



Dave Yost • Auditor of State

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

TABLE OF CONTENTS

| TITLE | PAGE |
|---|-------------|
| Cover Letter | 1 |
| Independent Accountants' Report..... | 3 |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Fund Types - For the Year Ended December 31, 2010..... | 5 |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Fund Types - For the Year Ended December 31, 2009..... | 6 |
| Notes to the Financial Statements | 7 |
| Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> | 11 |
| Schedule of Findings..... | 13 |
| Schedule of Prior Audit Findings | 15 |

This page intentionally left blank.



Dave Yost • Auditor of State

District Board of Health
Vinton County
31927 State Route 93
P.O. Box 305
McArthur, Ohio 45651

To the Board of Health:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 13, 2011

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

District Board of Health
Vinton County
31927 State Route 93
P.O. Box 305
McArthur, Ohio 45651

To the Board of Health:

We have audited the accompanying financial statements of the District Board of Health, Vinton County, Ohio (the District), as of and for the years ended December 31, 2010 and 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity-wide statements and also presenting the District's larger (i.e., major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require health districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2010 and 2009, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the District Board of Health, Vinton County, Ohio, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2011, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Dave Yost
Auditor of State

September 13, 2011

DISTRICT BOARD OF HEALTH
VINTON COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Federal Awards | \$ | \$ 368,916 | \$ 368,916 |
| Intergovernmental | 164,340 | 112,390 | 276,730 |
| Inspection Fees | 1,250 | | 1,250 |
| Permits | 17,695 | 18,894 | 36,589 |
| Other Fees | 66,369 | 1,506,791 | 1,573,160 |
| Licenses | 4,374 | | 4,374 |
| Contractual Services | 150,652 | 500,302 | 650,954 |
| Miscellaneous | 14,313 | 12,679 | 26,992 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Receipts | 418,993 | 2,519,972 | 2,938,965 |
| Cash Disbursements: | | | |
| Current Disbursements: | | | |
| Health: | | | |
| Salaries | 211,862 | 1,294,512 | 1,506,374 |
| Fringe Benefits | 95,672 | 322,434 | 418,106 |
| Supplies | 13,303 | 38,198 | 51,501 |
| Remittances to State | | 3,586 | 3,586 |
| Equipment | | 106,714 | 106,714 |
| Contracts - Services | 13,050 | 417,438 | 430,488 |
| Travel | 3,826 | 97,429 | 101,255 |
| Utilities | | 2,491 | 2,491 |
| Other | 68,791 | 88,594 | 157,385 |
| Debt Service: | | | |
| Principal | 20,852 | | 20,852 |
| Interest | 1,593 | | 1,593 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Disbursements | 428,949 | 2,371,396 | 2,800,345 |
| Total Cash Receipts Over/(Under) Cash Disbursements | <hr/> | <hr/> | <hr/> |
| | (9,956) | 148,576 | 138,620 |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-In | | 31,385 | 31,385 |
| Advances-In | 4,427 | | 4,427 |
| Transfers-Out | (31,385) | | (31,385) |
| Advances-Out | | (4,427) | (4,427) |
| | <hr/> | <hr/> | <hr/> |
| Total Other Financing Receipts/(Disbursements) | (26,958) | 26,958 | 0 |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | <hr/> | <hr/> | <hr/> |
| | (36,914) | 175,534 | 138,620 |
| Fund Cash Balances, January 1 | <hr/> | <hr/> | <hr/> |
| | 36,465 | 1,105,610 | 1,142,075 |
| Fund Cash Balances, December 31 | <hr/> | <hr/> | <hr/> |
| | \$ (449) | \$ 1,281,144 | \$ 1,280,695 |

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

DISTRICT BOARD OF HEALTH
VINTON COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Federal Awards | \$ | \$ 265,535 | \$ 265,535 |
| Intergovernmental | 166,234 | 131,555 | 297,789 |
| Inspection Fees | 1,500 | | 1,500 |
| Permits | 20,900 | 18,877 | 39,777 |
| Other Fees | 69,885 | 1,492,667 | 1,562,552 |
| Licenses | 4,388 | | 4,388 |
| Contractual Services | 164,171 | 506,288 | 670,459 |
| Miscellaneous | 25,417 | 10,180 | 35,597 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Receipts | 452,495 | 2,425,102 | 2,877,597 |
| Cash Disbursements: | | | |
| Current Disbursements: | | | |
| Health: | | | |
| Salaries | 212,692 | 1,211,748 | 1,424,440 |
| Fringe Benefits | 94,975 | 316,537 | 411,512 |
| Supplies | 11,065 | 41,062 | 52,127 |
| Remittances to State | | 3,716 | 3,716 |
| Contracts - Services | 12,615 | 400,682 | 413,297 |
| Travel | 5,760 | 97,118 | 102,878 |
| Utilities | | 1,303 | 1,303 |
| Equipment | | 7,450 | 7,450 |
| Other | 57,433 | 78,492 | 135,925 |
| Debt Service: | | | |
| Principal | 22,068 | | 22,068 |
| Interest | 2,379 | | 2,379 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Disbursements | 418,987 | 2,158,108 | 2,577,095 |
| Total Cash Receipts Over/(Under) Cash Disbursements | <hr/> | <hr/> | <hr/> |
| | 33,508 | 266,994 | 300,502 |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-In | | 4,381 | 4,381 |
| Advances-In | | 6,723 | 6,723 |
| Transfers-Out | (4,381) | | (4,381) |
| Advances-Out | (6,723) | | (6,723) |
| | <hr/> | <hr/> | <hr/> |
| Total Other Financing Receipts/(Disbursements) | (11,104) | 11,104 | 0 |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | <hr/> | <hr/> | <hr/> |
| | 22,404 | 278,098 | 300,502 |
| Fund Cash Balances, January 1 | <hr/> | <hr/> | <hr/> |
| | 14,061 | 827,512 | 841,573 |
| Fund Cash Balances, December 31 | <hr/> \$ 36,465 | <hr/> \$ 1,105,610 | <hr/> \$ 1,142,075 |

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

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the District Board of Health, Vinton County (the District), as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing and home health aide services and issues health-related licenses and permits.

Additionally, the District serves as the administrative agent for the Vinton County Family and Children First Council.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposits and Investments

As required by the Ohio Revised Code, the Vinton County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the 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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Public Home Nursing Services (PHNF) Fund - This fund receives fees for providing home nursing services to elderly and homebound persons.

Passport Fund - This fund receives State and Federal grant money to provide home health care for Medicaid eligible persons through referrals from the Area Agency on Aging.

E. Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund or function level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not encumber all commitments required by Ohio law.

A summary of 2010 and 2009 budgetary activity appears in Note 2.

F. Property, Plant, and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

2. Budgetary Activity

Budgetary activity for the years ending 2010 and 2009 follows:

| 2010 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$413,813 | \$423,420 | \$9,607 |
| Special Revenue | 1,487,054 | 2,551,357 | 1,064,303 |
| Total | \$1,900,867 | \$2,974,777 | \$1,073,910 |

| 2010 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$450,278 | \$460,334 | (\$10,056) |
| Special Revenue | 2,592,666 | 2,375,823 | 216,843 |
| Total | \$3,042,944 | \$2,836,157 | \$206,787 |

| 2009 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$434,839 | \$452,495 | \$17,656 |
| Special Revenue | 1,485,851 | 2,436,206 | 950,355 |
| Total | \$1,920,690 | \$2,888,701 | \$968,011 |

| 2009 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$448,900 | \$430,091 | \$18,809 |
| Special Revenue | 2,313,366 | 2,158,108 | 155,258 |
| Total | \$2,762,266 | \$2,588,199 | \$174,067 |

3. Intergovernmental Funding

The County apportions the excess of the District's appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

3. Intergovernmental Funding (Continued)

The County Commissioners serve as a special taxing authority for a special levy outside the ten-mill limitation to provide the District with sufficient funds for health programs. The levy generated \$162,097 in 2010 and \$162,411 in 2009. The financial statements present these amounts as intergovernmental receipts.

4. Retirement System

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10 and 10% respectively, of their gross salaries and the District contributed an amount equaling 14% and 14%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2010.

5. Risk Management

The Vinton County Commissioners maintain comprehensive insurance coverage with the Buckeye Joint-County Self-Insurance Council, a joint self-insurance pool which obtains private carrier insurance agreements for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The District is covered by these policies.

6. Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

District Board of Health
Vinton County
31927 State Route 93
P.O. Box 305
McArthur, Ohio 45651

To the Board of Health:

We have audited the financial statements of the District Board of Health, Vinton County, Ohio (the District), as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated September 13, 2011, wherein we noted the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A material weakness is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings as item 2010-001.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated September 13, 2011.

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, the Board of Health, and others within the District. We intend it for no one 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 "Y" and "O".

Dave Yost
Auditor of State

September 13, 2011

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010 AND 2009**

| |
|--|
| FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|--|

FINDING NUMBER 2010-001

Noncompliance Finding

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking proper certification shall be null and void.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in Sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the District can authorize the drawing of a warrant for the payment of the amount due. The District has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the District.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate – The District may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation

Twenty percent of the transactions tested for 2010 and 2009 were not certified by the District at the time the commitment was incurred and there was no evidence that the District followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010 AND 2009
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2010-001 (Continued)

Noncompliance Finding - Ohio Rev. Code Section 5705.41(D)(1) (Continued)

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, we recommend the Fiscal Officer certify that the funds are or will be available prior to obligation by the District. When prior certification is not possible, "then and now" certification should be used.

We recommend the District certify purchases to which Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language Section 5705.41(D) requires to authorize disbursements. The County Auditor should sign the certification at the time the District incurs a commitment, and only when the requirements of Section 5705.41(D) are satisfied. The County Auditor should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Officials' Response:

We maintain an unencumbered and unappropriated cash reserve in excess of \$1 million. We feel we are meeting the intent of the "then & now" certificates. We are just not stamping the document as "then & now".

**DISTRICT BOARD OF HEALTH
VINTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010 AND 2009**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|----------------|--|------------------|--|
| 2008-001 | Ohio Rev. Code Section 5705.41(D)(1) – certification not completed at time of commitment | No | Not Corrected – See Finding Number 2010-001 in the accompanying Schedule of Findings |

This Page is Intentionally Left Blank.



Dave Yost • Auditor of State

VINTON COUNTY DISTRICT BOARD OF HEALTH

VINTON 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 27, 2011