



**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

General Health District
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Executive Director and Board:

We have audited the accompanying financial statements of the General Health District, Tuscarawas County, Ohio, (the District) as of and for the year ended December 31, 2000. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the District as of December 31, 2000, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, the District Board of Health and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 20, 2001

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General	Special Revenue	Capital Projects	Total (Memorandum Only)
Cash Receipts				
Local Subdivisions	\$767,520		\$50,000	\$817,520
Contracts		\$380,900		380,900
Intergovernmental	276,747	778,025		1,054,772
Charges for Services	210,249	74,521		284,770
Fees, Licenses and Permits		251,345		251,345
Other	66,976	15,406		82,382
Total Cash Receipts	1,321,492	1,500,197	50,000	2,871,689
Cash Disbursements				
Current:				
Personnel	800,033	1,156,900		1,956,933
Travel / Conferences	12,544	19,752		32,296
Rental		5,820		5,820
Supplies	69,070	86,416		155,486
Contract Services	248,548	121,707		370,255
Remittance to State of Ohio	12,794	73,084		85,878
Other	25,923	8,247		34,170
Capital Improvements	2,323	8,599	20,110	31,032
Debt Service	109,753			109,753
Total Cash Disbursements	1,280,988	1,480,525	20,110	2,781,623
Total Cash Receipts Over Cash Disbursements	40,504	19,672	29,890	90,066
Other Financing Sources (Uses)				
Transfers - In		50,500		50,500
Advances - In	9,050	33,850		42,900
Transfers - Out	(50,500)			(50,500)
Advances - Out	(33,850)	(9,050)		(42,900)
Total Other Financing Sources (Uses)	(75,300)	75,300	0	0
Total Cash Receipts and Other Financing Sources Over /(Under) Cash Disbursements and Other Financing Uses	(34,796)	94,972	29,890	90,066
Fund Cash Balances, January 1, 2000	91,147	302,681	29,073	422,901
Fund Cash Balances, December 31, 2000	\$56,351	\$397,653	\$58,963	\$512,967
Reserves for Encumbrances, December 31, 2000	\$6,170	\$455	\$7,500	\$14,125

The notes to the financial statements are an integral part of this statement.

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**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The General Health District, Tuscarawas County, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a seven-member appointed Board and an appointed health commissioner and executive director. The District provides general governmental services including referrals to the Bureau of Crippled Children Services Program, communicable disease investigations, immunization clinics, tuberculosis screening, home visits and various licenses and permits, including inspections, birth and death certificates and related services.

As health districts are structured in Ohio, the County Auditor and County Treasurer serve as fiscal officer and custodian of funds for the District, respectively. As fiscal officer, the Auditor certifies the availability of cash and appropriations prior to the processing of payments. As the custodian of public funds, the County Treasurer invests District monies held on deposit in the County Treasury.

The District's management believes these financial statements present all activities for which the District is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

As required by Ohio Revised Code, the District's cash is held and invested by the Tuscarawas County Treasurer, who acts as custodian for District monies. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

The District had the following significant Special Revenue Funds:

Women, Infants, and Children Fund; Alcohol Fund; Family Planning Fund; and Child Family Health Services Fund - These funds are used to account for receipts for federal and state grants.

Food Service Fund - This fund is used to account for food service licenses issued.

Solid Waste Grant Fund - This fund is used to account for permits issued and grants from the Joint Solid Waste District.

3. Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Permanent Improvement Fund was the only significant Capital Projects Fund. This fund is used to account for capital improvement activity.

E. Budgetary Process

The District is subject to budgetary provisions of Ohio Rev. Code Section 3709.28, as well as Sections 5705.28(C)(1) and 5705.41(D). Accordingly, an appropriation measure is adopted by the District on or before the first Monday of April in each year for the period January 1 to December 31 of the following year. The appropriation measure, together with the itemized estimate of the sources of revenue available to the District for the next fiscal year, is submitted to the County Auditor who in turn submits it to the County Budget Commission.

The appropriation measure controls expenditures by the District for the period January 1 to December 31 of the following year. Budgetary expenditures (that is disbursements plus encumbrances) may not exceed estimated resources. The District may, by resolution, transfer funds from one item, create new items and make additional appropriations, subject to the availability of funds.

F. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Encumbrances (Continued)

Encumbrances are purchase orders, contracts, and other commitments for the expenditure of monies that are recorded as the equivalent of expenditures on the budgetary basis to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

G. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements (Capital Improvements) when paid. These items are not reflected as assets on the accompanying financial statements.

H. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the District.

2. EQUITY IN POOLED CASH

The Tuscarawas County Auditor serves as fiscal agent for the District. The investment of County funds, including District funds, is determined by the Tuscarawas County Treasurer. The carrying amount of cash at December 31, 2000 was \$512,967 which was insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the County.

3. BUDGETARY ACTIVITY

1. Budgetary activity for the year ending December 31, 2000 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,318,282	\$1,321,492	\$3,210
Special Revenue	1,505,822	1,550,697	44,875
Capital Projects	25,000	50,000	25,000
Total	\$2,849,104	\$2,922,189	\$73,085

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,409,425	\$1,337,658	\$71,767
Special Revenue	1,808,503	1,480,980	327,523
Capital Projects	54,073	27,610	26,463
Total	\$3,272,001	\$2,846,248	\$425,753

Legal Compliance

The fiscal officer did not always certify that the required amount to meet certain obligations had been lawfully appropriated, contrary to Ohio Rev. Code Section 5705.41(D).

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by County Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

5. RETIREMENT SYSTEM

The District's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 10.84% of participants' gross salaries. The District has paid all contributions required through December 31, 2000.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

6. RISK MANAGEMENT

The Tuscarawas County Commissioners and the District maintain comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The real property and contents are insured, and includes a \$1,000 deductible. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

The District also provides health and life insurance to its employees through private carriers.

7. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the Grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

The District is a party to several lawsuits. Although the outcome of these suits is not presently determinable, management believes that the resolution of these matters will not materially adversely affect the District's financial condition.

8. LEASE OBLIGATION

The District has a capital lease agreement for a copier system. The following is a schedule of the future minimum payments required as of December 31, 2000:

<u>Year</u>	<u>Obligation</u>
2001	\$20,508
2002	20,508
2003	20,508
2004	20,508
2005	15,381
Total	<u><u>\$97,413</u></u>

These expenditures are reflected as program expenditures (Contract Services) in the General Fund; Special Revenue Women, Infants, and Children Grant Fund; Special Revenue Family Planning Fund; and the Special Revenue Child and Family Health Services Grant Fund.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

9. LOAN AGREEMENT

On February 3, 1994, the District entered into an agreement with the Tuscarawas County Commissioners to secure funds to meet general operating expenses of the District. The original \$500,000 interest free loan was to be repaid by the District over a two-year period beginning March 15, 1994, with the option to renew for an additional year as mutually deemed necessary by both parties. Due to cash flow issues, the District did not repay the loan by March 15, 1997, as required by the loan agreement.

During December 1997, \$250,000 of the original loan remained outstanding and on December 19, 1997, the District and the Tuscarawas County Commissioners entered into an agreement to redefine the unpaid balance as an advance which is to be repaid monthly in unspecified amounts with interest of 4.5% per annum over a three year period. The balance was paid in full at December 31, 2000.

10. INSURANCE PURCHASING POOL

The District participates in a group rating plan for workers' compensation through Tuscarawas County as established under Ohio Rev. Code Section 4123.29. The District paid \$8,306 to Tuscarawas County to participate in the pool for 1999 payroll paid in 2000.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2000

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH RECEIPTS	CASH EXPENDITURES
<u>U.S. Department of Agriculture</u>					
<i>(Passed through the Ohio Department of Health)</i>					
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	79-1-01-F-CL-389 79-1-001-1-CL-01	\$294,532 277,463	\$220,910 <u>62,366</u>	\$226,309 <u>53,633</u>
Total U.S. Department of Agriculture				283,276	279,942
<u>U.S. Department of Health and Human Services</u>					
<i>(Passed through the Ohio Department of Health)</i>					
Preventive Health and Health Services Block Grant	93.991	79-1-01-P-BP-387 79-1-01-P-BP-387	19,139 14,354	4,750 <u>14,354</u>	168 <u>14,270</u>
Total Preventive Health and Health Services Block Grant				19,104	14,438
Maternal & Child Health Services Block Grant to the States (CFHS)	93.994	79-1-01-F-AI-320 79-1-001-1-AI-01	103,843 103,843	86,537 <u>24,960</u>	93,470 <u>16,898</u>
Total Maternal & Child Health Services Block Grant (CFHS)				111,497	110,368
Immunization Grants	93.268	79-1-01-P-AZ-392 79-1-01-P-AZ-142	20,000 26,818	23,720 <u>23,720</u>	531 <u>22,384</u>
Total Immunization Grants				23,720	22,915
Family Planning Services	93.217	79-1-01-F-XX 79-1-01-F-XX	41,439 47,530	1,000 <u>41,810</u>	47,530 <u>47,530</u>
Total Family Planning Services				42,810	47,530
Medical Assistance Program	93.778	N/A	N/A	<u>58,819</u>	<u>31,764</u>
Total U.S. Department of Health and Human Services				255,950	227,015
<u>U.S. Department of Education</u>					
<i>(Passed through the Ohio Department of Health)</i>					
Special Education Grants for Infants and Families with Disabilities	84.181	79-1-01-F-AN-392 79-1-01-F-AN	80,046 82,447	50,035 <u>20,611</u>	61,111 <u>15,115</u>
Total U.S. Department of Education				<u>70,646</u>	<u>76,226</u>
Total				<u>\$609,872</u>	<u>\$583,183</u>

See accompanying notes to the Schedule of Receipts and Expenditures of Federal Awards.

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

Notes to the Schedule of Receipts and Expenditures of Federal Awards
For the Year Ended December 31, 2000

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B--ACCOUNTING METHOD FOR EXPENDITURES

Federal funds were commingled with the local funds for the Maternal & Child Family Health Services Block Grant and Preventive Health and Health Services Block Grant. It is assumed federal monies are expended first.

The Medicaid billed for 2000 was distributed by the Alcohol, Drug Addiction and Mental Health Services Board (Board). The District has a contract with this Board for 100% reimbursement of the contract rate for services provided to clients.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

General Health District
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Executive Director and Board:

We have audited the accompanying financial statements of the General Health District, Tuscarawas County, Ohio, (the District) as of and for the year ended December 31, 2000, and have issued our report thereon dated July 20, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2000-61279-001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated July 20, 2001.

General Health District
Tuscarawas County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, the District Board of Health, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 20, 2001



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

General Health District
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Executive Director and Board:

Compliance

We have audited the compliance of the General Health District, Tuscarawas County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal programs for the year ended December 31, 2000. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

General Health District
Tuscarawas County
Report of Independent Accountants on Compliance with Requirements
Applicable to Each Major Federal Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133
Page 2

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated July 20, 2001.

This report is intended for the information and use of the audit committee, management, the District Board of Health, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 20, 2001

**GENERAL HEALTH DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2000**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Special Supplemental Food Program for Women, Infants, and Children (WIC) CFDA # 10.557 Maternal and Child Health Services Block Grant (CFHS) CFDA # 93.994
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Noncompliance

FINDING NUMBER 2000-61279-001

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purposes and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereto.

This section also provides for two “exceptions” to the above requirements:

- a. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer’s certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the District Board of Health may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- b. If the amount involved is less than \$1,000, the County Auditor may authorize payment through a Then and Now Certificate without affirmation of the District Board of Health, if such expenditure is otherwise valid

30% of the expenditures tested were not certified by the County Auditor prior to incurring the obligation. It was also found that neither of the two exceptions above were utilized for the items found to be in non-compliance. The District should certify the availability of funds prior to incurring any obligation. This will help prevent overspending. In addition, the District should inform all District employees of the requirements of Ohio Rev. Code Section 5705.41(D). As deemed appropriate, the District should continue to use the Then and Now certificates as alternative means of certifying funds.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



STATE OF OHIO
OFFICE OF THE AUDITOR

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TUSCARAWAS COUNTY GENERAL HEALTH DISTRICT

TUSCARAWAS 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 13, 2001**