



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

## Independent Accountants' Report on Applying Agreed-Upon Procedures

Ohio Department of Developmental Disabilities  
30 East Broad Street  
Columbus, Ohio 43215

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Developmental Disabilities (DODD), on the Income and Expenditure Report of the Noble County Board of Developmental Disabilities (County Board) for the years ended December 31, 2013 and 2014 (Cost Reports). The County Board's management is responsible for preparing these reports. 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 asked that we compare program costs and statistics to square footage to identify potential square footage errors and compare the 2013 and 2014 square footage to the final 2012 totals.

We did not perform this procedure as the County Board did not own any buildings and reported no square footage on the Cost Reports.

2. DODD asked that we compare the square footage for each room on the floor plan of one building to the County Board's summary for each year which rolls up to *Schedule B-1, Section A, Square Footage* to ensure that square footage was allocated in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2013 and 2014 (Cost Report Guides) and to identify any variances greater than 10 percent.

We did not perform this procedure – see procedure 1 above.

3. DODD asked that we compare the County Board's square footage summary for each year to the square footage reported in each cell in *Schedule B-1, Section A, Square Footage* to identify variances greater than 10 percent.

We did not perform this procedure – see procedure 1 above.

4. DODD asked that we review differences from our payroll testing procedures to determine if they result in square footage variances greater than 10 percent for any cell in *Schedule B-1*.

We did not perform this procedure – see procedure 1 above.

### **Statistics – Attendance**

1. We reviewed the Cost Reports and determined 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 resulted in unallocated program or general expenses-all program costs.

We found no unassigned program or general expenses-all program costs.

**Statistics – Attendance (Continued)**

2. DODD asked that we compare the County Board's attendance reports for the number of individuals served and days of attendance with similar information on *Schedule B-1, Section B, Attendance Statistics* and determine if the statistics were reported in accordance with the Cost Report Guides.

We did not perform this procedure as the County Board did not provide adult program services.

3. DODD asked that we trace the number of total attendance days for five individuals for two months in 2013 and 2014 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 reports to the Acuity Assessment Instrument (AAI) or other documentation for each individual. For differences noted, DODD asked that we compare our results to the Medicaid Billing System (MBS) data to ensure the County Board was correctly reimbursed.

We did not perform this procedure – see procedure 1 above.

4. DODD asked that we select 30 Supported Employment-Community Employment units from the County Board's reports and determine if the units were calculated in accordance with the Cost Report Guides and met the service documentation requirements of Ohio Admin. Code § 5123:2-9 to identify variances greater than 10 percent to *Schedule B-1, Section B, Attendance Statistics*.

We did not perform this procedure – see procedure 1 above.

**Statistics – Transportation**

1. We compared the number of one-way trips from the County Board's Paramount Support Services invoices with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Services* to identify any variances greater than two percent of reported total children or adult program trips. We also footed the County Board's transportation reports for accuracy.

We found contract transportation trips were omitted in 2013 and 2014, see Non-payroll Expenditures and Reconciliation to the County Auditor Report.

2. We traced the number of trips for all two adults in October 2013 and February 2014 from the County Board's daily reporting documentation to *Schedule B-3* to identify any variances greater than 10 percent of the total trips tested each year.

We found no variances.

3. We compared the cost of bus tokens/cabs from the County Board's State Expenses Detailed Reports to the amount reported in *Schedule B-3* to identify any variances greater than two percent of total costs on each row. We also determined if the costs were correctly reported on *Worksheet 8, Transportation Services*.

We reported variances in Appendix A (2013) and Appendix B (2014).

**Statistics – Service and Support Administration (SSA)**

1. We compared the number of Targeted Case Management (TCM), Other SSA Allowable and SSA Unallowable units from the County Board's Case Notes Listing for TCM Billing - Subtotaled by Consumer reports with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service-Service and Support Administration* to identify any variances greater than two percent of total units on each row. We also footed the County Board's SSA reports for accuracy.

We found no variances exceeding two percent in 2013. We reported variances in Appendix B (2014).

