



Dave Yost • Auditor of State



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Independent Accountants' Report on Applying Agreed-Up 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 Expense Report (Cost Report) and County Board Summary Forms¹ of the Northwest Ohio Waiver Administration Council (COG) for the year ended December 31, 2016 (Cost Report). The COG'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.

Trial Balance and Non-Payroll Expenditures

1. We compared the COG's non-payroll disbursements on the Trial Balance and General Ledger reports to the COG *Reconciliation* form and the COG *Master* and *County Expenditures* forms. We found no variances.
2. We compared the COG's total non-payroll disbursements on the Trial Balance and General Ledger reports to the total disbursements on the *Summary of Expenditures* form and found the COG was in compliance with DODD's Guide to Preparing Cost Report for use by Councils of Government (Cost Report Guide). We found the Cost Report reconciled within acceptable limits.
3. We scanned the COG's General Ledger report and selected 60 non-payroll disbursements. We inspected supporting documentation maintained by the COG and compared the cost classification to the Cost Report Guide and 2 CFR 200. We found variances as reported in Appendix A.
4. We scanned the General Ledger report for any program costs without corresponding statistics that do not comply with 2 CFR 200.405 and the Cost Report Guide. We found costs with no corresponding statistics and reclassified these costs as non-federal reimbursable in Appendix A.
5. We inspected the General Ledger report for items purchased in 2016 that met the COG's capitalization criteria and traced any items identified to the COG's Depreciation Schedule. We found no unrecorded capital purchases.

Payroll Testing

1. We compared the COG's payroll disbursements on the Trial Balance and General Ledger reports to the COG *Master* and *County Expenditures* forms. We found no variances exceeding two percent.

¹ The COG prepared County Summary Forms to distribute its recorded receipts and disbursements to the Allen, Defiance, Fulton, Henry, Paulding, Putnam, Van Wert, Williams and Wood County Boards of Developmental Disabilities.

Payroll Testing (Continued)

2. We scanned the Custom Summary Report and compared the classification of employees to entries on the *COG Master* and *County Expenditures* forms. We found employee allocations which were not consistent with the Cost Report Guide as reported in Appendix A.

Property, Depreciation and Asset Verification Testing

We did not perform any procedures related to the COG's depreciation schedule, capital assets or disposals as the COG reported no depreciation costs on the *COG Master-Capital Costs* form.

Medicaid Administrative Claiming (MAC) Testing

1. We compared MAC salaries and benefits on the Individual Cost by Code report to the COG's Custom Summary Report and found the COG's salary and benefit costs exceeded MAC salary and benefits costs.
2. We compared the Individual Cost by Code report to the *COG Medicaid Administrative Claiming* form. We found no variances.
3. We selected 11 non-validated RMTS observed moments for the second quarter of 2016 from the RMTS Participant Moments Question and Answer report. We inspected the COG's documentation and compared the contents and classification to the DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2014. We found that the observed moments and documentation met the minimum requirements, but did not include the recommended additional supporting documentation identified in the RMTS guide.

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 COG's Cost Report. 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 use of the COG and the DODD, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
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October 3, 2018

Appendix A
Northwest Ohio Waiver Administration Council
2016 Income and Expense Report and County Summary Form Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Indirect Cost COG				
Salaries	\$ 45,046	\$ (1,669)		To reclassify Janitor salary
		\$ (4,060)		To reclassify Reviewer salary
		\$ (439)	\$ 38,878	To reclassify SSA salary
Other Expenses	\$ 49,041	\$ (250)		To reclassify non-federal reimbursable donation
		\$ (72)	\$ 48,719	To reclassify expense for flowers as non-federal reimbursable.
Building Services Cost COG				
Salaries	\$ -	\$ 1,669	\$ 1,669	To reclassify Janitor salary
Medicaid Administrative Claiming COG				
Non-Federal Reimbursable -Other Expenses	\$ 10,273	\$ 250		To reclassify non-federal reimbursable donation
		\$ 72	\$ 10,595	To reclassify expense for flowers as non-federal reimbursable.
Fulton County				
Direct Services COG Expenses				
Community Residential	\$ -	\$ 245	\$ 245	To reclassify Reviewer salary
Non-Federal Reimbursable	\$ 1,976	\$ 1,131	\$ 3,108	To reclassify SSA costs without units
Service & Support Admin COG Expenses				
Service & Support Admin	\$ 1,279	\$ (147)		To reclassify Reviewer salary
		\$ (1,131)	\$ -	To reclassify SSA costs without units
Paulding County				
Service & Support Admin COG Expenses				
Service & Support Admin	\$ 4,018	\$ 2,211	\$ 6,229	To reclassify Reviewer salary
Putnam County				
Service & Support Admin COG Expenses				
Service & Support Admin	\$ 7,395	\$ 439	\$ 7,835	To reclassify SSA salary
VanWert County				
Service & Support Admin COG Expenses				
Service & Support Admin	\$ 63,170	\$ 1,752	\$ 64,922	To reclassify Reviewer salary

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NORTHWEST OHIO WAIVER ADMINISTRATION COUNCIL (NOWAC)

DEFIANCE 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
NOVEMBER 8, 2018**