



**Auditor of State
Betty Montgomery**

JOINT COUNTY PUBLIC DEFENDER
TUSCARAWAS COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - General Fund For the Years Ended December 31, 2003 and 2002	3
Notes to the Financial Statements	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Joint County Public Defender
Tuscarawas County
153 North Broadway
New Philadelphia, Ohio 44663

We have audited the accompanying financial statements of the Joint County Public Defender, Tuscarawas County, Ohio, (the Public Defender) as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the Public Defender'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 described Note 1, the Public Defender 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 fund cash balances and reserves for encumbrances of the Joint County Public Defender, Tuscarawas County, as of December 31, 2003 and 2002, 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 May 7, 2004 on our consideration of the Public Defender'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 management and the Commission and other officials authorized to receive this report under Section 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".

Betty Montgomery
Auditor of State

May 7, 2004

111 Second St., NW / Fourth Floor / Canton, OH 44702
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

This page intentionally left blank.

**JOINT COUNTY PUBLIC DEFENDER
TUSCARAWAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	General Fund	
	2003	2002
Cash Receipts:		
Intergovernmental	\$224,917	\$222,040
Counties	277,953	329,670
Municipalities	67,900	68,100
Other	811	3,813
Total Cash Receipts	571,581	623,623
Cash Disbursements:		
Salaries	376,191	440,885
Employee Benefits	126,280	150,253
Supplies	16,746	22,495
Equipment	0	11,284
Contract Services	30,864	33,216
Rent	9,000	9,000
Travel	4,004	8,613
Expert Witnesses	7,675	22,397
All Other	882	1,715
Total Cash Disbursements	571,642	699,858
Total Cash Receipts (Under) Cash Disbursements	(61)	(76,235)
Fund Cash Balances, January 1	169	76,404
Fund Cash Balances, December 31	\$108	\$169
Reserve for Encumbrances, December 31	\$0	\$2,707

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

This page intentionally left blank.

**JOINT COUNTY PUBLIC DEFENDER
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Joint County Public Defender, Tuscarawas County, (the Public Defender) 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 Public Defender was created pursuant to § 120.23, Ohio Revised Code. The Public Defender is directed by an appointed six-member Commission. The Public Defender provides legal assistance to indigent individuals charged with serious criminal offenses.

The Public Defender's management believes these financial statements present all activities for which the Public Defender is financially accountable. The Public Defender is disclosed as a Jointly Governed Organization of both Tuscarawas and Carroll Counties, respectively.

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 approved).

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

C. Fund Accounting

The Public Defender uses fund accounting to segregate cash and investments that are restricted as to use. The Public Defender utilizes a General Fund to account for all financial activity.

D. Budgetary Process

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function level of control, and appropriations may not exceed estimated resources. 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.

**JOINT COUNTY PUBLIC DEFENDER
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

3. Encumbrances

The Public Defender utilizes the encumbrance method of accounting, and reserves (encumbers) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

E. 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 statements.

F. 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 Public Defender.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Tuscarawas County Auditor is the statutory fiscal officer for the Public Defender. Tuscarawas County maintains a cash pool used by all funds. Equity in pooled cash is further described in Tuscarawas County's basic financial statements for the years ended December 31, 2003 and 2002.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$571,481</u>	<u>\$571,581</u>	<u>\$100</u>

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	<u>\$571,650</u>	<u>\$571,642</u>	<u>\$8</u>

**JOINT COUNTY PUBLIC DEFENDER
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$626,305</u>	<u>\$623,623</u>	<u>(\$2,682)</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	<u>\$702,709</u>	<u>\$702,565</u>	<u>\$144</u>

4. RETIREMENT SYSTEM

The Public Defender's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The 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 and 2002, OPERS employee members contributed 8.5% of their gross salaries. The Public Defender contributed an amount equal to 13.55% of participants' gross salaries. The Public Defender has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

The Public Defender maintains comprehensive insurance coverage under Tuscarawas County's umbrella policy with the Public Entities Pool of Ohio for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real property and contents are insured, and includes a \$1,000 deductible. Tuscarawas County also provides health insurance and dental and vision coverage to full time employees through a private carrier.

6. CONTRACTS

The Public Defender contracts with various political subdivisions within the counties served by the Public Defender, to provide legal representation for indigent persons who are charged with a violation of the ordinances of the subdivision.

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

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

Joint County Public Defender
Tuscarawas County
153 North Broadway
New Philadelphia, Ohio 44663

To the Commission:

We have audited the financial statements of the Joint County Public Defender, Tuscarawas County, Ohio, (Public Defender) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated May 7, 2004. We conducted our audits 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 Public Defender'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*.

However, we noted an immaterial instance of noncompliance that we have reported to management of the Public Defender in a separate letter dated May 7, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Public Defender'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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Public Defender in a separate letter dated May 7, 2004.

Joint County Public Defender
Tuscarawas County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management and the Commission, 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

May 7, 2004



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

JOINT COUNTY PUBLIC DEFENDER

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
JUNE 15, 2004**