2. We haphazardly selected two samples of 60 Other SSA Allowable units for both 2013 and 2014 from the Case Notes Listing for TCM Billing - Subtotaled by Consumer reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) and included the elements required by Ohio Admin. Code § 5160-48-01(F) to identify any variances greater than 10 percent of total units tested in each year.

We found no variances in 2013. We found no variances exceeding 10 percent in 2014.

3. We haphazardly selected two samples of 30 SSA Unallowable units for both 2013 and 2014 from the Case Notes Listing for TCM Billing - Subtotaled by Consumer reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) and included the elements required by Ohio Admin. Code § 5160-48-01(F) to identify any variances greater than 10 percent of total units tested in each year.

We found no variances exceeding 10 percent in 2013. We found no variances in 2014.

4. We determined that 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 and these units accounted for over 10 percent of total SSA units on the final *Schedule B-4* plus any general time units recorded.

We haphazardly selected two samples of 60 general time units for both 2013 and 2014 from the Case Notes Listing for TCM Billing - Subtotaled by Consumer reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5160-48-01(D) or in Worksheet 9, Service and Support Administration Costs, Section 1(b) of the Cost Report Guides to identify any variances greater than 10 percent of total units tested in each year.

We found no variances.

**Revenue Cost Reporting and Reconciliation to the County Auditor Report**

1. We compared the receipt totals from the county auditor's 2013 and 2014 Annual Financial Statement reports for the Board of DD (2403) and OBRA (3402) funds to the county auditor's report total reported on the *Reconciliation to County Auditor Worksheet*.

We then compared the total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* to the county auditor's receipt totals to determine if the Cost Reports reconciled within acceptable limits.

We reported differences in Appendix A (2013) and, after this adjustment, the Cost Report reconciled within acceptable limits. We found no differences and the Cost Report reconciled within acceptable limits in 2014.

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

2. We compared revenue entries on *Schedule C, Income Report* to the final Mid East Ohio Regional Council (MEORC) County Board Summary Workbooks for 2013 and 2014.

We found no differences.

3. We reviewed the County Board's State Account Code Detailed 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 to identify any potential revenue offsets/applicable credits.

We identified the following sources of potential revenue credits for which the County Board did not offset costs or areas where costs may need separated between federal programs on the Cost Reports in accordance with 2 CFR 225, Appendix A (C)(3)(c) and (4)(a): miscellaneous refunds in the amount of \$772 in 2013 and \$815 in 2014.

### Paid Claims Testing

1. We selected 40 paid claims among all service codes from 2013 and 2014 from the MBS data and compared these services to the County Board's service documentation and determined if the documentation matched requirements of each respective service code per Ohio Admin. Code § 5123:2-9. We applied the service documentation rules in effect at the time of service delivery.

If there is no documentation to support paid claims or the units paid are not supported by service documentation per the Ohio Admin. Code, DODD asked that we calculate a recoverable finding and make corresponding unit adjustments to *Schedule B-1, B-3 or B-4*. Recoverable findings are subject to interest collection pursuant to Ohio Rev. Code § 5164.60.

We found no instances of non-compliance.

2. For selected contracted transportation services, DODD asked that we 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 requested that we obtain documentation and identify all overpayments. Additionally, DODD asked that we determine if the provision of service met provider and staff qualification requirements applicable under Ohio Admin. Code §5123:2-9-18.

Additionally, for any other selected services codes that have contracted services, DODD asked that we compare the County Board's contract rate with the reimbursed rate to ensure that the County Board was reimbursed no more than the contracted rate. For any errors found, DODD asked that we obtain documentation and identify all overpayments.

We found no instances of contracted services.

3. We compared the number of reimbursed TCM units from the MBS Summary by Service Code reports to the final units on *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*, Line (1)(F), to determine whether Medicaid reimbursed units were greater than final units.

We found no instance where the Medicaid reimbursed units were greater than final TCM units.

**Paid Claims Testing (Continued)**

4. We compared the amounts reported on *Schedule A, Summary of Service Costs – By Program*, Line (20), Environmental Accessibility Adaptations to Line (25), Other Waiver Services to the amount reimbursed for these services on the MBS Summary by Service Code report to determine whether any reimbursements exceeded disbursements on *Schedule A* by two percent.

