



**Auditor of State
Betty Montgomery**

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

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**Auditor of State
Betty Montgomery**

Four County Board of Alcohol, Drug Addiction,
and Mental Health Services
Henry County
T-761 State Route 66
Archbold, Ohio 43502-9537

To the Members of the Board:

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 a February 2, 2005 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 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 cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

August 30, 2005

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Four County Board of Alcohol, Drug Addiction,
and Mental Health Services
Henry County
T-761 State Route 66
Archbold, Ohio 43502-9537

To the Members of the Board:

We have audited the accompanying financial statements of Four County Board of Alcohol, Drug Addiction, and Mental Health Services Board (the Board) as of and for the year ended December 31, 2004. These financial statements are the responsibility of the Board'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 Board 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.

Revisions to GAAP would require the Board to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. While the Board does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State

permits, but does not require governments to reformat their statements. The Board has elected not to reformat its statements. Since this Board does not use GAAP to measure financial statement amounts, 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 year ended December 31, 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Board as of December 31, 2004, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Four County Board of Alcohol, Drug Addiction, and Mental Health Services, as of December 31, 2004, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Board to include Management's Discussion and Analysis for the year ended December 31, 2004. The Board 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 August 30, 2005, 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 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.



Betty Montgomery
Auditor of State

August 30, 2005

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2004

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|---|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Taxes | \$3,023,960 | | \$3,023,960 |
| Intergovernmental Revenues | 4,927,108 | \$3,008,472 | 7,935,580 |
| Gifts and Donations | 150 | | 150 |
| | <u>7,951,218</u> | <u>3,008,472</u> | <u>10,959,690</u> |
| Total Cash Receipts | | | |
| Cash Disbursements: | | | |
| Current: | | | |
| Salaries | 235,616 | | 235,616 |
| Supplies | 2,857 | | 2,857 |
| Equipment | 1,953 | | 1,953 |
| Contracts - Repair | 2,856 | | 2,856 |
| Contracts - Services | 6,163,346 | | 6,163,346 |
| Rentals | 38,067 | | 38,067 |
| Travel | 13,372 | | 13,372 |
| Public Employee's Retirement | 32,919 | | 32,919 |
| Worker's Compensation | 2,001 | | 2,001 |
| Insurance | 34,913 | | 34,913 |
| Levy Fees | 71,715 | | 71,715 |
| Project Fund Disbursements | | 2,896,200 | 2,896,200 |
| Other Expenses | 98,688 | | 98,688 |
| | <u>6,698,303</u> | <u>2,896,200</u> | <u>9,594,503</u> |
| Total Cash Disbursements | | | |
| Total Cash Receipts Over Cash Disbursements | <u>1,252,915</u> | <u>112,272</u> | <u>1,365,187</u> |
| Other Financing Receipts | | | |
| Reimbursements | <u>202,655</u> | | <u>202,655</u> |
| Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements | 1,455,570 | 112,272 | 1,567,842 |
| Fund Cash Balances, January 1 | <u>3,077,945</u> | <u>437,840</u> | <u>3,515,785</u> |
| Fund Cash Balances, December 31 | <u>\$4,533,515</u> | <u>\$550,112</u> | <u>\$5,083,627</u> |
| Reserve for Encumbrances, December 31 | <u>\$591,134</u> | <u>\$94,923</u> | <u>\$686,057</u> |

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

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**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004

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 Four County Board of Alcohol, Drug Addiction, and Mental Health Services, (the Board) as a body corporate and politic. An eighteen-member Board is the governing Body. The Board's Director and the legislative authorities of the political subdivisions making up the Board appoint the other Board members. The Board includes members from those legislative authorities as well as citizens of the Board. Those subdivisions are: Ohio Director of Alcohol and Drug Addiction Services, Ohio Director of Mental Health Services, Defiance County, Fulton County, Henry County, and Williams County.

The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board. Private and public agencies are the primary service providers, through Board contracts.

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

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This accounting basis is similar to the cash receipts and disbursements basis. The Board 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. Cash

As Ohio law requires, the Defiance County Treasurer is custodian for the Board's cash. The County's cash and investment pool holds the Board's cash, valued at the County Treasurer's carrying amount.

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 accounts for all financial resources except those required to be accounted for in another fund.

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2004

(Continued)

2. Special Revenue Funds

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

Title XIX Medicaid Fund – Provides financial assistance to provider agencies, (subrecipients), to provide payments for medical services provided to cash assistance recipients, members of certain mandatory and optional groups who do not receive cash assistance, or other individuals for which cash assistance is available but whose income or resources, while too high for eligibility for those programs, are insufficient to meet the cost of their medical care.

Substance Abuse Prevention Treatment Fund – Provides financial assistance to local provider agencies, (subrecipients), to support projects for the development and implementation of prevention, and treatment and rehabilitation activities directed to the diseases of alcohol and drug abuse.

E. Budgetary Process

The Ohio Revised Code requires the Board 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 Board 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.

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 2004 budgetary activity appears in Note 2.

F. Property, Plant, and Equipment

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

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2004

(Continued)

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.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2004 follows:

| 2004 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$ 8,093,394 | \$ 8,153,873 | \$ 60,479 |
| Special Revenue | 2,891,597 | 3,008,472 | 116,875 |
| Total | \$ 10,984,991 | \$ 11,162,345 | \$ 177,354 |

| 2004 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|--------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$ 11,171,339 | \$ 7,289,437 | \$ 3,881,902 |
| Special Revenue | 3,434,592 | 2,991,123 | 443,469 |
| Total | \$ 14,605,931 | \$ 10,280,560 | \$ 4,325,371 |

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopts rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

Property owners assess tangible personal property tax. They must file a list of tangible property to the County by each April 30.

