



**Auditor of State
Betty Montgomery**

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH DISTRICT

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Williams County District Board of Health
310 Lincoln Avenue, P.O. Box 146
Montpelier, Ohio 43543-0146

To the District Board of Health:

We have audited the accompanying financial statements of the Williams County District Board of Health (the District) as of and for the year ended December 31, 2002. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Williams County District Board of Health as of December 31, 2002, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2003 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying federal awards expenditures schedule is presented for additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. We subjected this information to the auditing procedures applied in the audit of the financial statements. In our opinion, it is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the finance committee, management, Board of Health, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 29, 2003

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH DISTRICT

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
State receipts	\$23,930	\$151,890	\$175,820
Federal receipts		279,608	279,608
Subdivisions	206,000		206,000
Fees and licenses	91,429	988,913	1,080,342
Contractual services	59,964	139,455	199,419
Other receipts	62,497	21,533	84,030
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	443,820	1,581,399	2,025,219
Cash Disbursements:			
Salaries	246,177	907,333	1,153,510
Medicare	1,893	10,037	11,930
Public employee's retirement	32,082	115,684	147,766
Worker's compensation	1,580	4,552	6,132
Advertising and printing		1,948	1,948
Auditing Fees	5,782		5,782
Contractual services	8,288	102,975	111,263
Equipment	2,283	11,654	13,937
Insurance	45,572	91,558	137,130
Membership dues	895		895
Other expense	10,432	90,629	101,061
Remittance to State	3,894	69,977	73,871
Supplies and Postage	37,179	55,100	92,279
Travel and expense	14,266	90,713	104,979
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	410,323	1,552,160	1,962,483
Total Cash Receipts Over Cash Disbursements	<hr/>	<hr/>	<hr/>
	33,497	29,239	62,736
Other Financing Receipts/(Disbursements):			
Transfers-In	8,323	34,000	42,323
Advances-In	29,800	33,900	63,700
Transfers-Out	(34,000)	(8,323)	(42,323)
Advances-Out	(33,900)	(29,800)	(63,700)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	(29,777)	29,777	
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	3,720	59,016	62,736
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
	63,329	251,162	314,491
Fund Cash Balances, December 31	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$67,049	\$310,178	\$377,227

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

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WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Williams County District Board of Health (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is created under § 3709.01, Ohio Revised Code. The District is directed by a ten-member Board, appointed by the district advisory counsel. An appointed health commissioner is responsible for administering the laws relating to health and sanitation of the County. Services provided by the District include recording of vital statistics, inspection of food service facilities, water wells, sewers, campgrounds, trailer parks, public health and home nursing services, and they act upon various complaints made to the department concerning the health and welfare of the County.

The District has direct fiscal control over the funds as maintained by the Williams County Treasurer with the Williams County Auditor serving as fiscal officer.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

C. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those restricted by law or contract.

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

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

2. Special Revenue Funds

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

Home Health Fund - This fund receives payments from Medicare, Medicaid, insurance companies, and patients for medical services provided by home health nurses, aids, and therapists.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure and amendments thereto. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year

A summary of 2002 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under District's basis of accounting.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2002 follows:

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

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

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$439,000	\$452,143	\$13,143
Special Revenue	1,608,930	1,615,399	6,469
Total	\$2,047,930	\$2,067,542	\$19,612

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$465,400	\$444,323	\$21,077
Special Revenue	1,685,047	1,560,483	124,564
Total	\$2,150,447	\$2,004,806	\$145,641

3. INTERGOVERNMENTAL FUNDING

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

4. RETIREMENT SYSTEM

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2002, OPERS members contributed 8.5 percent of their gross wages. The District contributed an amount equal to 13.55 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2002.

5. RISK MANAGEMENT

Commercial Insurance

The District has obtained commercial insurance to insure the vehicles.

The District also provides health insurance and vision coverage to full time employees through a private carrier. The Williams County Commissioners maintain building and contents insurance coverage for the District.

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2002

(Continued)

Risk Pool Membership

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty insurance for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). 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 Coverage

PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

PEP retains property risks, including automobile physical damage, up to \$10,000 on any specific loss with an annual aggregate of \$700,000 for 2001 and \$1,250,000 for 2002. The Travelers Indemnity Company reinsures losses exceeding \$10,000 if the annual aggregate is reached and all specific losses exceeding \$100,000. APEEP's Operating Fund and Guarantee Fund pay for losses and loss adjustment expenses should they exceed operating contributions.

The aforementioned casualty and property reinsurance agreements do 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:

<u>Casualty Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$20,174,977	\$19,358,458
Liabilities	(8,550,749)	(8,827,588)
Retained Earnings	<u>\$11,624,228</u>	<u>\$10,530,870</u>

<u>Property Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$2,565,408	\$1,890,323
Liabilities	(655,318)	(469,100)
Retained Earnings	<u>\$1,910,090</u>	<u>\$1,421,223</u>

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2002

(Continued)

Self Insurance

The District is self insured for dental insurance. The individual funds pay their respective covered claims to service providers based on actual costs per employee with a maximum cost of \$1,000 per employee.

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WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through Ohio Department of Health</i>			
Cardiovascular Health	86-1-001-2-ED-02	93.991	\$63,000
Maternal and Child Health Services Block Grant (CFHS)	86-1-001-1-AI-02	93.994	40,165
Maternal and Child Health Services Block Grant (CFHS)	86-1-001-1-AI-03	93.994	12,143
Total Maternal and Child Health Services Block Grant			<u>52,308</u>
Immunization Action Plan (IAP)	86-1-001-2-AZ-02	93.268	21,000
Public Health Infrastructure	86-1-001-2-BI-03	93.268	<u>20,848</u>
Total U.S. Department of Health and Human Services			<u>157,156</u>
U.S. DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION <i>Passed Through Ohio Department of Health</i>			
Special Supplement Nutrition Program for Women, Infant, Children (WIC)	86-1-001-1-CL-02	10.557	87,870
Special Supplement Nutrition Program for Women, Infant, Children (WIC)	86-1-001-1-CL-03	10.557	29,433
Total Women, Infant, Children			<u>117,303</u>
Total U.S. Department of Agriculture, Food and Nutrition			<u>117,303</u>
U.S. DEPARTMENT OF TRANSPORTATION <i>Passed Through Ohio Department of Public Safety</i>			
Safe Communities Project	1705.1	20.600	<u>31,437</u>
Total U.S. Department of Transportation			<u>31,437</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u><u>\$305,896</u></u>

The accompanying notes are an integral part of this schedule.

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED DECEMBER 31, 2002**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - SUBRECIPIENTS

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the District is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



**Auditor of State
Betty Montgomery**

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

Williams County District Board of Health
310 Lincoln Avenue, P.O. Box 146
Montpelier, Ohio 43543-0146

To the Board of Health:

We have audited the financial statements of the Williams County District Board of Health (the District) as of and for the year ended December 31, 2002, and have issued our report thereon dated August 29, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated August 29, 2003.

Williams County District Board of Health
Independent Accountants' Report on Compliance and on Internal
Controls Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the finance committee, management, Board of Health, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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Betty Montgomery
Auditor of State

August 29, 2003



**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Williams County District Board of Health
310 Lincoln Avenue, P.O. Box 146
Montpelier, Ohio 43543-0146

To the Board of Health:

Compliance

We have audited the compliance of the Williams County District Board of Health (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2002. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2002. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings as item 2002-001. We noted a certain instance of noncompliance that does not require inclusion in this report that we have reported to the management of the District in a separate letter dated August 29, 2003.

Internal Control over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the District's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings as item 2002-001.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information and use of the finance committee, management, the Board of Health, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Betty Montgomery
Auditor of State

August 29, 2003

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	Special Supplemental Nutrition Program for Women, Infant, and Children (WIC) - CFDA #10.557 Material and Child Health Service Block Grant (CFHS) - CFDA #93.994
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

1. Title of Finding

Finding Number	2002-001
CFDA Title and Number	Special Supplemental Nutrition Program for Women, Infant, and Children (WIC) - CFDA #10.557 and Material and Child Health Service Block Grant (CFHS) - CFDA #93.994
Federal Award Number / Year	WIC: 86-1-001-1-02 (grant year 2002) and CFHS: 86-1-001-AI-02 (grant year 2002) and 86-1-AI-03 (grant year 2003)
Federal Agency	United States Department of Agriculture, Food and Nutrition and United States Department of Health and Human Services
Pass-Through Agency	Ohio Department of Health

Noncompliance Citation and Reportable Condition

Sections 505.1 and 506.1 of the 1998 Ohio Department of Health Grants Administration Policy and Procedure (GAPP) Manual states that the information on the expenditure reports must correspond with the subgrantee's accounting records and supporting documentation. The District could not reconcile the expenditures on the quarterly grant reports to their accounting records due to errors in the District's ledger and lack of documentation of expenses incurred but not yet paid at the end of each quarter. The District understated expenditures on the subgrantee final expense report for the Maternal and Child Health Services Block Grant (CFHS) by as much as \$7,423 for grant year ended September 30, 2002. Expenditures on the subgrantee final expense report for the grant year ended September 30, 2002 were overstated by \$329 for Special Supplement Nutrition Program for Women, Infant, and Children (WIC). In addition, expenditures were understated by \$1,364 for CFHS on the subgrantee program expenditure report for the period October 1, 2002 through December 31, 2002. To improve controls over reporting, we recommend that the Fiscal Officer reconcile the District's ledger with the County Auditor monthly and investigate any discrepancies. The grant reports should reconcile to both the District's ledger and the County Auditor's reports. We further recommend that an accurate list of the expenditures incurred but not yet paid, as defined in section 505.3 of the GAPP manual be maintained and these items be listed on the grant report.



**Auditor of State
Betty Montgomery**

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800-282-0370

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WILLIAMS COUNTY DISTRICT BOARD OF HEALTH

WILLIAMS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 30, 2003**