We found no differences.

**Non-Payroll Expenditures and Reconciliation to the County Auditor Report**

1. We compared the disbursement totals from the county auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the county auditor's Annual Financial Statement reports for the Board of DD (2403), MEORC (2404) and Supported Living (3401) funds.

We then compared the total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* to the county auditor's disbursement totals to determine if the Cost Reports reconciled within acceptable limits.

We found differences in 2013 and the Cost Report did not reconcile within acceptable limits due to the MEORC fund not being included in the Cost Report. We reported these differences in Appendix A (2013) and, with these adjustments, the Cost Report reconciled within acceptable limits. We found no differences and the Cost Report reconciled within acceptable limits in 2014.

2. We compared the County Board's State Expenses Detailed Reports to all service contract and other expenses entries on worksheets 2 through 10 to identify variances resulting in reclassification to another program or worksheet exceeding \$250.

We found no variances exceeding \$250 in 2013. We found no variances in 2014.

3. We compared disbursement entries on *Schedule A, Summary of Service Costs – By Program* and worksheets 1 through 10 to the final MEORC County Board Summary Workbooks.

We reported differences in Appendix A (2013) and Appendix B (2014).

4. We scanned the County Board's 2013 and 2014 State Expenses Detailed Reports and judgmentally selected 20 disbursements from the service contracts and other expenses reported on worksheets 2 through 10. We determined if supporting documentation was maintained, the costs were allowable and properly classified according to the Cost Report Guides and 2 CFR 225, to identify any variances greater than two percent of total service contracts and other expenses on any worksheet or costs which are non-federal reimbursable under 2 CFR 225 Appendix B and greater than \$250.

We reported misclassified costs in Appendix A (2013) and Appendix B (2014).

We also scanned for contracted services on *Worksheet 8, Transportation Services; Worksheet 9, Service and Support Administration Costs; and Worksheet 10, Adult Program* without corresponding statistics.

We found transportation program costs that lacked corresponding statistics. We obtained the invoices and reported the omitted trips in Appendix A (2013) and Appendix B (2014).

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

We also found contracted Adult Day Service without corresponding statistics on *Schedule B-1*. We obtained the invoices and reported the omitted statistics in Appendix B (2014). In addition, we found MEORC system wide quality assurance review costs and reclassified these as community residential costs on *Worksheet 5, Direct Services* as reported in Appendix B (2014).

5. We scanned the County Board's State Expenses Detailed Reports for items purchased during 2013 and 2014 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Depreciation Schedule.

We found no unrecorded capital purchases.

6. We determined that the County Board had supporting documentation for October 2013 and April 2014 showing that it reconciled its income and expenditures with the county auditor.

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

1. DODD asked that we compare the depreciation costs reported in the County Board's Depreciation Schedule to the amounts reported on *Worksheet 1, Capital Costs* to identify any variances greater than \$250.

We did not perform this procedure as the County Board had no depreciation schedule, reported no depreciation costs on *Worksheet 1* and stated it had no fixed assets that were being depreciated.

2. DODD asked that we compare the County Board's final 2012 Depreciation Schedule and prior year depreciation adjustments to the County Board's 2013 and 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 did not perform this procedure – see procedure 1 above.

3. DODD asked that we determine the County Board's capitalization threshold and haphazardly select the lesser of 10 or 10 percent of the County Board's fixed assets which meet the capitalization threshold and were being depreciated in their first year in either 2013 or 2014 and determine compliance with the Cost Report Guides and 2013 American Hospital Association Asset Guide to identify any variances.

We did not perform this procedure – see procedure 1 above.

4. We haphazardly selected the lesser of 10 percent or 10 disposed assets from 2014 from the County Board's list of disposed assets. We also recalculated depreciation and any gain or loss for the one disposed item tested, based on its undepreciated basis and any proceeds received from the disposal or sale of the asset to determine compliance with the Cost Report Guide and CMS Publication 15-1, Chapter 1.

We did not perform this procedure for 2013 as the County Board stated that no capital assets were disposed in that year. We found no differences in 2014.