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

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2004

(Continued)

4. RETIREMENT SYSTEMS

The Board's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes retirement benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2004, OPERS members contributed 8.5 percent of their gross salaries. The Board contributed an amount equal to 13.55 percent of participants' gross salaries. The Board has paid all contributions required through December 31, 2004.

5. RISK MANAGEMENT

Commercial Insurance

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles,
- Errors and omissions.

The Board provides health insurance to full-time employees through a private carrier. The Board also provides each employee with up to \$550 per month for family coverage, reimbursement for dental and vision expenses and other medical expenses not covered by insurance.

6. CONTINGENT LIABILITIES

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

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2004**

| FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title | Pass Through Entity Number | Federal CFDA Number | Disbursements |
|--|----------------------------------|---------------------------|----------------------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| <i>Passed Through Ohio Department of Mental Health</i> | | | |
| Social Services Block Grants - Title XIX | - | 93.667 | \$108,460 |
| Block Grants for Community Mental Health Services | | | |
| Kids Special Purpose Block Grant | - | 93.958 | 59,624 |
| Community Plan Block Grants | - | 93.958 | <u>83,658</u> |
| Total Block Grants for Community Mental Health Services | | | 143,282 |
| Medical Assistance Program (Medicaid) - Title XIX | - | 93.778 | 1,647,817 |
| <i>Passed Through Ohio Department of Alcohol and Drug Addiction Services</i> | | | |
| Medical Assistance Program (Medicaid) - Title XIX | - | 93.778 | <u>259,310</u> |
| Total Medical Assistance Program (Medicaid) - Title XIX | | | 1,907,127 |
| Block Grants for Prevention and Treatment of Substance Abuse: | | | |
| Substance Abuse Prevention Treatment Block Grant | - | 93.959 | 540,078 |
| Women's Program | 20-01140-00- Women T-04-9027 | 93.959 | 113,913 |
| Women's Program | 20-01140-00- Women T-05-9027 | 93.959 | <u>83,340</u> |
| Total Women's Program | | | <u>197,253</u> |
| Total Block Grants for Prevention and Treatment of Substance Abuse | | | <u>737,331</u> |
| TOTAL FEDERAL FINANCIAL ASSISTANCE | | | <u><u>\$2,896,200</u></u> |

The accompanying notes are an integral part of this schedule.

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED DECEMBER 31, 2004**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Board's federal award 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 United State Department of Health and Human Services to other governments or not-for-profit 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 Federal 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 INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Four County Board of Alcohol, Drug Addiction,
and Mental Health Services
Henry County
T-761 State Route 66
Archbold, Ohio 43502-9537

To Members of the Board:

We have audited the financial statements of Four County Board of Alcohol, Drug Addiction, and Mental Health Services, (the Board) as of and for the year ended December 31, 2004, and have issued our report thereon dated August 30, 2005, wherein we noted the Board follows accounting practices the Auditor of State permits 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 Board's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Board'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

One Government Center / Room 1420 / Toledo, OH 43604-2246
Telephone: (419) 245-2811 (800) 443-9276 Fax: (419) 245-2484
www.auditor.state.oh.us

Four County Board of Alcohol, Drug Addiction,
and Mental Health Services
Henry County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the audit committee, management, the Board, federal awarding agencies, and pass-through entities. It is not intended for 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 30, 2005



**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**

Four County Board of Alcohol, Drug Addiction,
and Mental Health Services
Henry County
T-761 State Route 66
Archbold, Ohio 43502-9537

To Members of the Board:

Compliance

We have audited the compliance of Four County Board of Alcohol, Drug Addiction, and Mental Health Services (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 apply to each of its major federal programs for the year ended December 31, 2004. The summary of auditor's results section of the accompanying schedule of findings identifies the Board's major federal programs. The Board's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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, Four County Board of Alcohol, Drug Addiction, and Mental Health Services complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2004.

Internal Control Over Compliance

The Board's management 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 directly and materially affect a major federal program 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 reportable 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We intend this report solely for the information and use of the audit committee, management, the Board, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

August 30, 2005

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2004

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| <i>(d)(1)(i)</i> | Type of Financial Statement Opinion | Adverse |
| <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): | Title XIX – Medical Assistance Program – CFDA #93.778. Block Grants For Prevention And Treatment Of Substance Abuse (SAPT) – CFDA #93.959 |
| <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.

**FOUR COUNTY BOARD OF ALCOHOL, DRUG ADDICTION,
AND MENTAL HEALTH SERVICES**

HENRY COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2004

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|----------------|---|------------------|---|
| 2003-001 | Ohio Revised Code § 5705.40 Board approved appropriation amounts did not reconcile to appropriation amounts recorded in the Board's appropriation ledger. | Yes | |
| 2003-002 | Ohio Revised Code § 5705.39, Total appropriations exceeded estimated resources at December 31, 2003 in several Board funds. | Yes | |



**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

FOUR COUNTY BOARD OF A.D.A.M.H.S.

HENRY 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 29, 2005**