

**TUSCARAWAS COUNTY
HEALTH DEPARTMENT**

TUSCARAWAS COUNTY, OHIO

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2021**

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Health
Tuscarawas County Health Department
897 East Iron Ave,
Dover, Ohio 44622

We have reviewed the *Independent Auditor's Report* of the Tuscarawas County Health Department, Tuscarawas County, prepared by Julian & Grube, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Tuscarawas County Health Department is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 19, 2022

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**B TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor’s Report	1 - 3
Combined Statement of Receipts, Disbursements and Changes in Fund Balances – (Regulatory Cash Basis) - All Governmental Fund Types	4
Notes to the Financial Statement	5 – 12
Supplementary Information:	
Schedule of Expenditures of Federal Awards.....	13
Notes to the Schedule of Expenditures of Federal Awards	14
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	15 - 16
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.	17 - 19
Schedule of Findings 2 <i>CFR</i> §200.515.....	20
Summary Schedule of Prior Audit Findings 2 <i>CFR</i> §200.511(b).....	21

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Independent Auditor's Report

Tuscarawas County Health Department
Tuscarawas County
897 E. Iron Ave
Dover, OH 44622

To the Board of Health:

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying financial statement of the cash balances, receipts, and disbursements for each governmental fund type of the Tuscarawas County Health Department, Tuscarawas County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statement.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental fund type of the Tuscarawas County Health Department, as of and for the year ended December 31, 2021 in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 2.

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" section of our report, the accompanying financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Tuscarawas County Health Department, as of December 31, 2021, or changes in net position, thereof for the year then ended.

Basis for Opinions

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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the Tuscarawas County Health Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statement, the financial statement is prepared by the Tuscarawas County Health Department on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP), to meet the requirements of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Though the Tuscarawas County Health Department does not intend this statement 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 opinions on this accounting basis are in the "Unmodified Opinions on Regulatory Basis of Accounting" paragraph above.

Emphasis of Matter

As described in Note 12 to the financial statement, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Tuscarawas County Health Department. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tuscarawas County Health Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tuscarawas County Health Department's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tuscarawas County Health Department's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statement of the Tuscarawas County Health Department. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statement as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022 on our consideration of the Tuscarawas County Health Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tuscarawas County Health Department's 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 Tuscarawas County Health Department's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 29, 2022

Tuscarawas County Health Department
Tuscarawas County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2021

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property Taxes	1,340,764	-	-	1,340,764
Charges for Services	150,463	719,137	-	869,600
Fines, Licenses and Permits	-	480,471	-	480,471
Intergovernmental:				
Apportionments	25,000	-	25,000	50,000
Grants	411,081	1,457,314	-	1,868,395
Other	169,437	5,600	-	175,037
Miscellaneous	88,949	174,954	-	263,903
<i>Total Cash Receipts</i>	<u>2,185,694</u>	<u>2,837,476</u>	<u>25,000</u>	<u>5,048,170</u>
Cash Disbursements				
Current:				
Health:				
Salaries	525,853	1,547,510	-	2,073,363
Supplies	158,365	170,897	-	329,262
Equipment	7,545	27,606	-	35,151
Contract Services	433,787	366,829	-	800,616
Travel	1,290	720	-	2,010
Remittance to State	85,162	92,321	-	177,483
Medicare	7,339	21,449	-	28,788
OPERS	70,159	214,161	-	284,320
Workers Comp	2,477	9,937	-	12,414
Other	41,592	12,033	-	53,625
Medical Insurance	64,992	207,266	-	272,258
Employee Vol Dental Vision	15,856	-	-	15,856
Accreditation	5,600	-	-	5,600
Vehicle Maint	-	25,479	-	25,479
Remittance to EPA	-	55,228	-	55,228
MARCS User Fees	-	1,916	-	1,916
Capital Outlay	-	720	-	720
<i>Total Cash Disbursements</i>	<u>1,420,017</u>	<u>2,754,072</u>	<u>-</u>	<u>4,174,089</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	765,677	83,404	25,000	874,081
Other Financing Receipts (Disbursements)				
Transfers In	-	63,474	-	63,474
Transfers Out	(63,474)	-	-	(63,474)
Advances In	107,500	189,500	-	297,000
Advances Out	(189,500)	(107,500)	-	(297,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(145,474)</u>	<u>145,474</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	620,203	228,878	25,000	874,081
<i>Fund Cash Balances, January 1</i>	<u>4,289,136</u>	<u>1,737,956</u>	<u>112,324</u>	<u>6,139,416</u>
<i>Fund Cash Balances, December 31</i>	<u>4,909,339</u>	<u>1,966,834</u>	<u>137,324</u>	<u>7,013,497</u>

