



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 West Central Ohio Network (COG) for the year ended December 31, 2016. 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 General Ledgers and Expense Crosswalk to the *COG Reconciliation* form, and the *COG Master* and *County Expenditures* forms. We found variances as reported in Appendix A.
2. We compared total COG non-payroll disbursements on the General Ledgers 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 General Ledgers and selected 60 non-payroll disbursements. We inspected the COG's supporting documentation 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 Ledgers for compliance with 2 CFR 200.405 and the Cost Report Guide. We found transportation costs for which the Hardin County Board² did not report corresponding statistics and reported these variances on Appendix A.
5. We inspected the General Ledgers for items purchased during 2016 that met the COG's capitalization criteria and traced any items identified to the COG's Depreciation of Assets report. We found no unrecorded capital purchases.

Payroll Testing

1. We compared the COG's payroll disbursements on the General Ledger and Expense Crosswalk reports to the *COG Master* and *County Expenditures* forms. We found no variances.

¹ The COG prepared County Board Summary Forms to distribute its recorded receipts and disbursements to the Auglaize, Darke, Hardin, Logan, Mercer, Miami, Preble, Shelby and Union County Boards of Developmental Disabilities.

² The Auditor of State's Office performed agreed upon procedures on the 2016 Cost Report for two of the COG's member boards: Hardin and Auglaize. We performed no verification of statistics from the other member boards.

Payroll Testing (Continued)

2. We scanned the Pay Distribution worksheet 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

1. We compared the COG's Depreciation of Assets report to the *COG Master Capital Costs*. We found no variances.
2. We compared the COG's 2015 Depreciation of Assets report and prior year depreciation adjustments to the 2016 Depreciation of Assets report 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. We found no variances.
3. We did not perform the procedure to test capital assets as the COG did not have any capital assets that were being depreciated in their first year in 2016.
4. We selected the COG's only disposed asset and confirmed the asset was not removed from the Depreciation of Assets report; however, no gain or loss was recorded on the Cost Report.

Medicaid Administrative Claiming (MAC) Testing

1. We compared MAC salaries and benefits on the Individual Cost by Code report to the COG's Pay Distribution spreadsheet and found the COG's salary and benefit costs exceeded MAC salary and benefit 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 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 to you.

West Central Ohio Network
Independent Accountants' Report on
Applying Agreed-Upon Procedures

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.

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

October 9, 2018

Appendix A
West Central Ohio Network
2016 Income and ExpengY Report and County 6 cUX'Gummary : cfa Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
West Central Ohio Network				
Indirect Cost COG				
Other Expenses	\$ 53,726	\$ (343)		To reclassify unallowable expenses for water and flowers
		\$ (536)		To reclassify Preble County advocacy expense
		\$ (397)	\$ 52,450	To reclassify Preble County indirect expense
Medicaid Administrative Claiming COG				
Non-Federal Reimbursable, Other Expenses	\$ 12,686	\$ 343	\$ 13,029	To reclassify unallowable expenses for water and flowers
COG Reconcile Expenses				
COG Reconcile Expenses Details				
Removed DC cost for Logan CBDD, Direct Services, Community Residential	\$ 13,504	\$ 22,077	\$ 35,581	To reclassify payments to developmental center
Accreditation Fees paid to WestCON with fund transfer (what CBs paid WestCON for using the MEORC accreditation contract. WestCON is billed a different amount first, and then rebills the CB who utilized the service).	\$ 12,516	\$ (3,654)	\$ 8,862	To match general ledger
Auglaize County				
Direct Expenses Non Allocable				
Indirect Costs, Early Intervention	\$ 350	\$ 86	\$ 436	To reclassify Eligibility Specialist payroll
Indirect Costs, Pre-School	\$ 526	\$ 128	\$ 654	To reclassify Eligibility Specialist payroll
Indirect Costs, Community Residential	\$ 3,162	\$ 772	\$ 3,934	To reclassify Eligibility Specialist payroll
Indirect Costs, Family Support Services	\$ 1,194	\$ 292	\$ 1,486	To reclassify Eligibility Specialist payroll
Indirect Costs, Non-Federal Reimbursable	\$ 6,715	\$ 1,641	\$ 8,356	To reclassify Eligibility Specialist payroll
Other Program				
Service & Support Admin COG Expenses, Service & Support Admin	\$ 2,919	\$ (2,919)	\$ -	To reclassify Eligibility Specialist payroll
Darke County				
Direct Expenses Non Allocable				
Indirect Costs, Pre-School	\$ 350	\$ 1,360	\$ 1,710	To reclassify Eligibility Specialist payroll
Indirect Costs, Community Residential	\$ 610	\$ 2,366	\$ 2,976	To reclassify Eligibility Specialist payroll
Indirect Costs, Non-Federal Reimbursable	\$ 616	\$ 2,390	\$ 3,006	To reclassify Eligibility Specialist payroll
Other Program				
Service & Support Admin COG Expenses, Service & Support Admin	\$ 6,116	\$ (6,116)	\$ -	To reclassify Eligibility Specialist payroll
Hardin County				
Direct Expenses Non Allocable				
Indirect Costs, Pre-School	\$ 701	\$ 112	\$ 813	To reclassify Eligibility Specialist payroll & non-payroll costs
Indirect Costs, Community Residential	\$ 6,491	\$ 1,037	\$ 7,528	To reclassify Eligibility Specialist payroll & non-payroll costs
Indirect Costs, Family Support Services	\$ 1,309	\$ 209	\$ 1,518	To reclassify Eligibility Specialist payroll & non-payroll costs
Indirect Costs, Non-Federal Reimbursable	\$ 198	\$ 32	\$ 230	To reclassify Eligibility Specialist payroll & non-payroll costs
Children's Program				
Direct Services COG Expenses, School Age	\$ -	\$ 1,039	\$ 1,039	To reclassify Waiver Specialist's salary
Adult Program				
Adult Program COG Expenses, Facility Based Services	\$ -	\$ 3,758	\$ 3,758	To reclassify Waiver Specialist's salary
Adult Program COG Expenses, Community Employment	\$ -	\$ 640	\$ 640	To reclassify Waiver Specialist's salary
Adult Program COG Expenses, Enclave	\$ -	\$ 800	\$ 800	To reclassify Waiver Specialist's salary
Other Program				
Direct Services COG Expenses, Community Residential	\$ 77,711	\$ 3,654		To match general ledger
		\$ (1,274)	\$ 80,091	To reclassify transportation expense without statistics
Transportation COG Expenses, Non-Federal Reimbursable	\$ -	\$ 1,274	\$ 1,274	To reclassify transportation expense without statistics
Service & Support Admin COG Expenses, Service & Support Admin	\$ 7,627	\$ (1,039)		To reclassify Waiver Specialist's salary
		\$ (1,390)		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ (3,758)		To reclassify Waiver Specialist's salary
		\$ (800)		To reclassify Waiver Specialist's salary
		\$ (640)	\$ -	To reclassify Waiver Specialist's salary

