



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

**CRAWFORD AND MARION COUNTIES**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2007**



**Mary Taylor, CPA**  
Auditor of State



**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

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# Mary Taylor, CPA

Auditor of State

Board of Alcohol, Drug Addiction and Mental Health Services  
Crawford and Marion Counties  
907 North Sandusky Avenue  
Bucyrus, Ohio 44820

To the Members of the Board:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Board to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 20, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Board of Alcohol, Drug Addiction and Mental Health Services  
Crawford and Marion Counties  
907 North Sandusky Avenue  
Bucyrus, Ohio 44820

To the Members of the Board:

We have audited the accompanying financial statement of the Board of Alcohol, Drug Addiction and Mental Health Services, Crawford and Marion Counties, Ohio, (the Board) as of and for the year ended December 31, 2007. This financial statement is the responsibility of the Board's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described more fully in Note 1, the Board has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statement presents, GAAP require presenting entity wide statements and also presenting the Board's larger (i.e. major) funds separately. While the Board does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Boards to reformat their statements. The Board has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the year ended December 31, 2007, does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Board as of December 31, 2007, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Board of Alcohol, Drug Addiction and Mental Health Services, Crawford and Marion Counties, Ohio, as of December 31, 2007, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

The Board has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statement.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2008, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

We conducted our audit to opine on the Board's financial statement. The U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* requires presenting a schedule of federal awards expenditures. The schedule is not a required part of the financial statement. We subjected the schedule of federal awards expenditures to the auditing procedures applied in the audit of the financial statement. In our opinion, this information is fairly stated in all material respects in relation to the financial statement taken as a whole.



**Mary Taylor, CPA**  
Auditor of State

June 20, 2008



**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

|  | <u>Governmental Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|--------------------------------|----------------------------|---|
|  | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                            |                                |                            |   |
| Taxes  | \$ -                           | \$ 1,343,346               | \$ 1,343,346                            |
| Intergovernmental                                | -                              | 252,307                    | 252,307                                 |
| State Grants                                     | 3,550,923                      | -                          | 3,550,923                               |
| Federal Grants                                   | -                              | 2,783,356                  | 2,783,356                               |
| Reimbursements                                   | -                              | 457                        | 457                                     |
| Other Receipts                                   | 76,859                         | -                          | 76,859                                  |
|  | <u>3,627,782</u>               | <u>4,379,466</u>           | <u>8,007,248</u>                        |
| <b>Total Cash Receipts</b>                       |                                |                            |   |
|  | <u>3,627,782</u>               | <u>4,379,466</u>           | <u>8,007,248</u>                        |
| <b>Cash Disbursements:</b>                       |                                |                            |   |
| Current:   |                                |                            |   |
| Salaries   | 177,043                        | 148,008                    | 325,051                                 |
| Benefits   | 20,730                         | 36,701                     | 57,431                                  |
| Supplies   | 11,124                         | 790                        | 11,914                                  |
| Equipment  | 4,718                          | 1,846                      | 6,564                                   |
| Contracts - Services                             | 3,639,828                      | 3,794,588                  | 7,434,416                               |
| Advertising and Printing                         | 128                            | 5,957                      | 6,085                                   |
| Travel and Expense                               | 4,077                          | 12,997                     | 17,074                                  |
| Public Employee's Retirement                     | 31,671                         | 21,024                     | 52,695                                  |
| Worker's Compensation                            | 436                            | 299                        | 735                                     |
| Communications                                   | -                              | 12,662                     | 12,662                                  |
| Utilities  | -                              | 19,748                     | 19,748                                  |
| Levy Expense                                     | -                              | 14,000                     | 14,000                                  |
| Other  | 246                            | 69,671                     | 69,917                                  |
|  | <u>3,890,001</u>               | <u>4,138,291</u>           | <u>8,028,292</u>                        |
| <b>Total Cash Disbursements</b>                  |                                |                            |   |
|  | <u>3,890,001</u>               | <u>4,138,291</u>           | <u>8,028,292</u>                        |
| <b>Total Receipts Over/(Under) Disbursements</b> | (262,219)                      | 241,175                    | (21,044)                                |
| <b>Fund Cash Balances, January 1</b>             | <u>2,136,550</u>               | <u>1,037,402</u>           | <u>3,173,952</u>                        |
| <b>Fund Cash Balances, December 31</b>           | <u>\$ 1,874,331</u>            | <u>\$ 1,278,577</u>        | <u>\$ 3,152,908</u>                     |
| <b>Reserves for Encumbrances, December 31</b>    | <u>\$ 538,625</u>              | <u>\$ 226,758</u>          | <u>\$ 765,383</u>                       |

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

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**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 2007**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Board of Alcohol, Drug Addiction and Mental Health Services, Crawford and Marion Counties, 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 the Ohio Department of Mental Health, the Ohio Department of Alcohol and Drug Addiction Services, and the Crawford and Marion County Commissioners. The Board provides alcohol, drug addiction and mental health services and programs to citizens of Crawford and Marion Counties. Private and public agencies are the primary service providers, through Board contracts.

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

**B. Basis of Accounting**

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

This statement includes adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash**

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

**D. Fund Accounting**

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

**1. General Fund**

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

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 2007  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds**

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

*Crawford and Marion Levy Funds* – These funds receive property tax levy monies to provide contract services to citizens.

*Title XIX Funds* – These funds receive monies for Medicaid disbursements.

**E. Budgetary Process**

The Ohio Revised Code requires the Board to budget each fund.

**1. Appropriations**

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

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**3. Encumbrances**

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

A summary of 2007 budgetary activity appears in Note 2.

**F. Property, Plant, and Equipment**

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

**G. 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.

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 2007  
(Continued)**

**2. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 2007 follows:

| 2007 Budgeted vs. Actual Receipts |                    |                    |                 |
|-----------------------------------|--------------------|--------------------|-----------------|
| Fund Type                         | Budgeted Receipts  | Actual Receipts    | Variance        |
| General                           | \$3,661,089        | \$3,627,782        | (\$33,307)      |
| Special Revenue                   | 4,278,427          | 4,379,466          | 101,039         |
| Total                             | <u>\$7,939,516</u> | <u>\$8,007,248</u> | <u>\$67,732</u> |

| 2007 Budgeted vs. Actual Budgetary Basis Expenditures |                         |                        |                  |
|---|-------------------------|------------------------|------------------|
| Fund Type   | Appropriation Authority | Budgetary Expenditures | Variance         |
| General   | \$4,433,225             | \$4,428,626            | \$4,599          |
| Special Revenue                                       | 5,052,840               | 4,365,049              | 687,791          |
| Total   | <u>\$9,486,065</u>      | <u>\$8,793,675</u>     | <u>\$692,390</u> |

**3. PROPERTY TAX**

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

Public utilities are also taxed on personal and real property located within Crawford and Marion Counties.

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

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

**4. RETIREMENT SYSTEM**

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

The Ohio Revised Code also prescribes contribution rates. For 2007, OPERS members contributed 9.5 percent of their gross salaries. The Board contributed an amount equal to 13.85 percent of participants' gross salaries. The Board has paid all contributions required through December 31, 2007.

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 2007  
(Continued)**

**5. RISK MANAGEMENT**

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Employee Dishonesty; and
- Directors and Officers Liability.

The Board also provides health insurance and dental coverage to full-time employees through a private carrier.

**6. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the Board are subject to audit and adjustment. Grantors may require the Board to refund any disallowed costs. Management cannot presently determine amounts which may be disallowed. However, based on prior experience, management believes any refunds would be immaterial.

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007**

| <b>FEDERAL GRANTOR</b><br><i>Pass Through Grantor</i><br>Program Title                         | Pass Through<br>Entity<br>Number | Federal<br>CFDA<br>Number | Disbursements      |
|--|----------------------------------|---------------------------|--------------------|
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>  |                                  |                           |                    |
| <i>Passed Through Ohio Department of Mental Health</i>   |                                  |                           |                    |
| Promoting Safe and Stable Families   | 31-6400076                       | 93.556                    | \$41,924           |
| Social Services Block Grant  | 31-6400076                       | 93.667                    | 108,273            |
| Block Grants for Community Mental Health Services  | 31-6400076                       | 93.958                    | 176,757            |
| State Children's Insurance Program   | 31-6400076                       | 93.767                    | 142,457            |
| Medical Assistance Program   | 31-6400076                       | 93.778                    | 1,731,534          |
| Crisis Counseling  | 31-6400076                       | 97.032                    | 6,197              |
| Substance Abuse and Mental Health Services -<br>Projects of Regional and National Significance | 31-6400076                       | 93.243                    | 6,830              |
| <i>Passed Through Ohio Department of Alcohol &amp;<br/>Drug Addiction Services</i>             |                                  |                           |                    |
| Medical Assistance Program   | 31-6400076                       | 93.778                    | 223,953            |
| <b>Total Medical Assistance Program</b>  |                                  |                           | <b>1,955,487</b>   |
| State Children's Insurance Program   | 31-6400076                       | 93.767                    | 26,004             |
| <b>Total State Children's Insurance Program</b>  |                                  |                           | <b>168,461</b>     |
| Block Grants for Prevention and Treatment of<br>Substance Abuse                                | 31-6400076                       | 93.959                    | 352,872            |
| <b>Total Federal Awards Expenditures</b>   |                                  |                           | <b>\$2,816,801</b> |

*The accompanying notes are an integral part of this schedule.*

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2007**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - SUBRECIPIENTS**

The Board passes-through certain Federal assistance received from the Ohio Department of Mental Health and the Ohio Department of Alcohol and Drug Addiction Services to other governments or not-for-profit agencies (subrecipients). As described in Note A, the Board records expenditures of Federal awards to subrecipients when paid in cash.

For each federal program listed on the Schedule, 100% of the expenditures were passed through to subrecipients.

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

**NOTE C - MATCHING REQUIREMENTS**

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





# Mary Taylor, CPA

Auditor of State

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

Board of Alcohol, Drug Addiction and Mental Health Services  
Crawford and Marion Counties  
907 North Sandusky Avenue  
Bucyrus, Ohio 44820

To the Members of the Board:

We have audited the financial statement of the Board of Alcohol, Drug Addiction and Mental Health Services, Crawford and Marion Counties, Ohio, (the Board) as of and for the year ended December 31, 2007, and have issued our report thereon dated June 20, 2008, wherein we noted the Board follows accounting practices the Auditor of State permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statement, but not to opine on the effectiveness of the Board's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Board's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Board's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Board's financial statement is free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the finance committee, management, members of the Board, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 20, 2008



# Mary Taylor, CPA

## Auditor of State

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

Board of Alcohol, Drug Addiction and Mental Health Services  
Crawford and Marion Counties  
907 North Sandusky Avenue  
Bucyrus, Ohio 44820

To Members of the Board:

#### Compliance

We have audited the compliance of the Board of Alcohol, Drug Addiction and Mental Health Services, Crawford and Marion Counties, Ohio, (the Board) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that apply to each of its major federal programs for the year ended December 31, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the Board's major federal programs. The Board's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Board's compliance based on our audit.

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

In our opinion, the Board complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2007.

#### Internal Control Over Compliance

The Board's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Board's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over compliance.

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A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Board's ability to administer a federal program such that there is more than a remote likelihood that the Board's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the Board's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above

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



**Mary Taylor, CPA**  
Auditor of State

June 20, 2008

**BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES  
CRAWFORD AND MARION COUNTIES**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2007**

**1. SUMMARY OF AUDITOR'S RESULTS**

|                     |   |  |
|---------------------|---|--|
| <i>(d)(1)(i)</i>    | <b>Type of Financial Statement Opinion</b>  | Unqualified  |
| <i>(d)(1)(ii)</i>   | <b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>                        | No   |
| <i>(d)(1)(ii)</i>   | <b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b> | No   |
| <i>(d)(1)(iii)</i>  | <b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>                              | No   |
| <i>(d)(1)(iv)</i>   | <b>Were there any material internal control weaknesses reported for major federal programs?</b>                             | No   |
| <i>(d)(1)(iv)</i>   | <b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>               | No   |
| <i>(d)(1)(v)</i>    | <b>Type of Major Programs' Compliance Opinion</b>   | Unqualified  |
| <i>(d)(1)(vi)</i>   | <b>Are there any reportable findings under § .510?</b>  | No   |
| <i>(d)(1)(vii)</i>  | <b>Major Programs (list):</b>   | CFDA #93.778 – Medical Assistance Program<br><br>CFDA #93.767 – State Children's Insurance Program |
| <i>(d)(1)(viii)</i> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$ 300,000<br>Type B: all others   |
| <i>(d)(1)(ix)</i>   | <b>Low Risk Auditee?</b>  | Yes  |

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

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.





**Mary Taylor, CPA**  
Auditor of State

**MARION AND CRAWFORD COUNTIES ALCOHOL, DRUG ADDICTION AND  
MENTAL HEALTH BOARD**

**MARION 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 4, 2008**