



Dave Yost • Auditor of State

**NORTH EAST OHIO NETWORK
MAHONING COUNTY**

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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 East 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 has performed the procedures enumerated below, to which the Ohio Department of Developmental Disabilities (DODD) agreed. The purpose is to assist you in evaluating whether the North East Ohio Network (COG) prepared its *Income and Expenditure Report* (Cost Report) and *County Summary Workbooks*¹ for the year ended December 31, 2014 in accordance with DODD's Guide to Preparing Income and Expenditure Reports for COGs and County Boards of Developmental Disabilities (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 COG'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.

Trial Balance and Non-Payroll Expenditures

1. We compared the COG's disbursements on the Trial Balance and General Ledger reports to *Schedule A, Summary of Service Costs-By Program* and worksheets 2 through 5 of the Cost Report and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks*, to identify variances greater than \$250 for total service contracts, other expenses and COG expenses on any worksheet.

We found differences as reported in Appendix A.

2. We compared total COG non-payroll disbursements on the Trial Balance General Ledger reports to total service contracts, other expenses and COG expenses for worksheets 2 through 5 of the Cost Report, and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks*, to determine if non-payroll costs were reported within two percent.

We found no differences exceeding two percent on any worksheet.

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

Trial Balance and Non-Payroll Expenditures (Continued)

3. We scanned the COG's Trial Balance and General Ledger reports, and judgmentally selected 60 non-payroll disbursements from the service contracts, other expenses and COG expenses on worksheets 2 through 5 of the Cost Report, and *Schedule A* and worksheets 2 through 10 of the *County Summary Workbooks*.

We determined if supporting documentation was maintained, the costs were allowable and properly classified according to the Cost Report Guides and 2 CFR 225 and identified any variances not classified as prescribed by the Cost Report Guide or costs which are non-federal reimbursable under 2 CFR 225 Appendix B and over \$250.

We also scanned for any program costs without corresponding statistics that are non-federal reimbursable because they do not demonstrate that the COG or one of the member County Board's programs received a measurable benefit as required under Appendix A, section (C)(3)(a) and the Cost Report Guides.

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

We also noted Vocational Rehabilitation Public & Private Partnerships (VRP3) Program costs reported as Supported Employment – Community Employment on *Worksheet 10* of the *Lake County Summary Workbooks* that lacked corresponding statistics and should also be reported on *Schedule a1, Adult Program* of the member County Board's Cost Report as revenue offsets in accordance with the Cost Report Guides.

Recommendation:

We noted the COG recorded revenues received by the COG from the member County Boards as expense transactions on the County Board Summary Workbooks when these should have been recorded as transfers. We recommend the COG report these transactions as transfers in accordance with the COG Cost Report Guide, Step by Step Preparation Instructions, which states in pertinent part, "If the COG received the funds from the County DD board then it is a transfer of funds and is not classified as income."

4. We scanned the COG's General Ledger reports for items purchased during 2014 that met the COG's capitalization criteria and traced them to the COG's Depreciation Schedule.

We found no unrecorded purchases meeting the capitalization criteria.

Payroll Testing

1. We compared the COG's payroll disbursements on the Trial Balance report to salaries and benefits reported on the Cost Report and the *County Summary Workbooks* to determine if payroll costs were reported within two percent.

We found no differences exceeding two percent.

2. We scanned the COG's Payroll Allocation of Costs, Trial Balance and Salary Reports and compared classification of employees to entries on the Cost Report and *County Summary Workbooks* to determine if salary and benefit costs were reported in accordance with the Cost Report Guides.

We found differences as reported in Appendix A.

Payroll Testing (Continued)

Recommendation:

We noted the COG did not properly allocate employee payroll based on the correct statistics for each County Board and in many instances omitted payroll costs. We recommend the COG properly allocate these types of expenses in accordance with the COG Cost Report Guide, Allocation of Cost section, which states in pertinent part, "Direct assignment and statistical allocation are the two methods to be used when completing the Income and Expense Report. While direct assignment is the preferred method to report costs, not all costs can be directly assigned."

Property and Depreciation

1. We compared all depreciation entries on *Worksheet 1, Capital Costs* to the COG's Depreciation Schedule to report any variances exceeding \$250.

We found no differences exceeding \$250.

2. We compared the COG's final 2013 Depreciation Schedule and prior year depreciation adjustments to the COG's 2014 Depreciation Schedule 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 to identify any cell variances greater than \$250.

We found differences in depreciation as reported in Appendix A.