### **Payroll Testing**

1. We compared total salaries and benefits from worksheets 2 through 10 to yearly totals of payroll disbursements on the county auditor's Annual Financial Statement reports for the Board of Developmental Disabilities (2403) fund to identify variances greater than two percent.

The variance was less than two percent.

2. We compared the salaries and benefit costs on the County Board's State Expenses Detailed Reports to the amounts reported on worksheets 2 through 10 to identify variances that resulted in differences to another program or worksheet exceeding \$250.

We found no variances.

3. We calculated the lesser of 40 employees or 25 percent of the average number of total employees over the two year period. For the one employee selected, we compared the County Board's organizational chart, Payroll and Benefits by Date Span Summary by Payroll Date reports and job description to the worksheet in which the employee's salary and benefit costs were allocated to ensure the allocation is consistent with the Cost Report Guides. We identified any misclassification errors and, if the misclassification errors are greater than 10 percent, we would perform procedure 4.

We found no differences.

4. DODD asked that we scan the County Board's Payroll and Benefits by Date Span Summary by Payroll Date reports for 2013 and 2014 and compare the classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides.

We did not perform this procedure as there were no errors in procedure 3.

### **Medicaid Administrative Claiming (MAC)**

1. DODD asked that we compare the salary and benefits entered on the MAC Cost by Individual reports to the County Board's payroll reports and determine if the MAC salary and benefits were greater.

We did not perform this procedure as the County Board did not participate in MAC.

2. DODD asked that we compare the MAC Cost by Individual reports to *Worksheet 6, Medicaid Administration Worksheet* for both years.

We did not perform this procedure – see procedure 1 above.

3. DODD asked that we select 10 RMTS observed moments and 10 percent of any RMTS moments above that amount that were completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the 1st quarter of 2013 and 4th quarter of 2014. DODD asked that we determine if supporting documentation was maintained and the moments were properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2012.

We did not perform this procedure – see procedure 1 above.

Noble County Board of Developmental Disabilities  
Independent Accountant's Report on  
Applying Agreed-Upon Procedures

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the County Board's Cost Reports. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

This report is intended solely for the information and use of the County Board and DODD, and is not intended to be, and should not be used by anyone other than these specified parties.

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

**Dave Yost**  
Auditor of State

February 23, 2017

**Appendix A**  
**Noble County Board of Developmental Disabilities**  
**2013 Income and Expenditure Report Adjustments**

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Schedule B-3</b>				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	-	48	48	To match transportation invoices
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ -	\$ 562	\$ 562	To match expenditure report
<b>Schedule B-4</b>				
5. SSA Unallowable Units (D) 4th Quarter	77	(7)	70	To remove general time units
<b>Worksheet 1</b>				
8. COG Expenses (N) Service & Support Admin	\$ 27	\$ 10	\$ 37	To match final COG workbook
8. COG Expenses (O) Non-Federal Reimbursable	\$ 10	\$ 6	\$ 16	To match final COG workbook
<b>Worksheet 2</b>				
3. Service Contracts (X) Gen Expense All Prgm.	\$ 26,615	\$ (732)	\$ 25,883	To reclassify fees paid to COG
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 263	\$ 263	To reclassify unallowable advertising expense
4. Other Expenses (X) Gen Expense All Prgm.	\$ 65,124	\$ (1,035)		To reclassify community residential expense
		\$ (899)		To reclassify transportation expense
		\$ (5,707)		To reclassify BHN Alliance expenses
		\$ (263)		To reclassify unallowable advertising expense
		\$ (562)	56,658	To reclassify transportation expense
5. COG Expense (N) Service & Support Admin	\$ 519	\$ (19)	\$ 500	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 197	\$ 15	\$ 212	To match final COG workbook
<b>Worksheet 3</b>				
5. COG Expenses (N) Service & Support Admin	\$ 24	\$ (2)	\$ 22	To match final COG workbook
5. COG Expenses (O) Non-Federal Reimbursable	\$ 9	\$ 1	\$ 10	To match final COG workbook
<b>Worksheet 5</b>				
4. Other Expenses (L) Community Residential	\$ 4,906	\$ 1,035	\$ 5,941	To reclassify community residential expense
5. COG Expenses (L) Community Residential	-	\$ 5,146	\$ 5,146	To reclassify system-wide QA review expenses
<b>Worksheet 8</b>				
4. Other Expenses (E) Facility Based Services	\$ -	\$ 562		To reclassify transportation expense
		\$ 899	1,461	To reclassify transportation expense
<b>Worksheet 9</b>				
4. Other Expenses (N) Service & Support Admin. Costs	\$ 61,695	\$ 5,707		To reclassify BHN Alliance expenses
		\$ (17,624)	49,778	To reclassify fees paid to COG
5. COG Expenses (N) Service & Support Admin. Costs	\$ 5,769	\$ (623)		To match final COG workbook
		\$ (5,146)	-	To reclassify system-wide QA review expenses
<b>Reconciliation to County Auditor Worksheet</b>				
<b>Expense:</b>				
Plus: Fees Paid To COG, Or Payments And Transfers made To COG	\$ -	\$ 17,624		To reclassify fees paid to COG
		\$ 732	18,356	To reclassify fees paid to COG
Plus: Other	\$ -	\$ 5,302	\$ 5,302	To record MEORC fund
Total from 12/31 County Auditor's Report	\$ 579,424	\$ 5,056	\$ 584,480	To correct county auditor total
<b>Revenue:</b>				
Total from 12/31 County Auditor's Report	\$ 591,453	\$ 8	\$ 591,461	To correct county auditor total

**Appendix B**  
**Noble County Board of Developmental Disabilities**  
**2014 Income and Expenditure Report Adjustments**

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Schedule B-1, Section B</b>				
8. B (C) Facility Based Services (Non-Title XX Only)	-	3	3	To record individuals served
12. B (C) Facility Based Services (Non-Title XX Only)	-	808	808	To record days of attendance
<b>Schedule B-3</b>				
5. Facility Based Services (G) One Way Trips- Fourth Quarter	39	345	384	To match transportation invoices
5. Facility Based Services (H) Cost of Bus, Tokens, Cabs- Fourth Quarter	\$ 283	\$ 8,214	\$ 8,497	To match expenditure report
<b>Schedule B-4</b>				
1. TCM Units (D) 4th Quarter	645	234	879	To match SSA report
2. Other SSA Allowable Units (D) 4th Quarter	105	98	203	To match SSA report
5. SSA Unallowable Units (D) 4th Quarter	9	13	17	To match SSA report
		(5)		To remove general time units
<b>Worksheet 2</b>				
4. Other Expenses (O) Non-Federal Reimbursable	\$ 448	\$ 2,128	\$ 2,576	To reclassify unallowable advertising expenses
4. Other Expenses (X) Gen Expense All Prgm.	\$ 53,054	\$ (2,128)	\$ 56,339	To reclassify unallowable advertising expenses
		\$ 5,413		To reclassify BHN Alliance expenses
5. COG Expense (N) Service & Support Admin	\$ 479	\$ (110)	\$ 369	To match final COG workbook
5. COG Expense (O) Non-Federal Reimbursable	\$ 268	\$ (57)	\$ 211	To match final COG workbook
<b>Worksheet 3</b>				
5. COG Expenses (O) Non-Federal Reimbursable	\$ 12	\$ 1	\$ 13	To match final COG workbook
<b>Worksheet 5</b>				
5. COG Expenses (L) Community Residential	\$ -	\$ 4,388	\$ 4,388	To reclassify system-wide QA review expenses
<b>Worksheet 6</b>				
3. Service Contracts (I) Medicaid Admin	\$ 5,413	\$ (5,413)	\$ -	To reclassify BHN Alliance expenses
<b>Worksheet 9</b>				
5. COG Expenses (N) Service & Support Admin. Costs	\$ 4,482	\$ (94)	\$ -	To match final COG workbook
		\$ (4,388)	\$ -	To reclassify system-wide QA review expenses



# Dave Yost • Auditor of State

**NOBLE COUNTY BOARD OF DEVELOPMENTAL DISABILITIES**

**NOBLE 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  
APRIL 13, 2017**