



**GENERAL HEALTH DISTRICT
ROSS COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GENERAL HEALTH DISTRICT
ROSS COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Health Commissioners
General Health District
Ross County
475 Western Avenue, Suite A
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of General Health District, Ross 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 statement referred to above presents fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the General Health District, Ross County, Ohio 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 May 31, 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 results of our audit.

This report is intended solely for the information and use of the management, Board of Health Commissioners, the finance committee 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

May 31, 2001

**GENERAL HEALTH DISTRICT
ROSS 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**

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Cash Receipts:			
Taxes/Levies	\$695,884	\$0	\$695,884
Intergovernmental Revenue	179,712	1,195,524	1,375,236
Licenses	1,500	112,958	114,458
Fees	171,150	3,280	174,430
Permits	133,104	16,064	149,168
Charges for Services	1,581,858	0	1,581,858
Other	17,837	124	17,961
Reimbursements	26,628	0	26,628
	<u>2,807,673</u>	<u>1,327,950</u>	<u>4,135,623</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Salaries	1,756,118	822,541	2,578,659
Fringe Benefits	237,748	114,510	352,258
State Remittance	15,963	8,774	24,737
Supplies	117,860	93,217	211,077
Contract Services	268,719	116,523	385,242
Rentals	125,521	111,549	237,070
Utilities	48,888	38,320	87,208
Insurance	120,467	47,305	167,772
Travel	83,828	40,651	124,479
Advertising & Printing	27,342	19,686	47,028
Equipment	50,850	44,306	95,156
Other	57,332	19,597	76,929
	<u>2,910,636</u>	<u>1,476,979</u>	<u>4,387,615</u>
Total Cash Disbursements			
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(102,963)</u>	<u>(149,029)</u>	<u>(251,992)</u>
Other Financing Receipts/(Disbursements):			
Advances-In	642,366	218,052	860,418
Advances-Out	<u>(783,192)</u>	<u>(77,226)</u>	<u>(860,418)</u>
	<u>(140,826)</u>	<u>140,826</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(243,789)	(8,203)	(251,992)
Fund Cash Balances, January 1, 2000	<u>482,369</u>	<u>86,794</u>	<u>569,163</u>
Fund Cash Balances, December 31, 2000	<u>\$238,580</u>	<u>\$78,591</u>	<u>\$317,171</u>
Reserves for Encumbrances, December 31, 2000	<u>\$99,086</u>	<u>\$10,290</u>	<u>\$109,376</u>

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

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**GENERAL HEALTH DISTRICT
ROSS COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

General Health District, Ross County, Ohio, (the District) is defined by Ohio Revised Code, Section 3709.01. The District operates under an appointed five-member board and is responsible for the administration of all health programs established by the Ohio Revised Code, the Ohio Department of Health, and the Public Health Council. Services provided by the District include, but are not limited to, the inspection and licensing of public health programs, community nursing activities, the control of communicable diseases, environmental health programs and home health activities.

By law, the Ross County Auditor is the fiscal agent of the District.

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. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is made).

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

C. Equity in Cash and Investment Pool

The District's cash and investments are maintained by Ross County, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits and investments, and the County is responsible for compliance. As of December 31, 2000 the District's share of the County's Cash and Investment pool was \$317,171. All risks associated with deposits and investments held at the Treasurer's Office are the responsibility of Ross County.

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 to be accounted for in another fund.

**GENERAL HEALTH DISTRICT
ROSS 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

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

WIC - This fund receives federal grant monies used to support pregnant women, mothers, and infants with specific education and supplemental nutritional needs.

Early Intervention - This fund receives federal grant monies used to provide primary care for men and women with HIV.

Heart Health - This fund receives federal grant monies used to provided treatment for affected individuals.

Breast Cancer - This fund receives federal grant monies to provide treatment to affected individuals.

E. Budgetary Process

1. Appropriations

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 County Budget Commission reviews the appropriation measure and may reduce any item in the appropriation measure, but may not increase any item or the aggregate amount of all items in the appropriation measure.