Appendix A (Page 2)
 West Central Ohio Network
 2016 Income and Expense Report and County Financial Summary : cfa Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Logan County				
Other Program				
Direct Services COG Expenses, Community Residential	\$ 62,915	\$ (4,000)		To reclassify unallowable donation
		\$ (22,077)	\$ 36,838	To reclassify payments to developmental center
Direct Services COG Expenses, Non-Federal Reimbursable	\$ 4,943	\$ 4,000	\$ 8,943	To reclassify unallowable donation
Miami County				
General				
Community Residential, Home Choice Community Transition Services	\$ -	\$ 11,016	\$ 11,016	To reclassify home choice expenses
Other Program				
Direct Services COG Expenses, Community Residential	\$ 868,794	\$ (11,016)	\$ 857,778	To reclassify home choice expenses
Direct Services COG Expenses, Family Support Services	\$ 75,174	\$ (1,728)	\$ 73,446	To reclassify job coaching expenses
Adult Program				
Adult Program COG Expenses, Community Employment	\$ -	\$ 1,728	\$ 1,728	To reclassify job coaching expenses
Preble County				
Direct Expenses Non Allocable				
Indirect Costs, Early Intervention	\$ 787	\$ 853		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ 46	\$ 1,686	To reclassify Preble County indirect expense
Indirect Costs, Pre-School	\$ 2,755	\$ 2,985		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ 160	\$ 5,900	To reclassify Preble County indirect expense
Indirect Costs, Community Residential	\$ 350	\$ 379		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ 20	\$ 749	To reclassify Preble County indirect expense
Indirect Costs, Family Support Services	\$ 2,027	\$ 2,196		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ 117	\$ 4,340	To reclassify Preble County indirect expense
Indirect Costs, Non-Federal Reimbursable	\$ 938	\$ 1,016		To reclassify Eligibility Specialist payroll & non-payroll costs
		\$ 54	\$ 2,008	To reclassify Preble County indirect expense
General				
Community Residential, Home Choice Community Transition Services	\$ -	\$ 706	\$ 706	To reclassify home choice expenses
Other Program				
Direct Services COG Expenses, Community Residential	\$ 4,193	\$ 536	\$ 4,729	To reclassify Preble County advocacy expense
Direct Services COG Expenses, Family Support Services	\$ 24,269	\$ (706)	\$ 23,563	To reclassify home choice expenses
Service & Support Admin COG Expenses, Service & Support Admin	\$ 7,429	\$ (7,429)	\$ -	To reclassify Eligibility Specialist payroll
Union County				
Adult Program				
Adult Program COG Expenses, Facility Based Services	\$ -	\$ 6,897	\$ 6,897	To reclassify facility based expense
Other Program				
Direct Services COG Expenses, Community Residential	\$ 571,602	\$ (6,897)	\$ 564,705	To reclassify facility based expense

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WESTCON DEPARTMENT OF DEVELOPMENTAL DISABILITIES

SHELBY 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**