



**Auditor of State
Betty Montgomery**

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL, DRUG ADDICTION
AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction
and Mental Health Services
Gallia County
53 Shawnee Lane
P.O. Box 514
Gallipolis, Ohio 45631

To the Members of the Board:

We have audited the accompanying financial statement of the Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County, Ohio (the Board), as of and for the year ended December 31, 2003. This financial statement is the responsibility of the Board's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 Board prepares its financial statement 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 Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County, as of December 31, 2003, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2004 on our consideration of the Board'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.

The Schedule of Federal Awards Receipts and Expenditures is presented for additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. We subjected this information to the auditing procedures applied in the audit of the financial statement. In our opinion, it is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

This report is intended solely for the information and use of management, the Board of Alcohol, Drug Addiction and Mental Health Services, federal awarding agencies and pass-through entities, 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 25, 2004

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Grants	\$5,602,367	\$657,278	\$6,259,645
Other Receipts	50,506		50,506
Total Cash Receipts	<u>5,652,873</u>	<u>657,278</u>	<u>6,310,151</u>
Cash Disbursements:			
Current:			
Salaries	406,957	60,209	467,166
Supplies	1,506	2,424	3,930
Equipment	8,514	12,248	20,762
Contracts - Repair	14,741		14,741
Contracts - Services	4,812,122	480,485	5,292,607
Travel	23,721	1,811	25,532
Public Employee's Retirement	63,268	8,159	71,427
Unemployment Compensation	5,091	1,563	6,654
Medicare	5,901	873	6,774
Hospitalization	72,878	11,330	84,208
Other	53,924	48,525	102,449
Total Cash Disbursements	<u>5,468,623</u>	<u>627,627</u>	<u>6,096,250</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>184,250</u>	<u>29,651</u>	<u>213,901</u>
Fund Cash Balances, January 1	<u>580,714</u>	<u>36,001</u>	<u>616,715</u>
Fund Cash Balances, December 31	<u>\$764,964</u>	<u>\$65,652</u>	<u>\$830,616</u>
Reserve for Encumbrances, December 31	<u>\$339,321</u>	<u>\$32,019</u>	<u>\$371,340</u>

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

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**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County (the Board), 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 Board is directed by an eighteen-member Board. Board members are appointed by the Board's Director and the legislative authorities of the political subdivisions making up the Board. The Board includes members from those legislative authorities as well as citizens of the Board. Those subdivisions are Gallia, Jackson, and Meigs Counties. The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board. These services are provided primarily through contracts with private and public agencies. The Board is associated with the Southern Consortium for Children and the Southern Consortium for Rural Care, which are defined as jointly governed organizations. These organizations are described in Note 7.

The Board serves as the Administrative Agent for the Gallia Family and Children First Council (the Council). As Administrative Agent, the Board has appointing authority for the Council's employees and is responsible for determining that disbursements comply with policies prescribed by State departments in rules or interagency agreements. As required by the Revised Code, the Council is governed by a Board that includes the Executive Director of the Gallia, Jackson, and Meigs Counties Board of Alcohol, Drug Addiction and Mental Health Services. The activities of the Family and Children First Council are reported as a Special Revenue Fund within the Board's Financial Statement.

The Board's management believes this financial statement presents all activities for which the Board is financially accountable.

B. Basis of Accounting

This financial statement follows 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 approved).

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the Board's cash. The Board's cash is held in the County's cash and investment pool, and is valued at the County Treasurer's carrying amount.

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

The Board uses fund accounting to segregate cash and investments that are restricted as to use. The Board 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.

2. Special Revenue Fund

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 Board had the following significant Special Revenue Fund:

Family and Children First Council Fund – This fund receives grant monies for the administration of the Gallia Family and Children First Council.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

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

2. Estimated Resources

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

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Encumbrances

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

A summary of 2003 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Board's basis of accounting.