Recommendation:

We found the COG reported depreciation for assets that did not meet its capitalization threshold of \$2,000. We recommend the COG update its depreciation schedule and remove assets that do not meet its capitalization threshold to ensure assets are properly reported in accordance with the Cost Report Instructions for *Worksheet 1, Capital Costs* which states in pertinent part "Assets with a cost of the lesser of the capitalization level established by the governmental unit or five thousand dollars (\$5,000) may be expensed in the year of acquisition per OMB. Circular A-87, Attachment B, Item 15(a)(2)."

3. DODD asked us to haphazardly select the lesser of 10 of the COG's fixed assets or 10 percent of items which met the COG's capitalization policy and were being depreciated in their first year in 2014 to determine if their useful lives agreed to the estimated useful lives prescribed in the 2013 AHA Asset Guides. DODD also asked us to compute 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 to identify any variances.

We did not perform this procedure as the COG did not have any capital asset purchases in 2013.

Property and Depreciation (Continued)

4. DODD asked us to haphazardly select the lesser of 10 percent or 10 disposed assets in 2014 from the COG's list of disposed assets and determine if the asset was removed from the COG's fixed asset ledger. DODD also asked us to recalculate depreciation and any gain or loss applicable to 2013 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 and identify any variances.

We did not perform this procedure because the COG did not have a disposed asset list. We scanned the COG's General Ledger report and did not identify any proceeds from the sale or exchange of fixed assets.

Medicaid Administrative Claiming Testing

1. We compared the MAC salary and benefits versus the COG's Payroll Allocation of Costs report and determined if MAC salary and benefits were greater by more than one percent. If the variance was greater than one percent, we would contact DODD's Random Moment Time Study (RMTS) Coordinator to correct the misstatements identified.

We found the County Board's salaries and benefits exceeded the MAC salaries and benefits.

2. We compared the MAC RMTS reports to lines 1-2 of *Worksheet 4, Medicaid Administrative Claiming*.

We reported differences in Appendix A.

3. We selected 10 RMTS observed moments and 10 percent of any RMTS moments above that amount that were completed by employees of the COG from the DODD RMTS Participant Moments Question and Answer report for the 4th quarter of 2014. We selected 15 observed moments and determined if supporting documentation was maintained and properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2012.

We found one observed moment for Activity Code 11-Program Planning, Development and Interagency Coordination of Medicaid Services; two observed moments for Activity Code 17-Major and Unusual Incidents and Unusual Incidents Investigations; one observed moment for Activity Code 18-General Administration; and three Not Paid Time observed moments in which there was no accompanying supporting documentation reflecting the date and time of the moment.

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

Recommendation:

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

North East Ohio Network
Independent Accountants' Report on
Applying Agreed-Upon Procedures

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

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

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

Dave Yost
Auditor of State

April 4, 2016

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Appendix A
North East Ohio Network
2014 Income and Expenditure Report and County Summary Workbook Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
North East Ohio Network Council of Governments				
Schedule A				
16. Match Paid to DODD on Behalf of All County Boards	\$ 9,209,417	\$ (740,605)		To match actual waiver match costs
		\$ (77,126)		To reclassify admin fees
		\$ (169,640)		To reclassify admin fees
		\$ (112,304)		To reclassify admin fees
		\$ (183,792)	\$ 7,925,950	To reclassify admin fees
Worksheet 1				
5. Movable Equipment (A) Costs	\$ 18,120	\$ (8,849)	\$ 9,271	To remove assets below capitalization threshold
Worksheet 2				
1. Salaries (A) Cost	\$ 320,691	\$ (114,414)	\$ 206,277	To correct COG admin payroll allocation
4. Other Expenses (A) Cost	\$ 213,775	\$ 50,989	\$ 264,764	To match trial balance report total
Worksheet 4				
1. Salaries (A) MAC Cost	\$ 529,018	\$ 10	\$ 529,028	To match MAC Individual Costs by Code report
1. Salaries (B) Non-Federal Reimbursable	\$ 158,553	\$ 11	\$ 158,564	To match MAC Individual Costs by Code report
4. Other Expenses (B) Non-Federal Reimbursable	\$ 12,059	\$ 5,786	\$ 17,845	To match trial balance report total
Worksheet 5				
1. Salaries (A) Other Cost	\$ -	\$ 88		To allocate MUI employee payroll by actual hours to non-member County Board
		\$ 490	\$ 578	To allocate QARN employee payroll by actual hours to non-member County Board
Ashtabula County				
Worksheet 2				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ -	\$ 77,126	\$ 77,126	To reclassify admin fees
10. Indirect Costs (Z) Total	* \$ 93,412	\$ (4,000)	\$ 89,412	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 80,680	\$ (776)		To match trial balance report total
		\$ (3,178)		To remove costs treated as transfers
		\$ 9,108	\$ 85,834	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services	\$ 38,210	\$ (2,180)		To remove costs treated as transfers
		\$ 16	\$ 36,046	To allocate FSS employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 4,144	\$ (4,144)		To remove costs treated as transfers
		\$ 11,394	\$ 11,394	To allocate QA employee payroll by actual hours
Columbiana County				
Schedule A				
1. Room and Board/Cost to Live (L) Community Residential	\$ 39,411	\$ (14,800)	\$ 24,611	To remove costs treated as transfers
Worksheet 2				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 939	\$ 169,640	\$ 170,579	To reclassify admin fees
10. Indirect Costs (Z) Total	* \$ 186,306	\$ (4,000)	\$ 182,306	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 40,917	\$ (1,540)		To remove costs treated as transfers
		\$ (450)		To remove reported Provider Compliance payroll
		\$ 9,419	\$ 48,346	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services	\$ 54,933	\$ (3,150)	\$ 51,783	To remove costs treated as transfers
15. Direct Services (O) Non-Federal Reimbursable	\$ 51,048	\$ (51,048)		To remove reported MUI payroll
		\$ 10,181	\$ 10,181	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 8,039	\$ (8,039)		To remove reported QARN payroll
		\$ 27,386	\$ 27,386	To allocate QA employee payroll by actual hours

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North East Ohio Network
2014 Income and Expenditure Report and County Summary Workbook Adjustments

		Reported Amount	Correction	Corrected Amount	Explanation of Correction
Cuyahoga County					
Worksheet 2					
10. Indirect Costs (Z) Total	*	\$ 215,284	\$ (4,000)	\$ 211,284	To remove costs treated as transfers
Worksheet 5					
15. Direct Services (L) Community Residential		\$ 280,750	\$ (49,329)		To remove reported Provider Compliance payroll
			\$ 14,704	\$ 246,125	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services		\$ 1,467,187	\$ 211,484	\$ 1,678,671	To allocate FSS employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable		\$ 25,072	\$ (25,072)		To remove reported MUI payroll
			\$ 4,699	\$ 4,699	To allocate MUI employee payroll by actual hours
Worksheet 9					
26. Service & Support Admin (N) Service & Support Admin		\$ -	\$ 362,393	\$ 362,393	To allocate QA employee payroll by actual hours
Geauga County					
Worksheet 2					
10. Indirect Costs (Z) Total	*	\$ 6,152	\$ (4,000)	\$ 2,152	To remove costs treated as transfers
Worksheet 5					
15. Direct Services (L) Community Residential		\$ -	\$ 23,346	\$ 23,346	To allocate QARN employee payroll by actual hours
Worksheet 9					
26. Service & Support Admin (N) Service & Support Admin		\$ 3,289	\$ (3,289)	\$ -	To remove reported QARN payroll
Lake County					
Schedule A					
1. Room and Board/Cost to Live (L) Community Residential		\$ 78,170	\$ (18,400)	\$ 59,770	To remove costs treated as transfers
Worksheet 2					
10. Indirect Costs (O) Non-Federal Reimbursable	*	\$ 2	\$ 7,838	\$ 7,840	To reclassify bank fees
10. Indirect Costs (Z) Total	*	\$ 72,938	\$ (4,000)		To remove costs treated as transfers
			\$ (7,838)	\$ 61,100	To reclassify bank fees
Worksheet 5					
15. Direct Services (L) Community Residential		\$ 166,957	\$ (2,700)		To remove costs treated as transfers
			\$ (120)		To remove costs treated as transfers
			\$ (780)		To remove costs treated as transfers
			\$ 40,291	\$ 203,648	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services		\$ 286,590	\$ (50,000)		To remove costs treated as transfers
			\$ 7,803	\$ 244,393	To allocate FSS employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable		\$ 90	\$ (90)		To remove reported MUI payroll
			\$ 18	\$ 18	To allocate MUI employee payroll by actual hours
Worksheet 9					
26. Service & Support Admin (N) Service & Support Admin		\$ 24,356	\$ (24,356)	\$ -	To remove costs treated as transfers
Worksheet 10					
27. Direct Services (G) Community Employment	**	\$ -	\$ 129,690	\$ 129,690	To add VRP3 costs previously not reported
Lorain County					
Worksheet 2					
10. Indirect Costs (Z) Total	*	\$ 89,709	\$ (4,000)		To remove costs treated as transfers
			\$ (30,372)		To remove costs treated as transfers
			\$ 12,600		To reclassify supplemental health benefits and strategy plan
			\$ 1,949	\$ 69,886	To reclassify informational costs
Worksheet 2A					
10. Program Supervision (Z) Total		\$ 12,600	\$ (12,600)	\$ -	To reclassify supplemental health benefits and strategy plan
Worksheet 3					
10. Building Service (Z) Total	*	\$ 358,272	\$ (1,949)	\$ 356,323	To reclassify informational costs
Worksheet 5					
15. Direct Services (L) Community Residential		\$ 245,029	\$ (888)		To match detailed expense report
			\$ (117,947)		To remove costs double reported
			\$ (5,350)	\$ 120,844	To remove costs double reported
15. Direct Services (N) Service & Support Admin		\$ -	\$ 391	\$ 391	To reclassify consumer monitoring costs
Worksheet 7D					
20. Psychology (L) Community Residential		\$ -	\$ 300	\$ 300	To reclassify psych assessment costs