The appropriation measure, as amended by the County Budget Commission, controls expenditures by the District for the period January 1 to December 31 of the following year. The District may, by resolution, transfer funds from one item to another in the appropriation measure, reduce or increase any item, create new items, and make additional appropriations, subject to the availability of funds and to the approval of the County Budget Commission.

2. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried forward and need not be reappropriate. A summary of 2000 budgetary activity appears in Note 2.

**GENERAL HEALTH DISTRICT
ROSS COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

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

G. 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 cash basis of accounting used by the District.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2000 follows:

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,731,526	\$2,807,673	\$76,147
Special Revenue	<u>1,343,932</u>	<u>1,327,950</u>	<u>(15,982)</u>
Total	<u>\$4,075,458</u>	<u>\$4,135,623</u>	<u>\$60,165</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,270,121	\$3,009,722	\$260,399
Special Revenue	<u>2,431,899</u>	<u>1,487,269</u>	<u>944,630</u>
Total	<u>\$5,702,020</u>	<u>\$4,496,991</u>	<u>\$1,205,029</u>

3. RETIREMENT SYSTEM

The District's full-time 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 post retirement 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, members of PERS 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
ROSS COUNTY**

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

4. RISK MANAGEMENT

The Ross County Commissioners maintain, on behalf of the District, comprehensive insurance coverage with private carriers for real property and building contents. Real property and contents are 90 percent co-insured. The District is covered by these policies. The District also maintains additional insurance coverage in the form of public officials' liability policy.

**GENERAL HEALTH DISTRICT
ROSS COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	ODH-71-1-01-F-CL	10.557	\$240,766
TOTAL U.S. DEPARTMENT OF AGRICULTURE			240,766
<u>U.S DEPARTMENT OF EDUCATION</u>			
<i>Passed Through the Ohio Department of Education</i>			
Grants to Provide Outpatient Early Intervention Services	ODH-71-1-01-F-AN	84.181	86,706
Total U.S. Department of Education			86,706
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through the Ohio Department of Health</i>			
Centers for Disease Control and Prevention Investigations	DH-71-1-01-P-DT-392	93.283	182,257
Grans to Provide Outpatient Early Intervention Services	2H76HA00502-03/2/3	93.918	120,810
Cooperative Agreements for State-Based Comprehensive	ODH-71-1-01-P-AE	93.919	128,582
Preventitive Health and Health Servcies Block Grant	ODH-71-1-01-P-BP ODH-71-1-01-P-AH	93.991	32,783
Total U.S. Department of Health and Human Services			464,432
Total Federal Awards Expenditures			\$791,904

See Accompanying Notes to Schedule of Federal Awards

**GENERAL HEALTH DISTRICT
ROSS COUNTY**

**NOTES TO THE FEDERAL SCHEDULE OF AWARDS AND EXPENDITURES
DECEMBER 31, 2000
(Continued)**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the District contributes non-Federal funds (matching funds) to support the Federally-funded programs. The expenditures of non-Federal matching funds is not included in the Schedule.



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

Board of Health Commissioners
General Health District
Ross County
475 Western Avenue, Suite A
Chillicothe, Ohio 45601

We have audited the financial statements of General Health District, Ross County, Ohio (the District) as of and for the year ended December 31, 2000, and have issued our report thereon dated May 31, 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 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 such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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 Board in a separate letter dated May 31, 2001.

General Health District
Ross County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

This report is intended for the information and use of the finance committee, management, the Board of Health Commissioners, 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

May 31, 2001



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

Board of Health Commissioners
General Health District
Ross County
475 Western Avenue, Suite A
Chillicothe, Ohio 45601

Compliance

We have audited the compliance of General Health District, Ross 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 program for the year ended December 31, 2000. The District's major federal program is 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 program 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 its major federal program 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.

**Internal Control Over Compliance
(Continued)**

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.

This report is intended for the information and use of the finance committee, management, the Board of Health Commissioners, 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

May 31, 2001

**GENERAL HEALTH DISTRICT
ROSS COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None



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ROSS COUNTY GENERAL HEALTH DISTRICT

ROSS 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
JULY 19, 2001**