2. RESTATEMENT OF PRIOR YEAR FUND BALANCE

At December 31, 2002, the fund balance of the General Fund was understated by \$319,042 while the Special Revenue Fund balance was overstated by \$283,041 and the Agency Fund Balance was overstated by \$36,001 due to General Fund receipts and disbursements being incorrectly reported in the Special Revenue Fund Type and the Family and Children First Council Fund being incorrectly reported as an Agency Fund instead of as a Special Revenue Fund. As a result, the December 31, 2002 Fund Balances have been restated as follows:

<u>Fund</u>	<u>12/31/02 Balance</u>	<u>Restated Balance</u>	<u>Difference</u>
General Fund Type	\$ 261,672	\$ 580,714	\$ 319,042
Special Revenue Fund Type	319,042	36,001	(283,041)
Fiduciary Fund Type	36,001	0	(36,001)
Total:	<u>\$ 616,715</u>	<u>\$ 616,715</u>	<u>\$ -</u>

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2003
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,652,873	\$5,652,873	\$0
Special Revenue	657,278	657,278	0
Total	\$6,310,151	\$6,310,151	\$0

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,852,291	\$5,807,944	\$44,347
Special Revenue	659,646	659,646	0
Total	\$6,511,937	\$6,467,590	\$44,347

4. RETIREMENT SYSTEMS

The Board'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 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 2003, PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 13.55% of participants' gross salaries for 2003. The Board has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

Commercial Insurance

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability and
- Errors and omissions.

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2003
(Continued)**

6. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the state and 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.

7. JOINTLY GOVERNED ORGANIZATIONS

The Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services is a member of the Southern Consortium for Children (SCC) and the Southern Consortium for Rural Care (SCRC) which are Regional Councils of Government, authorized by Chapter 167 of the Ohio Revised Code. The SCC serves as a program planner, developer and coordinator of services for youth who are severely emotionally disturbed within the members' service area and the SCRC serves as a program planner, developer and coordinator for behavioral health services for residents of the members' service area. The members include the Alcohol, Drug Addiction and Mental Health Services Boards of Gallia, Jackson and Meigs Counties; Athens, Hocking and Vinton Counties; and Adams, Lawrence and Scioto Counties; and the Washington County Mental Health and Addiction Recovery Board.

The SCC and SCRC operate under an appointed four member board, consisting of the Executive Director of each of the above named Alcohol, Drug Addiction and Mental Health Services Boards. The SCC serves as the fiscal agent for the SCRC.

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**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2003**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass-Through Entity's Number	Federal CFDA Number	Receipts	Disbursements
UNITED STATES DEPARTMENT OF JUSTICE				
<i>Direct Program:</i>				
Drug-Free Communities Support Program Grants	N/A	16.729	10,000	1,636
Total United States Department of Justice			<u>10,000</u>	<u>1,636</u>
UNITED STATES DEPARTMENT OF EDUCATION				
<i>Passed Through the Ohio Department of Alcohol and Drug Addiction Services:</i>				
Safe and Drug-Free Schools and Communities_State Grants	27-03116-DFSDAR-P-03/04-9073 27-02938-DFSCA-P-03/04-9929	84.186B	130,000	118,334
Total United States Department of Education			<u>130,000</u>	<u>118,334</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed through the Ohio Department of Alcohol and Drug Addiction Services: Substance Abuse and Mental Health Services_Projects of Regional and National Significance:</i>				
State Incentive Grant	27-00419-SIG-P-04-0403	93.243	38,333	32,408
<i>Block Grants for Prevention and Treatment of Substance Abuse:</i>				
Womens (Federal)	27-01220-WOMEN-T-03/04-8986	93.959	29,378	28,918
Per Capita	N/A		262,176	250,203
Treatment Alternatives to Street Crimes (TASC)	27-02963-00-TASC-T-03/04-9180		328,431	331,278
Youth Mentoring	27-01220-YMENT-P-03/04-9826		38,500	40,713
Higher Education	27-03709-HEDUC-P-03/04-9853		25,000	28,433
Drug Free Community Coalition	27-01220-CMMCO-P-03/04-0037		<u>47,247</u>	<u>29,973</u>
Total Block Grants for Prevention and Treatment of Substance Abuse			730,732	709,518
<i>Passed through the Ohio Department of Mental Health:</i>				
Social Services Block Grant	N/A	93.667	79,635	79,635
<i>Block Grants for Community Mental Health Services:</i>				
Community Plan	N/A	93.958	92,263	75,548
Special Purpose Children/Adolescent	N/A		22,857	18,286
Special Purpose SEAN Block Grant #4	18-AD-BG-03-01		5,000	5,000
Special Purpose Block Grant #4	18-AD-BG-03-03		3,000	3,000
Special Purpose Consumer Services Block Grant #4	18-AD-03-01		<u>3,000</u>	<u>3,000</u>
Total Block Grants for Community Mental Health Services:			126,120	104,834
<i>Passed Through Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS):</i>				
State Children's Insurance Program - ODADAS	N/A	93.767	43,018	46,415
State Children's Insurance Program - ODMH			<u>73,379</u>	<u>71,428</u>
Total State Children's Insurance Program			<u>116,397</u>	<u>117,843</u>
Medical Assistance Program - ODADAS	N/A	93.778	165,895	154,026
Medical Assistance Program - ODMH			<u>1,150,265</u>	<u>1,153,820</u>
Total Medical Assistance Program			<u>1,316,160</u>	<u>1,307,846</u>
Total United States Department of Health and Human Services			<u>2,407,377</u>	<u>2,352,084</u>
TOTAL FEDERAL AWARDS RECEIPTS AND EXPENDITURES			<u>\$2,547,377</u>	<u>\$2,472,054</u>

