



Dave Yost • Auditor of State



**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

District Board of Health  
Washington County  
342 Muskingum Drive  
Marietta, Ohio 45750

To the Board of Health:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the District Board of Health, Washington County, Ohio (the Health District), as of and for the years ended December 31, 2013 and 2012.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Health District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Health District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the Health District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Health District as of December 31, 2013 and 2012, or changes in financial position thereof, for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the District Board of Health, Washington County, Ohio, as of December 31, 2013 and 2012, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2014, on our consideration of the Health District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health District's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State

Columbus, Ohio

March 24, 2014

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Charges for Services	\$39,869	\$342,305	\$382,174
Fines, Licenses and Permits	2,595	194,205	196,800
Intergovernmental:			
Apportionments	246,250		246,250
Grants		295,697	295,697
Mileage Reimbursement for County Vehicle Use	4,695		4,695
Workers Compensation Refund	1,987	3,124	5,111
Miscellaneous	316	25	341
<i>Total Cash Receipts</i>	<u>295,712</u>	<u>835,356</u>	<u>1,131,068</u>
<b>Cash Disbursements</b>			
Current:			
Health:			
Administration	154,236	22,467	176,703
Environmental	35,112	162,361	197,473
Nursing	38,647	134,642	173,289
Preparedness	32	129,111	129,143
Creating Healthy Communities		82,140	82,140
SEO Dental Clinic	22,572	176,098	198,670
Dental Sealants		40,097	40,097
Vital Statistics	4,717		4,717
Remittance to State	19,974	37,423	57,397
Unused Grant Funds Returned to State		18,547	18,547
Miscellaneous		5,054	5,054
<i>Total Cash Disbursements</i>	<u>275,290</u>	<u>807,940</u>	<u>1,083,230</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>20,422</u>	<u>27,416</u>	<u>47,838</u>
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	106		106
Transfers Out		(106)	(106)
Advances In	24,000	33,347	57,347
Advances Out	(33,347)	(24,000)	(57,347)
Other Financing Sources	15,498	830	16,328
Other Financing Uses	(935)		(935)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>5,322</u>	<u>10,071</u>	<u>15,393</u>
<i>Net Change in Fund Cash Balances</i>	25,744	37,487	63,231
<i>Fund Cash Balances, January 1</i>	<u>16,116</u>	<u>90,078</u>	<u>106,194</u>
<b>Fund Cash Balances, December 31</b>			
Restricted		127,565	127,565
Assigned	9,725		9,725
Unassigned (Deficit)	32,135		32,135
<i>Fund Cash Balances, December 31</i>	<u>\$41,860</u>	<u>\$127,565</u>	<u>\$169,425</u>

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

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Charges for Services	\$35,083	\$445,944	\$481,027
Fines, Licenses and Permits	2,590	139,035	141,625
Intergovernmental:			
Apportionments	235,000		235,000
Grants		322,750	322,750
Other	9,591	41,986	51,577
Miscellaneous	150	584	734
<i>Total Cash Receipts</i>	<u>282,414</u>	<u>950,299</u>	<u>1,232,713</u>
<b>Cash Disbursements</b>			
Current:			
Health:			
Administration	138,878	44,306	183,184
Environmental	38,785	143,974	182,759
Nursing	72,398	154,058	226,456
Preparedness	76	146,496	146,572
Creating Healthy Communities	1	69,793	69,794
SEO Dental Clinic	1,908	324,596	326,504
Dental Sealants		37,198	37,198
Vital Statistics	10,144		10,144
Remittance to State	17,944	10,547	28,491
Unused Grant Funds Returned to State		2,756	2,756
Miscellaneous		5,057	5,057
<i>Total Cash Disbursements</i>	<u>280,134</u>	<u>938,781</u>	<u>1,218,915</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>2,280</u>	<u>11,518</u>	<u>13,798</u>
<b>Other Financing Receipts (Disbursements)</b>			
Advances In	23,415	20,165	43,580
Advances Out	(20,165)	(23,415)	(43,580)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>3,250</u>	<u>(3,250)</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	5,530	8,268	13,798
<i>Fund Cash Balances, January 1</i>	<u>10,586</u>	<u>81,810</u>	<u>92,396</u>
<b>Fund Cash Balances, December 31</b>			
Restricted		90,078	90,078
Assigned	9,171		9,171
Unassigned (Deficit)	6,945		6,945
<i>Fund Cash Balances, December 31</i>	<u>\$16,116</u>	<u>\$90,078</u>	<u>\$106,194</u>

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



**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the District Board of Health, Washington County (the Health District), as a body corporate and politic. A five-member Board of Health appointed by the District Advisory Council governs the Health District. The Board appoints a health commissioner and all employees of the Health District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, issues health-related licenses and permits and emergency response planning.

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

**B. Accounting Basis**

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

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

**C. Deposits and Investments**

As required by the Ohio Revised Code, the Washington County Treasurer is custodian for the Health District's deposits. The County's deposit and investment pool holds the Health District's assets, valued at the Treasurer's reported carrying amount.

**D. Fund Accounting**

The Health District uses fund accounting to segregate cash and investments that are restricted as to use. The Health District classifies its funds into the following types:

**1. General Fund**

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**2. Special Revenue Funds**

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Health District had the following significant Special Revenue Funds:

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

Dental Clinic Fund - This fund accounts for the grant awarded by the Ohio Department of Health, client fees and Medicaid reimbursement, and other contributions toward the operation of the Southeastern Ohio Dental Clinic.