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North East Ohio Network
2014 Income and Expenditure Report and County Summary Workbook Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Lorain County				
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 1,947	\$ (300)		To reclassify psych assessment costs
		\$ (391)	\$ 1,256	To reclassify consumer monitoring costs
Mahoning County				
Schedule A				
1. Room and Board/Cost to Live (L) Community Residential	\$ 7,577	\$ (3,200)	\$ 4,377	To remove costs treated as transfers
Worksheet 2				
10. Indirect Costs (Z) Total	* \$ 25,094	\$ (4,000)	\$ 21,094	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 97,219	\$ (1,510)		To remove costs treated as transfers
		\$ 51,407	\$ 147,116	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services	\$ 74,417	\$ 5,673	\$ 80,090	To allocate FSS employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable	\$ 7,200	\$ (7,200)		To remove costs treated as transfers
		\$ 1,606	\$ 1,606	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 32,690	\$ (32,690)	\$ -	To remove costs treated as transfers
Medina County				
Worksheet 2				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 204	\$ 112,304	\$ 112,508	To reclassify admin fees
10. Indirect Costs (Z) Total	* \$ 159,051	\$ (4,000)	\$ 155,051	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 386,850	\$ (11,500)		To remove costs treated as transfers
		\$ (13,100)		To remove reported Provider Compliance payroll
		\$ 6,940		To allocate QARN employee payroll by actual hours
		\$ (1,104)	\$ 368,086	To reclassify transportation costs
15. Direct Services (M) Family Support Services	\$ 85,918	\$ (4,540)	\$ 81,378	To remove costs treated as transfers
15. Direct Services (O) Non-Federal Reimbursable	\$ 16,779	\$ (16,779)		To remove reported MUI payroll
		\$ 2,211	\$ 2,211	To allocate MUI employee payroll by actual hours
Worksheet 8				
25. Transportation (E) Facility Based Services	\$ -	\$ 1,104	\$ 1,104	To reclassify transportation costs
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 4,272	\$ (4,272)		To remove reported QARN payroll
		\$ 10,914	\$ 10,914	To allocate QA employee payroll by actual hours
Portage County				
Schedule A				
1. Room and Board/Cost to Live (L) Community Residential	\$ 14,479	\$ (800)	\$ 13,679	To remove costs treated as transfers
Worksheet 2				
10. Indirect Costs (Z) Total	* \$ 44,224	\$ (4,000)	\$ 40,224	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 259,697	\$ (9,450)		To remove costs treated as transfers
		\$ (20,500)		To remove costs treated as transfers
		\$ 41,808	\$ 271,555	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services	\$ 183,222	\$ (25,000)		To remove costs treated as transfers
		\$ 6,553	\$ 164,775	To allocate FSS employee payroll by actual hours
15. Direct Services (N) Service & Support Admin	\$ 10,604	\$ (10,604)	\$ -	To remove costs treated as transfers
Richland County				
Schedule A				
1. Room and Board/Cost to Live (L) Community Residential	\$ 20,569	\$ (240)	\$ 20,329	To remove costs treated as transfers
Worksheet 2				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 3	\$ 11,165		To reclassify bank fees
		\$ 183,792	\$ 194,960	To reclassify admin fees
10. Indirect Costs (Z) Total	* \$ 239,467	\$ (4,000)		To remove costs treated as transfers
		\$ (11,165)	\$ 224,302	To reclassify bank fees
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 151,416	\$ (26,330)		To match trial balance report total
		\$ (1,700)		To remove costs treated as transfers
		\$ 19,506	\$ 142,892	To allocate QARN employee payroll by actual hours

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North East Ohio Network
2014 Income and Expenditure Report and County Summary Workbook Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Richland County				
Worksheet 5				
15. Direct Services (M) Family Support Services	\$ 178,887	\$ (3,850)	\$ 175,037	To remove costs treated as transfers
		\$ 358	\$ 175,395	To allocate FSS employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable	\$ -	\$ 34	\$ 34	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 27,146	\$ (27,146)	\$ -	To remove costs treated as transfers
Stark County				
Schedule A				
1. Room and Board/Cost to Live (L) Community Residential	\$ 95,848	\$ (370)	\$ 95,478	To remove costs treated as transfers
Worksheet 2				
10. Indirect Costs (O) Non-Federal Reimbursable	* \$ 206	\$ 4,686	\$ 4,892	To reclassify bank fees
10. Indirect Costs (Z) Total	* \$ 82,800	\$ (4,000)	\$ 78,800	To remove costs treated as transfers
		\$ (4,686)	\$ 74,114	To reclassify bank fees
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 593,322	\$ 41,865	\$ 635,187	To match trial balance report total
		\$ (16,494)	\$ 618,693	To remove costs treated as transfers
		\$ (95,990)	\$ 522,703	To remove costs treated as transfers
		\$ (25,662)	\$ 497,041	To remove costs treated as transfers
		\$ (14,746)	\$ 482,295	To remove reported Provider Compliance payroll
		\$ 55,326	\$ 537,621	To allocate QARN employee payroll by actual hours
15. Direct Services (M) Family Support Services	\$ 178,335	\$ (5,970)	\$ 172,365	To remove costs treated as transfers
15. Direct Services (O) Non-Federal Reimbursable	\$ 9,693	\$ (9,693)	\$ -	To remove costs treated as transfers
		\$ 2,235	\$ 2,235	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 37,727	\$ (37,727)	\$ -	To remove reported QARN payroll
		\$ 40,985	\$ 40,985	To allocate QA employee payroll by actual hours
Summit County				
Worksheet 2				
10. Indirect Costs (Z) Total	* \$ 15,497	\$ (4,000)	\$ 11,497	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ -	\$ 98,337	\$ 98,337	To allocate QARN employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable	\$ -	\$ 73	\$ 73	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 79,252	\$ (79,252)	\$ -	To remove reported QARN payroll
		\$ 26,303	\$ 26,303	To allocate QA employee payroll by actual hours
Trumbull County				
Worksheet 2				
10. Indirect Costs (Z) Total	* \$ 8,609	\$ (4,000)	\$ 4,609	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ -	\$ 15,409	\$ 15,409	To allocate QARN employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable	\$ 188,931	\$ (188,931)	\$ -	To remove reported MUI payroll
		\$ 34,585	\$ 34,585	To allocate MUI employee payroll by actual hours
Worksheet 9				
26. Service & Support Admin (N) Service & Support Admin	\$ 9,084	\$ (9,084)	\$ -	To remove reported QARN payroll
Wayne County				
Worksheet 2				
10. Indirect Costs (Z) Total	* \$ 4,954	\$ (394)	\$ 4,560	To remove revenue reported as expenses
		\$ (4,000)	\$ 560	To remove costs treated as transfers
Worksheet 5				
15. Direct Services (L) Community Residential	\$ 1,159	\$ (1,159)	\$ -	To remove reported Provider Compliance payroll
		\$ 1,290	\$ 1,290	To allocate QARN employee payroll by actual hours
15. Direct Services (O) Non-Federal Reimbursable	\$ 21,007	\$ (21,007)	\$ -	To remove reported MUI payroll
		\$ 4,785	\$ 4,785	To allocate MUI employee payroll by actual hours

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North East Ohio Network
2014 Income and Expenditure Report and County Summary Workbook Adjustments

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

Note: Lake County Board reported Bridges to Transition costs as Supported Employment - Community Employment on Worksheet 10 without corresponding statistics. The same costs reported on the County Summary Workbooks must also be reported on Schedule a1, Adult Program, see also Trial Balance and Non-Payroll Expenditures section.

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Dave Yost • Auditor of State

NORTHEAST OHIO NETWORK (NEON)

MAHONING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 17, 2016**