The notes to the Schedule of Federal Awards Receipts and Expenditures is an integral part of the Schedule.

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL, DRUG
ADDICTION AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
DECEMBER 31, 2003**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of the activity of the Board's federal awards programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - SUBRECIPIENTS

The Board passes-through certain Federal assistance received from the Ohio Department of Mental Health and the Ohio Department of Alcohol and Drug Addiction Services to provider agencies (subrecipients). As described in Note A, the Board records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under OMB Circular A-133, the Board is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the Board contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



Auditor of State Betty Montgomery

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

Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction
and Mental Health Services
Gallia County
53 Shawnee Lane
P.O. Box 514
Gallipolis, Ohio 45631

To Members of the Board:

We have audited the accompanying financial statement of the Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County, Ohio (the Board), as of and for the year ended December 31, 2003, and have issued our report thereon dated August 25, 2004. 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 Board's financial statement is 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 we must report under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting 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 statement 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 a matter involving the internal control over financial reporting that does not require inclusion in this report that we have reported to the Board's management in a separate letter dated August 25, 2004.

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Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction
and Mental Health Services
Gallia County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of management, the Board of Alcohol, Drug Addiction and Mental Health Services, 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 25, 2004



**Auditor of State
Betty Montgomery**

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

Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction
and Mental Health Services
Gallia County
53 Shawnee Lane
P.O. Box 514
Gallipolis, Ohio 45631

To Members of the Board:

Compliance

We have audited the compliance of the Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County, Ohio (the Board), 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, 2003. The Board'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 Board's management. Our responsibility is to express an opinion on the School Board'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 Board'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 Board's compliance with those requirements.

In our opinion, the Board 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, 2003.

Internal Control over Compliance

The management of the Board 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 Board'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.

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 of 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 internal control over compliance and its operations that we consider to be material weaknesses. We noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the Board in a separate letter dated August 25, 2004.

This report is intended solely for the information and use of management, the Board of Alcohol, Drug Addiction and Mental Health Services, 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.



Betty Montgomery
Auditor of State

August 25, 2004

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL, DRUG
ADDICITON AND MENTAL HEALTH SERVICES
GALLIA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
DECEMBER 31, 2003**

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 non-compliance 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):	Medical Assistance Program CFDA #93.778
<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



**Auditor of State
Betty Montgomery**

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GALLIA, JACKSON AND MEIGS A.D.A.M.H. SERVICES BOARD

GALLIA 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 4, 2004**