costs	\$ 87,864	\$ (50,270)	\$ 37,594	To match final COG workbook
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 4,399,527	\$ 144,700	\$ 4,544,227	To reclassify Hab Manager and OVC Director salaries
2. Employee Benefits (E) Facility Based Services	\$ 1,715,516	\$ 58,910	\$ 1,774,426	To reclassify Hab Manager and OVC Director benefits
3. Service Contracts (E) Facility Based Services	\$ -	\$ 5,191	\$ 5,191	To reclassify direct service expenses
4. Other Expenses (E) Facility Based Services	\$ 95,956	\$ 1,150	\$ -	To reclassify Special Olympics expenses
		\$ 4,647	\$ -	To reclassify Special Olympics expenses
		\$ 39,786	\$ 141,539	To reclassify direct service expenses
5. COG Expenses (E) Facility Based Services	\$ 419,124	\$ (419,124)	\$ -	To match final COG workbook
5. COG Expenses (F) Enclave	\$ 60,851	\$ (60,851)	\$ -	To match final COG workbook
5. COG Expenses (G) Community Employment	\$ 43,824	\$ (43,824)	\$ -	To match final COG workbook
Reconciliation to County Auditor Worksheet				
Expense:				
Plus: Real Estate Fees	\$ 271,203	\$ (271,203)	\$ -	To reclassify auditor and treasurer fees
Plus: Transfers Out-General	\$ -	\$ 3,500,000	\$ 3,500,000	To record transfer
Plus: Purchases Greater Than \$5,000	\$ 110,613	\$ (12,670)	\$ -	To reclassify equipment expense
		\$ (5,948)	\$ -	To reclassify architect fees
		\$ (5,162)	\$ 86,833	To reclassify software expense
Plus: MAC MATCH FEE CLAIMS FOR 2004/2005/2007/2008/2008	\$ 35,893	\$ (35,893)	\$ -	To reclassify MAC fees
Plus: Other	\$ 844,513	\$ 30,510	\$ 875,023	To reclassify developmental center fees
Less: Capital Costs	\$ (618,216)	\$ (795)	\$ (619,011)	To reconcile off depreciation expense
Total from 12/31 County Auditor's Report	\$ 30,382,537	\$ 3,500,000	\$ 33,882,537	To correct county auditor total
Revenue:				
Plus: Transfers in	\$ -	\$ 3,500,000	\$ 3,500,000	To record transfer
Total from 12/31 County Auditor's Report	\$ 35,602,951	\$ 3,500,000	\$ 39,102,951	To correct county auditor total
Medicaid Administration Worksheet				
6- Ancillary Costs (A) Reimbursement Requested 10. Through Calendar Year	\$ -	\$ 35,269	\$ 35,269	To record ancillary costs

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (B) Adult	3,177	(1,555)	1,622	To match revised square footage
2. Dietary Services (C) Child	2,018	20	2,038	To reclassify dietary square footage
4. Nursing Services (B) Adult	910	(68)	842	To match revised square footage
5. Speech/Audiology (B) Adult	374	138	512	To match revised square footage
6. Psychology (B) Adult	-	242	242	To match revised square footage
7. Occupational Therapy (B) Adult	992	(150)	842	To match revised square footage
8. Physical Therapy (B) Adult	992	(413)	579	To match revised square footage
10. Nutritional Services (C) Child	-	20	-	To match revised square footage
		(20)	-	To reclassify dietary square footage
12. Pre-School (C) Child	10,858	693	11,551	To match revised square footage
13. School Age (C) Child	21,756	1,743	23,499	To match revised square footage
14. Facility Based Services (B) Adult	68,660	404	69,064	To match revised square footage
15. Supported Emp. - Enclave (B) Adult	860	(860)	-	To match revised square footage
16. Supported Emp. - Comm Emp. (B) Adult	860	920	1,780	To match revised square footage
17. Medicaid Administration (A) MAC	616	(429)	187	To match revised square footage
19. Community Residential (D) General	19,031	128	19,159	To match revised square footage
21. Service And Support Admin (D) General	3,749	154	3,903	To match revised square footage
22. Program Supervision (B) Adult	4,818	(1,543)	3,275	To match revised square footage
22. Program Supervision (C) Child	1,207	359	1,566	To match revised square footage
23. Administration (D) General	7,754	556	8,310	To match revised square footage
24. Transportation (D) General	65	(9)	56	To match revised square footage
25. Non-Reimbursable (B) Adult	-	27,107	-	To match revised square footage
		(26,270)	837	To remove common space
25. Non-Reimbursable (D) General	-	249	249	To match revised square footage
Schedule B-1, Section B				
6. A (A) Facility Based Services	528	4	532	To reclassify individuals served
6. A (B) Supported Emp. - Enclave	240	1	241	To reclassify individuals served
8. B (A) Facility Based Services	97	6	-	To reclassify individuals served
		(3)	100	To reclassify individuals served
8. B (B) Supported Emp. - Enclave	4	(1)	3	To reclassify individuals served
9. C (A) Facility Based Services	142	(7)	135	To reclassify individuals served
10. A (A) Facility Based Services	80,549	587	-	To reclassify days of attendance
		691	81,827	To reclassify errors found during testing
10. A (B) Supported Emp. - Enclave	16,812	20	-	To reclassify days of attendance
		10	16,842	To reclassify errors found during testing
12. B (A) Facility Based Services	18,798	314	-	To reclassify days of attendance
		(691)	18,421	To reclassify errors found during testing
12. B (B) Supported Emp. - Enclave	55	(20)	-	To reclassify days of attendance
		(17)	18	To reclassify errors found during testing
13. C (A) Facility Based Services	25,676	(901)	24,775	To reclassify days of attendance
13. C (B) Supported Emp. - Enclave	34	7	41	To reclassify errors found during testing
Schedule C				
I. County				
(B) Interest- COG Revenue	\$ 1,132	\$ (464)	\$ 668	To match final COG workbook
Worksheet 1				
2. Land Improvements (L) Community Residential	\$ 2,064	\$ 1,827	\$ 3,891	To record loss on disposal
8. COG Expenses (A) Early Intervention	\$ -	\$ 27	\$ 27	To match final COG workbook
8. COG Expenses (B) Pre-School	\$ -	\$ 117	\$ 117	To match final COG workbook
8. COG Expenses (C) School Age	\$ -	\$ 521	\$ 521	To match final COG workbook
8. COG Expenses (E) Facility Based Services	\$ -	\$ 1,215	\$ 1,215	To match final COG workbook
8. COG Expenses (F) Enclave	\$ -	\$ 30	\$ 30	To match final COG workbook
8. COG Expenses (G) Community Employment	\$ -	\$ 82	\$ 82	To match final COG workbook
8. COG Expenses (K) Co. Board Operated ICF/MR	\$ -	\$ 157	\$ 157	To match final COG workbook
8. COG Expenses (M) Family Support Services	\$ -	\$ 470	\$ 470	To match final COG workbook
8. COG Expenses (N) Service & Support Admin	\$ -	\$ 98	\$ 98	To match final COG workbook

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

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 647,207	\$ 138,927	\$ 786,134	To reclassify MAC salaries
3. Service Contracts (X) Gen Expense All Prgm.	\$ 452,026	\$ (22,000)	\$ 430,026	To reclassify unallowable retainer fees
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 5,896		To reclassify unallowable promotional expenses
		\$ 22,000	\$ 27,896	To reclassify unallowable retainer fees
4. Other Expenses (X) Gen Expense All Prgm.	\$ 105,415	\$ (5,896)	\$ 99,519	To reclassify unallowable promotional expenses
5. COG Expenses (A) Early Intervention	\$ -	\$ 4,304	\$ 4,304	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ -	\$ 15,668	\$ 15,668	To match final COG workbook
5. COG Expense (C) School Age	\$ -	\$ 74,641	\$ 74,641	To match final COG workbook
5. COG Expense (E) Facility Based Services	\$ -	\$ 156,673	\$ 156,673	To match final COG workbook
5. COG Expense (F) Enclave	\$ -	\$ 3,803	\$ 3,803	To match final COG workbook
5. COG Expense (G) Community Employment	\$ -	\$ 10,294	\$ 10,294	To match final COG workbook
5. COG Expense (K) Co. Board Operated ICF/MR	\$ -	\$ 22,097	\$ 22,097	To match final COG workbook
5. COG Expense (M) Family Support Services	\$ -	\$ 59,002	\$ 59,002	To match final COG workbook
5. COG Expense (N) Service & Support Admin	\$ -	\$ 12,251	\$ 12,251	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 115,005	\$ (103,278)	\$ 11,727	To match final COG workbook
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ 426,800	\$ 29,497		To reclassify MAC fees
		\$ 14,977		To correct admin fee
		\$ 265,727		To reclassify auditor and treasurer fees
		\$ (138,927)		To reclassify MAC salaries
		\$ (59,619)	\$ 538,455	To reclassify MAC salaries
Worksheet 2A				
1. Salaries (E) Facility Based Services	\$ 1,413,795	\$ (144,312)	\$ 1,269,483	To reclassify Hab Manager and OVC Director salaries
2. Employee Benefits (E) Facility Based Services	\$ 660,671	\$ (60,084)	\$ 600,587	To reclassify Hab Manager and OVC Director benefits
3. Service Contracts (E) Facility Based Services	\$ 23,272	\$ (12,225)	\$ 11,047	To reclassify direct service expenses
3. Service Contracts (N) Service & Support Admin	\$ 313,277	\$ (29,497)		To reclassify MAC fees
		\$ (46,038)	\$ 237,742	To reclassify developmental center fees
4. Other Expenses (E) Facility Based Services	\$ 65,858	\$ (54,697)	\$ 11,161	To reclassify direct service expenses
5. COG Expenses (A) Early Intervention	\$ -	\$ 971	\$ 971	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ -	\$ 1,006	\$ 1,006	To match final COG workbook
5. COG Expenses (C) School Age	\$ 11,001	\$ (887)	\$ 10,114	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 66,396	\$ (5,867)	\$ 60,529	To match final COG workbook
5. COG Expenses (F) Enclave	\$ 2,153	\$ (2,153)	-	To match final COG workbook
5. COG Expenses (G) Community Employment	\$ 5,033	\$ 2,153	\$ 7,186	To match final COG workbook
5. COG Expenses (K) Co. Operated ICF/MR	\$ 38,461	\$ (38,461)	-	To match final COG workbook
5. COG Expenses (L) Community Residential	\$ 2,333	\$ (2,333)	-	To match final COG workbook
5. COG Expenses (M) Family Support Services	\$ -	\$ 2,157	\$ 2,157	To match final COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 81,915	\$ (36,766)	\$ 45,149	To match final COG workbook
Worksheet 3				
4. Other Expenses (E) Facility Based Services	\$ 88,468	\$ 6,042		To reclassify equipment expense
		\$ 6,410	\$ 100,920	To reclassify supplies expense
5. COG Expenses (A) Early Intervention	\$ -	\$ 6,268	\$ 6,268	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ -	\$ 8,005	\$ 8,005	To match final COG workbook
5. COG Expenses (C) School Age	\$ -	\$ 68,878	\$ 68,878	To match final COG workbook
5. COG Expenses (D) Unasgn Children Program	\$ 71,877	\$ (71,877)	-	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ 180,238	\$ (56,478)	\$ 123,760	To match final COG workbook
5. COG Expenses (F) Enclave	\$ -	\$ 513	\$ 513	To match final COG workbook
5. COG Expenses (G) Community Employment	\$ -	\$ 1,388	\$ 1,388	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ -	\$ 41,126	\$ 41,126	To match final COG workbook
5. COG Expenses (M) Family Support Services	\$ -	\$ 7,956	\$ 7,956	To match final COG workbook
5. COG Expenses (N) Service & Support Admin	\$ 13,831	\$ 1,652	\$ 15,483	To match final COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 2	\$ 2	To match final COG workbook
Worksheet 4				
5. COG Expenses (D) Unasgn Children Program	\$ 75	\$ (75)	-	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 1,110	\$ (1,110)	-	To match final COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ -	\$ 75	\$ 75	To match final COG workbook

Appendix B (Page 3)
Lorain County Board of Developmental Disabilities
2012 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 5				
5. COG Expenses (D) Unasgn Children Program	\$ 14,731	\$ (14,731)	\$ -	To match final COG workbook
5. COG Expenses (M) Family Support Services	\$ 376,384	\$ 70	\$ 376,454	To match final COG workbook
Worksheet 7-B				
5. COG Expenses (B) Pre-School	\$ -	\$ 562	\$ 562	To match final COG workbook
5. COG Expenses (C) School Age	\$ -	\$ 5,616	\$ 5,616	To match final COG workbook
5. COG Expenses (D) Unasgn Children Program	\$ 6,178	\$ (6,178)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 5,117	\$ 2,847	\$ 7,964	To match final COG workbook
Worksheet 7D				
13. No. of Individual Served (K) Co. Board Operated ICF/MR	-	18	18	To record number of individuals served
Worksheet 7-E				
5. COG Expenses (A) Early Intervention	\$ -	\$ 5	\$ 5	To match final COG workbook
5. COG Expenses (B) Pre-School	\$ 1,244	\$ 93	\$ 1,337	To match final COG workbook
Worksheet 7-F				
5. COG Expenses (D) Unasgn Children Program	\$ 39,939	\$ (39,939)	\$ -	To match final COG workbook
5. COG Expenses (E) Facility Based Services	\$ -	\$ 39,939	\$ 39,939	To match final COG workbook
Worksheet 8				
3. Service Contracts (F) Enclave	\$ -	\$ 193,584	\$ 193,584	To reclassify enclave transportation expenses
3. Service Contracts (G) Community Employment	\$ 222,074	\$ (193,584)	\$ 28,490	To reclassify enclave transportation expenses
4. Other Expenses (F) Enclave	\$ -	\$ 19,964	\$ 19,964	To reclassify enclave transportation expenses
4. Other Expenses (G) Community Employment	\$ 22,903	\$ (19,964)	\$ 2,939	To reclassify enclave transportation expenses
5. COG Expenses (E) Facility Based Services	\$ 570,482	\$ 2,703	\$ 573,185	To match final COG workbook
5. COG Expenses (H) Unasgn Adult Program	\$ 2,703	\$ (2,703)	\$ -	To match final COG workbook
5. COG Expenses (K) Co. Board Operated ICF/MR	\$ 6,099	\$ (6,099)	\$ -	To match final COG workbook
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 934,285	\$ 59,619	\$ 993,904	To reclassify MAC salaries
5. COG Expenses (N) Service & Support Admin. Costs	\$ 36,601	\$ 41,567	\$ 78,168	To match final COG workbook
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 4,473,701	\$ 144,312	\$ 4,618,013	To reclassify Hab Manager and OVC Director salaries
2. Employee Benefits (E) Facility Based Services	\$ 2,039,715	\$ 60,084	\$ 2,099,799	To reclassify Hab Manager and OVC Director benefits
3. Service Contracts (E) Facility Based Services	\$ -	\$ 12,225	\$ 12,225	To reclassify direct service expenses
4. Other Expenses (E) Facility Based Services	\$ 141,881	\$ 54,697	\$ 196,578	To reclassify direct service expenses
5. COG Expenses (E) Facility Based Services	\$ 189,389	\$ 32,082	\$ 221,471	To match final COG workbook
Reconciliation to County Auditor Worksheet Expense:				
Plus: Real Estate Fees	\$ 265,727	\$ (265,727)	\$ -	To reclassify auditor and treasurer fees
Plus: Purchases Greater Than \$5,000	\$ 560,689	\$ (6,042)	\$ 554,647	To reclassify equipment expense
		\$ (6,410)	\$ 548,237	To reclassify supplies expense
Plus: Other	\$ 1,516	\$ 46,038	\$ 47,554	To reclassify developmental center fees
Less: Capital Costs	\$ (614,585)	\$ (1,827)	\$ (616,412)	To reconcile off depreciation expense
Less: 1.5% Waiver Fee	\$ (193,289)	\$ (14,977)	\$ (208,266)	To correct admin fee
Medicaid Administration Worksheet				
6- Ancillary Costs (A) Reimbursement Requested	\$ -	\$ 43,123	\$ 43,123	To record ancillary costs
10. Through Calendar Year				

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Dave Yost • Auditor of State

LORAIN COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

LORAIN 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
SEPTEMBER 29, 2015**