Public Health Emergency Preparedness Fund - This fund accounts for the grant funds awarded by the Ohio Department of Health to address bioterrorism, other outbreaks of infectious disease and other public health threats and emergencies at the county and regional public health level.

**E. Budgetary Process**

The Ohio Revised Code requires the Health District to budget each fund 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 Health District Board must annually approve appropriation measures and subsequent amendments. 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 approve estimated resources.

**3. Encumbrances**

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

A summary of 2013 and 2012 budgetary activity appears in Note 2.

**F. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Health District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**F. Fund Balance (Continued)**

**1. Nonspendable**

The Health District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**2. Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**3. Committed**

The Board can *commit* amounts via formal action (resolution). The Health District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Board or a Health District official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Health District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**G. Property, Plant, and Equipment**

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

**H. Accumulated Leave**

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

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**2. Budgetary Activity**

Budgetary activity for the years ending December 31, 2013 and 2012, follows:

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$326,940	\$335,316	\$8,376
Special Revenue	846,454	869,533	23,079
Total	\$1,173,394	\$1,204,849	\$31,455

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$324,098	\$319,299	\$4,799
Special Revenue	872,536	844,668	27,868
Total	\$1,196,634	\$1,163,967	\$32,667

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$303,626	\$305,829	\$2,203
Special Revenue	972,841	970,464	(2,377)
Total	\$1,276,467	\$1,276,293	(\$174)

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$313,433	\$309,470	\$3,963
Special Revenue	1,017,206	977,317	39,889
Total	\$1,330,639	\$1,286,787	\$43,852

**3. Intergovernmental Funding**

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

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**4. Retirement System**

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

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10% of their gross salaries and the Health District contributed an amount equaling 14% of participants' gross salaries. The Health District has paid all contributions required through December 31, 2013.

**5. Risk Management**

**Risk Pool Membership**

The Health District is exposed to various risks of property and casualty losses, and injuries to employees.

The Health District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Health District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. . York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc., functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2012, PEP retained \$350,000 for casualty claims and \$150,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2012 and 2011 (the latest information available):

	<u>2012</u>	<u>2011</u>
Assets	\$34,389,569	\$33,362,404
Liabilities	<u>(14,208,353)</u>	<u>(14,187,273)</u>
Net Assets	<u>\$20,821,216</u>	<u>\$19,175,131</u>

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**5. Risk Management (Continued)**

At December 31, 2012 and 2011, respectively, the liabilities above include approximately \$13 million and \$13 million of estimated incurred claims payable. The assets above also include approximately \$12.64 million and \$12.1 million of unpaid claims to be billed to approximately 466 and 455 member governments in the future, as of December 31, 2012 and 2011, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2013, the Health District's share of these unpaid claims collectible in future years is approximately \$6,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<b><u>Contributions to PEP</u></b>	
<b><u>2013</u></b>	<b><u>2012</u></b>
\$7,325	\$8,251

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**6. Contingent Liabilities**

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



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

District Board of Health  
Washington County  
342 Muskingum Drive  
Marietta, Ohio 45750

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial of District Board of Health, Washington County, (the Health District) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, and have issued our report thereon dated March 24, 2014, wherein we noted the Health District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Health District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Health District's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying Schedule of Findings, we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Health District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2013-001 described in the accompanying Schedule of Findings to be a material weaknesses.

***Compliance and Other Matters***

As part of reasonably assuring whether the Health District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining 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*.

***Entity's Response to Findings***

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

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Health District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Health District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State

Columbus, Ohio

March 24, 2014



**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2013 AND 2012**

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

**FINDING NUMBER 2013-001**

**Material Weakness**

All local public offices should maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

For 2013, the Health District classified outstanding encumbrances in the General Fund (\$9,725) as unassigned instead of assigned. In addition, the Health District classified outstanding encumbrances in the Special Revenue Fund (\$12,266) as committed instead of restricted.

For 2012, the Health District classified outstanding encumbrances in the General Fund (\$9,171) as unassigned instead of assigned. In addition, the Health District classified a portion of the Special Revenue Fund balance (\$74,958) as unassigned instead of restricted. Furthermore, miscellaneous disbursements for the Nursing Fund (\$5,057) were omitted from total disbursements.

As a result, significant reclassifications, with which the Health District's management agrees, were made to the financial statements.

We recommend the Administrative Assistant take additional care in posting transactions to the District's ledgers in order to ensure the financial statements reflect the appropriate sources of the receipts.

**Officials' Response:** The fiscal staff will study the AOS bulletins and materials to gain a better understanding of the "Committed" and "Assigned" classifications on the report so that funds and encumbrances can be properly posted in the reports.

**DISTRICT BOARD OF HEALTH  
WASHINGTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2013 AND 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2011-01	Noncompliance with Ohio Rev. Code Section 117.38 for failure to file the 2011 annual financial report with the Auditor of State.	Yes	N/A
2011-02	Noncompliance with Ohio Rev. Code Section 149.351(A) for failure to maintain certain manual Daily Immunization Sheets.	Yes	N/A
2011-03	Noncompliance with Ohio Rev. Code Section 3709.28 for appropriations exceeding estimated resources	No	Partially Corrected. Included in a separate letter to management dated March 24, 2014.
2011-04	Material Weakness for material mispostings requiring adjustment to the financial statements.	No	Repeated as Finding 2013-001.



# Dave Yost • Auditor of State

**DISTRICT BOARD OF HEALTH**

**WASHINGTON 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  
APRIL 10, 2014**