See accompanying notes to the basic financial statement

Tuscarawas County Health Department

Tuscarawas County

Notes to the Financial Statement

For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Tuscarawas County Health Dept, Tuscarawas County (the Health Department) as a body corporate and politic. A five-member Board and a Health Commissioner govern the Health Department. The Health Department's services include communicable disease investigations, immunization clinics, inspections, and public health nursing services, and the Health Department issues health-related licenses and permits.

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

Public Entity Risk Pool

The Health Department participates in a public entity risk pool (PEP Ohio). Note 7 to the financial statement provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Health Department's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

Fund Accounting

The Health Department 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 Health Department 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 Health Department 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 other than debt service or capital projects. The Health Department had the following significant Special Revenue Funds:

Women, Infants, and Children (WIC) Fund - This is a Federal grant fund that accounts for the Special Supplemental Nutrition Program.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (Continued)

Medical Clinic - This fund is used to account for the purchase of services for medical testing such as blood pressure checks, TB testing, and child wellness checks.

Reproductive Health & Wellness - This program is to improve the overall health and well-being of women and men by promoting healthy lifestyles and encouraging the establishment of a reproductive life plan.

Capital Project Funds - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Permanent Improvement is the Health Department's only capital project fund.

Basis of Accounting

This financial statement follows 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).

This statement includes adequate disclosures 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 Health Department to budget 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 of Health must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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 Health Department 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 3.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (Continued)

Capital Assets

The Health Department records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does 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 statement does not include a liability for unpaid leave.

Fund Balance

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

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

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 Health Department 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 Health Department 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.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2021, follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,904,232	\$2,293,194	\$388,962
Special Revenue	4,019,986	3,090,450	(929,536)
Capital Projects	25,000	25,000	0
Total	\$5,949,218	\$5,408,644	(\$540,574)

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,553,601	\$1,777,377	\$776,224
Special Revenue	4,613,154	3,252,558	1,360,596
Capital Projects	28,000	3,000	25,000
Total	\$7,194,755	\$5,032,935	\$2,161,820

Note 4 – Deposits and Investments

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

Note 5 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

The County Budget Commission apportions revenues for the fiscal year among the townships and municipalities composing the Health Department, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the Health Department. The financial statements present these amounts as intergovernmental receipts.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 5 – Intergovernmental Funding and Property Taxes (Continued)

Property Taxes

The County Commissioners serve as a special taxing authority for a special levy outside the ten-mill limitation to provide the Health Department with sufficient funds for health programs. The levy generated \$1,481,812 in 2021 which includes \$141,048 in state reimbursements. The financial statements present these amounts in property taxes and intergovernmental receipts.

Property taxes are levied, assessed and collected on a calendar basis. They include amounts levied against all real, public utility real, & public utility tangible personal property located in the areas served by the Health Department. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of the preceding year, the lien date. Assessed values are established by the Tuscarawas County Auditor at 35% of the appraised market value. All property is required to be revalued every six years. A revaluation for the Health Department was done in 2016.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31. If paid semi-annually, the first payment is usually due December 31, with the remainder payable June 30.

**Per Ohio Revised Code Section 5719.06, on August 24, 2020, the County Treasurer (in consultation with the County Auditor) presented to the County Prosecuting Attorney's Office a list of uncollectible personal property taxes in the amount of \$1,303,024.20 and requested that the owed taxes be stricken from the delinquent personal property duplicate and the amounts be reduced to zero. Please note that no tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was 2010). It was approved by the County Prosecuting Attorney's Office on the same day. On September 28, 2020, it was presented to the Tuscarawas County Board of Revision for their review and approval. It was approved on the same day. In October 2020, the delinquent taxes were removed from the system and the amounts were reduced to zero. While a settlement needs to be processed, personal property tax has officially ended in the County.

Public utility real and public utility personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Tuscarawas County Treasurer collects property taxes on behalf of the Health Department. The Tuscarawas County Auditor remits the collected taxes to the Health Department. Tax settlements are made each March and August for real property taxes.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 6 – Interfund Balances

Outstanding advances at December 31, 2021, consisted of a total of \$97,000. All advances were made from the General Fund to the following funds: COVID-19 Enhanced Operations (\$50,000), Early Childhood (\$12,000), Workforce Development (\$20,000), as well as an outstanding advance from 2020 to Early Childhood (\$15,000). The advances were made to provide working capital for operations or projects.

Note 7 – Risk Management

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

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The Health Department pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Risk Pool Membership

The Health Department is a member of the Public Entities of Ohio (the POOL). The Pool assumes the risk of loss up to the limits of the Health Department's policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability
- Cyber
- Law enforcement liability
- Automotive liability
- Vehicles
- Property
- Equipment breakdowns.

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:

	<u>2020 *</u>
Cash and investments	\$40,318,917
Actuarial liabilities	\$14,111,510

* - Latest information available.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 8– Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The Health Department 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 postemployment healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Health Department contributed an amount equaling 14 percent of participants' gross salaries. The Health Department has paid all contributions required through December 31, 2021.

Social Security

Several Health Department Board Members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Health Department contributed an amount equal to 6.2 percent of participants' gross salaries. The Health Department has paid all contributions required through December 31, 2021.

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, that includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, 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

The Health Department is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Health Department's financial condition.

Amounts grantor agencies pay to the Health Department 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.

Tuscarawas County Health Department
Tuscarawas County
Notes to the Financial Statement
For the Year Ended December 31, 2021

Note 11 – Fund Balances

Included in fund balance are amounts the Health Department cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. 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:

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	104,386	390,986	3,000	498,372
Total	\$104,386	\$390,986	\$3,000	\$498,372

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue, and capital projects would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the Health Department received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Health Department. The impact on the Health Department’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

SUPPLEMENTARY INFORMATION

TUSCARAWAS COUNTY HEALTH DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH THE OHIO DEPARTMENT OF HEALTH			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	NU52PS910184	\$ 3,375
Temporary Assistance for Needy Families	93.558	G-2223-22-0422	11,804
Temporary Assistance for Needy Families	93.558	G-2021-22-0944	5,717
Total Temporary Assistance for Needy Families			<u>17,521</u>
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	07910012CT0121	62,572
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	07910012EO0121	172,328
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			<u>234,900</u>
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	07910012WF0122	32,338
Immunization Cooperative Agreements	93.268	07910012GV0321	3,192
Immunization Cooperative Agreements	93.268	07910012GV0422	2,517
Immunization Cooperative Agreements	93.268	07910012VE0121	85,844
Total Immunization Cooperative Agreements			<u>91,553</u>
Maternal and Child Health Services Block Grant to the States	93.994	07910011RH1021	4,094
Family Planning Services	93.217	07910011RH1021	24,713
Family Planning Services	93.217	07910011RH1122	95,700
Total Family Planning Services			<u>120,413</u>
Opioid STR	93.788	07910014IN0322	8,715
Opioid STR	93.788	07910014IN0423	5,484
Total Opioid STR			<u>14,199</u>
Public Health Emergency Preparedness	93.069	07910012PH1221	45,370
COVID-19 Provider Relief Fund	93.498	N/A	161,608
COVID-19 Testing for the Uninsured	93.461	N/A	26,073
Total U.S. Department of Health and Human Services			<u>751,444</u>
U.S. DEPARTMENT OF TREASURY PASSED THROUGH THE OHIO DEPARTMENT OF HEALTH			
COVID-19 Coronavirus Relief Fund	21.019	COVID-19 07910012CT0120	35,065
COVID-19 Coronavirus Relief Fund	21.019	COVID-19 07910012CO0121	512,153
COVID-19 Coronavirus Relief Fund	21.019	COVID-19 07910012VN0121	40,000
Total Coronavirus Relief Fund			<u>587,218</u>
Total U.S. Department of Treasury			<u>587,218</u>
U.S. DEPARTMENT OF TRANSPORTATION PASSED THROUGH THE OHIO DEPARTMENT OF PUBLIC SAFETY			
Highway Safety Cluster			
State and Community Highway Safety	20.600	69A37520300004020OH0-2021	17,038
State and Community Highway Safety	20.600	69A37520300004020OH0-2022	5,698
Total Highway Safety Cluster			<u>22,736</u>
Total U.S. Department of Transportation			<u>22,736</u>
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF HEALTH			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	07910011WA1421	298,498
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	07910011WA1522	89,391
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children			<u>387,889</u>
Total Federal Financial Assistance			<u>\$ 1,749,287</u>

See accompanying notes to the schedule of expenditures of federal awards

**TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Tuscarawas County Health Department under programs of the federal government for the year ended December 31, 2021 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Tuscarawas County Health Department, it is not intended to and does not present the fund balances or changes in fund balances of the Tuscarawas County Health Department. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Tuscarawas County Health Department has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of the Financial Statement Performed in Accordance With
*Government Auditing Standards***

Tuscarawas County Health Department
Tuscarawas County
897 E. Iron Ave
Dover, OH 44622

To the Board of Health:

We have audited, in accordance with the 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, the financial statement of the cash balances, receipts, and disbursements for each governmental fund type of the Tuscarawas County Health Department, Tuscarawas County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statement and have issued our report thereon dated June 29, 2022, wherein we noted as described in Note 2 to the financial statement, the Tuscarawas County Health Department followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Furthermore, we noted as described in Note 12 to the financial statement, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Tuscarawas County Health Department's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Tuscarawas County Health Department's internal control. Accordingly, we do not express an opinion on the effectiveness of Tuscarawas County Health Department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Tuscarawas County Health Department's financial statement will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tuscarawas County Health Department's financial statement is 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 statement. 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
June 29, 2022

**Independent Auditor’s Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

Tuscarawas County Health Department
Tuscarawas County
897 E. Iron Ave
Dover, Ohio 44622

To the Board of Health:

Report on Compliance for Each Major Federal Program***Opinion on Each Major Federal Program***

We have audited Tuscarawas County Health Department’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Tuscarawas County Health Department’s major federal programs for the year ended December 31, 2021. Tuscarawas County Health Department’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings.

In our opinion, Tuscarawas County Health Department complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the “Auditor’s Responsibilities for the Audit of Compliance” section of our report.

We are required to be independent of Tuscarawas County Health Department and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Tuscarawas County Health Department’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Tuscarawas County Health Department’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Tuscarawas County Health Department's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Tuscarawas County Health Department's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Tuscarawas County Health Department's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Tuscarawas County Health Department's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Tuscarawas County Health Department's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Tuscarawas County Health Department
Tuscarawas County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance
Page 3

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 29, 2022

**TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

1. SUMMARY OF AUDITORS' RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinions</i>	GAAP – Adverse Regulatory - Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	COVID 19 – Coronavirus Relief Fund (ALN 21.019) COVID-19 - Provider Relief Fund (ALN 93.498)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A:>\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None.

**TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR § 200.511(b)
DECEMBER 31, 2021**

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2020-001	2020	<u>Significant Deficiency</u> – Audit adjustments were made and certain disclosures were updated to correct misstatements identified in the audit.	Corrected	N/A

OHIO AUDITOR OF STATE KEITH FABER



TUSCARAWAS COUNTY HEALTH DEPARTMENT

TUSCARAWAS 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 9/1/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov