

**MENTAL HEALTH AND RECOVERY BOARD OF ERIE AND OTTAWA COUNTIES
ERIE COUNTY**

REGULAR AUDIT

FOR THE PERIOD JANUARY 1, 2021 THROUGH SEPTEMBER 30, 2021

**OHIO AUDITOR OF STATE
KEITH FABER**



**MENTAL HEALTH AND RECOVERY BOARD OF ERIE AND OTTAWA COUNTIES
ERIE COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Mental Health and Recovery Board of Erie and Ottawa Counties
Erie County
1907 East Perkins Avenue
Sandusky, Ohio 44870

To the Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental fund type as of and for the period January 1, 2021 through September 30, 2021, and related notes of the Mental Health and Recovery Board of Erie and Ottawa Counties, Erie County, Ohio (the Board).

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(C) 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 Board'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 Board's internal control. Accordingly, we express no such 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 opinions.

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

As described in Note 2 of the financial statements, the Board 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(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Board does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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 Board, as of September 30, 2021, and the respective changes in financial position thereof for the period then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the period ended September 30, 2021, and related notes of the Board, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2022, 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. 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 Board's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

November 9, 2022

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

*Combined Statement of Receipts, Disbursements,
and Change in Fund Balance (Regulatory Cash Basis)*

All Governmental Fund Types

For the Period Ended September 30, 2021

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts			
Property Taxes	\$4,501,617		\$4,501,617
Charges for Services	26,531		26,531
Intergovernmental	2,031,027	\$777,638	2,808,665
Miscellaneous	123		123
<i>Total Cash Receipts</i>	<u>6,559,298</u>	<u>777,638</u>	<u>7,336,936</u>
Cash Disbursements			
Current:			
Health:			
Salaries	304,299		304,299
Fringe Benefits	60,304		60,304
Advertising and Printing	22,458		22,458
Supplies and Materials	4,078		4,078
Contract Services	4,024,981	635,534	4,660,515
Utilities	3,345		3,345
Software, Maintenance and Support	18,968		18,968
Insurance	9,574		9,574
Subscriptions and Dues	11,678		11,678
Leases / Rentals	2,900		2,900
Taxes and Related Fees	85,795		85,795
Audit Fees	12,143		12,143
Other Expenses	647		647
Communications	2,800		2,800
Community Activities	3,206		3,206
Attorney Fees	29,025		29,025
Travel	712		712
Beacon House	38,088		38,088
<i>Total Cash Disbursements</i>	<u>4,635,001</u>	<u>635,534</u>	<u>5,270,535</u>
<i>Excess of Receipts Over Disbursements</i>	<u>1,924,297</u>	<u>142,104</u>	<u>2,066,401</u>
Other Financing Disbursements			
Other Financing Uses	<u>(43)</u>		<u>(43)</u>
<i>Net Change in Fund Cash Balances</i>	1,924,254	142,104	2,066,358
<i>Fund Cash Balances, January 1</i>	<u>5,993,898</u>	<u>298,835</u>	<u>6,292,733</u>
<i>Fund Cash Balances, September 30</i>	<u><u>\$7,918,152</u></u>	<u><u>\$440,939</u></u>	<u><u>\$8,359,091</u></u>

See accompanying notes to the financial statements

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Mental Health and Recovery Board of Erie and Ottawa Counties, Erie County, Ohio (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 Erie and Ottawa counties. 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.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Board's financial statements consist of a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

Fund Accounting

The Board uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Board are presented below:

General Fund The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund balance is available to the Board for any purpose provided it is expended or transferred according to the general laws of Ohio.

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. The Board had the following significant Special Revenue Funds:

Opportunities for Ohioans with Disabilities (OOD) Fund The OOD Fund receives grant monies to help empower Ohioans with disabilities through employment, disability determinations, and independence.

State Opiate Response (SOR) Grant Fund The SOR Grant Fund receives grant monies to advance Ohio's efforts in combatting the drug crisis.

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Budgetary Process

The Ohio Revised Code requires the Board to adopt a budget for each fund annually.

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 must annually approve appropriation measures and subsequent amendments.

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.

Encumbrances The Ohio Revised Code requires the Board 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 2021 budgetary activity appears in Note 4.

Capital Assets

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

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.

Fund Balance

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

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

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

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.

Committed The Board can *commit* amounts via formal action (resolution). The Board 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.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the General Fund is limited to encumbrances outstanding at year end.

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 Board 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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 - Compliance

Contrary to Ohio law, the Board’s State Opiate Response (SOR), Special Revenue Fund had a deficit fund balance of \$185,394 at September 30, 2021. The deficit fund balance resulted from timing differences associated with the disbursement of funds prior to receipt of reimbursements from grantor agencies.

Note 4 - Budgetary Activity

Budgetary activity for the fiscal year ended September 30, 2021 follows:

Fund Type	2021 Budgeted vs. Actual Receipts		Variance
	Budgeted Receipts	Actual Receipts	
General	\$7,128,323	\$6,559,298	(\$569,025)
Special Revenue	1,288,082	777,638	(510,444)
Total	<u>\$8,416,405</u>	<u>\$7,336,936</u>	<u>(\$1,079,469)</u>

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$10,592,682	\$6,438,320	\$4,154,362
Special Revenue	1,341,049	723,206	617,843
Total	<u>\$11,933,731</u>	<u>\$7,161,526</u>	<u>\$4,772,205</u>

Note 5 - Deposits and Investments

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

Note 6 - Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

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

Note 7 - Risk Management

Commercial Insurance

The Board has obtained commercial insurance for the following risks:

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

Note 8 - Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The Board'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.

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% percent of their gross salaries and the Board contributed an amount equaling 14% percent of participants' gross salaries. The Board has paid all contributions required through September 30, 2021.

Note 9 - Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2021.

Note 10 - Contingent Liabilities

Amounts grantor agencies pay to the Board are subject to audit and adjustment by the grantor, principally the federal government. 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.

Note 11 - Fund Balances

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	<u>\$1,803,276</u>	<u>\$87,672</u>	<u>\$1,890,948</u>

The fund balance of Special Revenue funds is either restricted or committed. These restricted or committed amounts in the Special Revenue funds would including the outstanding encumbrances. In the General Fund, outstanding encumbrances are considered assigned.

Note 12 - Subsequent Events

The Board known as the Mental Health and Recovery Board of Erie and Ottawa Counties was dissolved effective September 30, 2021. Erie County has established a new entity known as the Alcohol, Drug Addiction, and Mental Health Services (ADAMHS) Board of Erie County and reports this entity in a Special Revenue Fund of Erie County. Ottawa County has merged with the Mental Health and Recovery Services Board of Seneca, Sandusky, and Wyandot Counties to form a new entity known as the Mental Health and Recovery Services Board of Seneca, Ottawa, Sandusky, and Wyandot Counties.

As of September 30, 2021, the Board was still in the process of paying outstanding obligations and liquidating remaining assets. The Erie and Ottawa County Commissioners agreed to split any remaining assets 52% and 48%, respectively.

Mental Health and Recovery Board of Erie and Ottawa Counties

Erie County

Notes to the Financial Statements

For the Period Ended September 30, 2021

The final activity of the Board subsequent to September 30, 2021 through the date of our report is summarized below:

Total Fund Cash Balances September 30, 2021	\$8,359,091
Plus: Proceeds From Building Sale (Contract Date of December 22, 2021)	321,580
Less: K-12 Prevention Education (Transferred to Erie County October 5, 2022)	(87,904)
Less: Allocation to Paying Off Final Invoices (Subsequent to September 30, 2021)	<u>(1,303,412)</u>
Assets to be Split	<u>\$7,289,355</u>
Less: Erie County Share (52%) (Distributed October 28, 2021; January 18, 2022; April 28, 2022)	(3,790,465)
Less: Ottawa County Share (48%) (Distributed October 28, 2021; January 18, 2022; April 28, 2022)	(3,498,890)
Remaining Fund Balance / Assets	<u><u>\$0</u></u>

Note 13 - Debt

During prior audit periods, two loans were obtained through the Ohio Department of Mental Health and Addiction Services to finance the property located on 3240 Venice Road, Apartments 1-11 in Sandusky, Ohio. The original 2009 and 2010 loan amounts were for \$250,000 and \$120,880, respectively. Both loans are forgiven monthly at monthly rate of \$530 and \$252, respectively. Due to the Board's reporting basis, these amounts are not reflected in the financial statements. The total forgiven amounts as of September 30, 2021 were \$75,211 and \$32,486, respectively. The balances of the loans as of September 30, 2021 were \$174,789 and \$88,384, respectively.

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OHIO AUDITOR OF STATE KEITH FABER



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

Mental Health and Recovery Board of Erie and Ottawa Counties
Erie County
1907 East Perkins Avenue
Sandusky, Ohio 44870

To the Members of the Board:

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 statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the period ended September 30, 2021, and related notes of the Mental Health and Recovery Board of Erie and Ottawa Counties, Erie County, Ohio (the Board) and have issued our report thereon dated November 9, 2022, wherein we noted the Board followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Board's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Board's internal control. Accordingly, we have not opined on it.

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 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 Board'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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2021-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2021-002.

Board's Response to Findings

The Board's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not subject the Board's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 Board's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

November 9, 2022

**MENTAL HEALTH AND RECOVERY BOARD OF ERIE AND OTTAWA COUNTIES
ERIE COUNTY**

**SCHEDULE OF FINDINGS
SEPTEMBER 30, 2021**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2021-001

Material Weakness - Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

General Fund and Special Revenue fund type budgeted receipts were decreased in the amounts of \$4,061,149 and \$282,682, respectively, in order to bring amounts reported in the Budgetary Activity note to the financial statements in line with authorized budget amounts.

These errors were not identified and corrected prior to the Board preparing its notes to the financial statements due to deficiencies in the Board's internal controls over financial statement monitoring. The failure to adequately monitor financial statements could allow for misstatements to occur and go undetected. The accompanying notes to the financial statements have been adjusted to reflect these changes. In addition to the adjustments noted above, we also identified additional immaterial misstatements in the amounts of \$16,355 and \$24,050 that we have brought to the Board's attention.

To help ensure the Board's financial statements and notes to the financial statements are complete and accurate, the Board should adopt policies and procedures, including a final review of the statements and notes to the financial statements by the Chief Financial Officer and Board to help identify and correct errors and omissions.

Officials' Response:

The Board will be adopting a written policy and procedure regarding the review of financial records prior to submission of the annual report to the Auditor of the State of Ohio.

FINDING NUMBER 2021-002

Noncompliance Citation

Ohio Rev. Code § 5705.10(I) requires that money paid into any fund shall be used only for the purposes for which such fund is established.

Therefore, a negative fund cash balance in any fund indicates that money from another fund or funds has been used to pay the obligations of the fund carrying the deficit balance.

The State Opiate Response Grant Fund had a deficit fund balance of \$185,394 at September 30, 2021. Negative fund balances could result in the use of restricted receipts for unallowable purposes. A procedure and control, such as management and/or Board's periodic review of reports that show cash fund balances, and budgeted versus actual receipts and disbursements, should be implemented to identify those funds that may potentially develop a negative balance.

**FINDING NUMBER 2021-002
(CONTINUED)**

Advances or transfers should be made for these funds or appropriations modified to prevent a negative cash balance. The Board should refer to Ohio Compliance Supplement (OCS) Chapter 1 and/or Auditor of State Bulletin 97-003 for information regarding the accounting treatment and approval process for advances.

Officials' Response:

In order to avoid negative fund balances, advances from the General Fund will be made to the Special Revenue Funds as required by the Ohio Revised Code. The Board will be adopting a written policy and procedure that makes it mandatory for the finance office to review fund balances on a continual basis, and request advances by the Board when necessary.



John A. Fletcher, Chair

Brenda Cronin, Executive Director

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
SEPTEMBER 30, 2021**

Finding Number	Finding Summary	Status	Additional Information
2020-001	Material weakness for errors in financial reporting.	Not corrected and reissued as Finding 2021-001 in this report.	This matter was not corrected due to deficiencies in the Board's internal controls over financial reporting. The Board will be adopting a written policy and procedure regarding the review of financial records prior to submission of the annual report to the Auditor of the State of Ohio.

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OHIO AUDITOR OF STATE KEITH FABER



MENTAL HEALTH AND RECOVERY BOARD OF ERIE AND OTTAWA COUNTIES

ERIE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/22/2022

88 East Broad Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov