

TUSCARAWAS COUNTY HEALTH DEPARTMENT

TUSCARAWAS COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2011

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

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

We have reviewed the *Report of Independent Accountants* of the Tuscarawas County Health Department, Tuscarawas County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Report of Independent Accountants* on your financial statements. While the Auditor of State does not legally require your government 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Report of Independent Accountants* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 "Dave Yost".

Dave Yost
Auditor of State

November 19, 2012

This page intentionally left blank.

TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO
Audit Report
For the year ended December 31, 2011

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants	1-2
Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2011	3
Notes to the Financial Statements	4-8
Schedule of Federal Awards Expenditures	9
Notes to the Schedule of Federal Awards Expenditures	10
Independent Accountant's Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11-12
Independent Accountant's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	13-14
Schedule of Findings	15-16
Schedule of Prior Audit Findings	17

This page intentionally left blank.

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306

Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

Tuscarawas County Health Department
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Board of Health:

We have audited the accompanying financial statements of the Tuscarawas County Health Department, Tuscarawas County, Ohio (the Department), as of and for the year ended December 31, 2011. These financial statements are the responsibility of the Department'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 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 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Tuscarawas County Health Department, Tuscarawas County has prepared these financial statements 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 statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Department's larger (i.e. major) funds separately. While the Department 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 governments to reformat their statements. The Department 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 statements referred to above for the year ended December 31, 2011 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Tuscarawas County Health Department, Tuscarawas County as of December 31, 2011, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances as of December 31, 2011 of the Tuscarawas County Health Department, Tuscarawas County, and its cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

As described in Note 1, during 2011 the Tuscarawas County Health Department, Tuscarawas County adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2012, on our consideration of the Tuscarawas County Health Department'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 Department's financial statements taken as a whole. The schedule of federal awards expenditures provides additional information required by the 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. The schedule of federal awards expenditures is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Charles E. Harris & Associates, Inc.
July 27, 2012

TUSCARAWAS COUNTY HEALTH DISTRICT
TUSCARAWAS COUNTY, OHIO
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 2011

	Governmental Fund Types			Total - (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Intergovernmental	\$ 1,668,622	\$ 1,528,480	\$ 25,000	\$ 3,222,102
Contracts	-	520,166	-	520,166
Charges for Services	390,590	304,870	-	695,460
Fines, License, and Permits	-	192,854	-	192,854
Miscellaneous	15,760	97,269	-	113,029
Total Cash Receipts	2,074,972	2,643,639	25,000	4,743,611
Cash Disbursements:				
Salaries	828,968	1,022,476	-	1,851,444
Fringe Benefits	295,244	390,584	-	685,828
Supplies	165,327	115,342	-	280,669
Remittance to State	65,492	92,101	-	157,593
Equipment	13,312	19,867	-	33,179
Vehicle & Maintenance	-	20,465	-	20,465
Contracts - Services	429,595	594,877	-	1,024,472
Travel	12,605	12,877	-	25,482
Other	19,925	457,680	-	477,605
Capital Outlay	-	-	37,292	37,292
Total Cash Disbursements	1,830,468	2,726,269	37,292	4,594,029
Total Cash Receipts Over/(Under) Cash Disbursements	244,504	(82,630)	(12,292)	149,582
Other Financing Sources/(Uses):				
Transfers-In	-	21,720	-	21,720
Transfers-Out	(21,720)	-	-	(21,720)
Advances-In	41,357	103,900	-	145,257
Advances-Out	(103,900)	(41,357)	-	(145,257)
Total Other Financing Sources/(Uses)	(84,263)	84,263	-	-
Excess of Cash Receipts and Other Financing Sources Over Cash Disbursements and Other Financing Uses	160,241	1,633	(12,292)	149,582
Fund Balance, January 1, 2011	3,157,042	789,147	43,282	3,989,471
Fund Cash Balance December 31, 2011				
Restricted	-	790,780	30,990	821,770
Assigned	86,524	-	-	86,524
Unassigned	3,230,759	-	-	3,230,759
Fund Balance, December 31, 2011	\$ 3,317,283	\$ 790,780	\$ 30,990	\$ 4,139,053

See accompanying Notes to the Financial Statements.

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

**Notes To The Financial Statements
For The Year Ended December 31, 2011**

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 Tuscarawas County Health Department, Tuscarawas County, (the Department) as a body corporate and politic. A seven-member Board and a Health Commissioner govern the Department. The Department's services include communicable disease investigations, immunization clinics, inspections, tuberculosis screenings, public health nursing services and issues health-related licenses and permits.

The Department's management believes these financial statements present all activities for which the Department 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 by the Auditor of State.

C. CASH

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

D. FUND ACCOUNTING

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

1. General Fund

The General Fund is the general operating fund of the Department. It is used to account for all financial resources except those required to be accounted for in another fund.

TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO

Notes To The Financial Statements
For The Year Ended December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

D. FUND ACCOUNTING - (continued)

2. Special Revenue Funds

These funds account for the proceeds of specific revenue sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditures for specific purposes. The 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.

Alcohol Fund - This fund is used to account for the purchase of service funds and Medicaid match to contract with the Alcohol, Drug Addiction, and Mental Health Services Board (ADAMHS) for an alcohol and other drug prevention and outpatient treatment program.

Public Health Infrastructure Fund - This is a Federal grant fund that accounts for the Public Health Emergency Preparedness Program.

3. Capital Projects Fund

These funds account for receipts restricted to acquiring or constructing major capital projects. The Permanent Improvement Fund is the Department's only capital project fund.

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, function or object level of control, and appropriations may not exceed estimated resources. The Department's 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 Budget Commission must also approve estimated resources.

TUSCARAWAS COUNTY HEALTH DEPARTMENT
TUSCARAWAS COUNTY, OHIO

Notes To The Financial Statements
For The Year Ended December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

E. BUDGETARY PROCESS – (Continued)

3. Encumbrances

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

A summary of 2011 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 the Department's basis of accounting.

H. FUND BALANCE

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

1. Nonspendable

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

2. Restricted

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

3. Committed

Board members can commit amounts via formal action (resolution). The Department must adhere to these commitments unless the Board members amend 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.

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

**Notes To The Financial Statements
For The Year Ended December 31, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

H. FUND BALANCE - (Continued)

4. Assigned

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

5. Unassigned

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

The 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.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2011 is as follows:

2011 Budgeted vs. Actual Receipts				
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>	
General	\$ 1,818,100	\$ 2,074,972	\$	256,872
Special Revenue	3,773,047	2,665,359		(1,107,688)
Capital Projects	25,000	25,000		-
Total	\$ 5,616,147	\$ 4,765,331	\$	(850,816)

2011 Budgeted vs. Actual Budgetary Basis Disbursements				
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>	
General	\$ 2,132,825	\$ 1,938,712	\$	194,113
Special Revenue	4,157,011	2,864,303		1,292,708
Capital Projects	68,000	39,914		28,086
Total	\$ 6,357,836	\$ 4,842,929	\$	1,514,907

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

**Notes To The Financial Statements
For The Year Ended December 31, 2011**

3. INTERGOVERNMENTAL FUNDING

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

The County Commissioners serve as a special taxing authority for a special levy outside the ten-mill limitation to provide the Department with sufficient funds for health programs. The levy generated \$1,019,494 in 2011. The financial statements present these amounts as intergovernmental receipts.

4. RETIREMENT SYSTEM

The Department's 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 2011, OPERS members contributed 10% of their wages. The District contributed an amount equal to 14% of participants' gross salaries in the year. The District has paid all contributions required through December 31, 2011.

5. RISK MANAGEMENT

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

Settled claims have not exceeded commercial coverage in any of the past three years. Also, the Department did not reduce the limits of liability significantly in the current period.

6. INSURANCE PURCHASING POOL

The Department participates in a group rating plan for Workers' Compensation through Tuscarawas County as established under Ohio Rev. Code Section 4123.29. The Department paid \$36,413 to Tuscarawas County to participate in the pool in 2011.

7. CONTINGENT LIABILITIES

Amounts grantor agencies pay to the 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
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor, Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<u>U.S. Department of Agriculture</u> <i>(Passed through Ohio Department of Health)</i>			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	07910011WA0411	\$330,452
	10.557	07910011WA0512	<u>105,677</u>
Total U.S. Department of Agriculture			436,129
<u>U.S. Department of Health and Human Services</u> <i>(Passed through Ohio Department of Health)</i>			
Public Health Emergency Preparedness	93.069	07910012PH0211	152,703
	93.069	07910012PH0312	<u>29,732</u>
Total Public Health Emergency Preparedness			182,435
Maternal and Child Health Services Block Grant to the States (CFHS)	93.994	07910011MC0411	14,330
	93.994	07910011MC0512	<u>29,049</u>
Total Maternal and Child Health Services Block Grant (CFHS)			43,379
Family Planning Services	93.217	07910011FP0311	17,158
Reproductive Health & Wellness	93.217	07910011RH0112	<u>35,000</u>
Total Family Planning Services			52,158
Medical Reserve Corps Small Grant Program	93.008	1MRCSG061001-03	699
Immunization	93.268	079100121M0110	10,271
	93.268	079100121M0211	<u>30,000</u>
Total Immunization			40,271
Total U.S. Department of Health and Human Services			318,942
<u>U.S. Department of Transportation</u> <i>(Passed through the Ohio Department of Transportation)</i>			
State and Community Highway Safety	20.600	GG-2011-SA-00-00-00345-00	22,800
	20.600	GG-2012-SA-00-00-00260-00	<u>8,500</u>
Total U.S. Department of Transportation			31,300
		<u>Grand Total:</u>	<u>\$786,371</u>

The Notes to the Schedule of Federal Awards Expenditures are an integral part of this statement.

TUSCARAWAS COUNTY HEALTH DEPARTMENT
Tuscarawas County, Ohio
Notes to the Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2011

1. Significant Accounting Policies

The accompanying schedule of federal awards expenditures is a summary of the activity of the Department's federal award programs. The schedule has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

2. Accounting Method for Expenditures

Federal funds were commingled with the local funds for the Maternal and Child Family Health Services Block Grant and the Family Planning Services Grant. It is assumed federal monies are expended first. Non-federal matching funds are not included on this schedule.

Rockefeller Building
614 West Superior Avenue #1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Tuscarawas County Health Department
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Board of Health:

We have audited the financial statements of the Tuscarawas County Health Department, Tuscarawas County, Ohio (the Department) as of and for the year ended December 31, 2011, and have issued our report thereon dated July 27, 2012, wherein we noted the Department followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. Also, we noted the Department implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." 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.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Department's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Department's internal control over financial reporting.

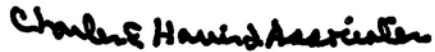
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Department's financial statements will not be prevented or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Department's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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 we must report under *Government Auditing Standards*.

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



Charles E. Harris and Associates, Inc.

July 27, 2012

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Tuscarawas County Health Department
Tuscarawas County
897 East Iron Avenue
Dover, Ohio 44622

To the Board of Health:

Compliance

We have audited the compliance of the Tuscarawas County Health Department, Tuscarawas County, Ohio's (the Department) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Tuscarawas County Health Department's major federal program for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying schedule of findings identifies the Department's major federal program. The Department'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 opine on the Department's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards* and OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the 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 Department'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 of the Department's compliance with these requirements.

In our opinion, the Tuscarawas County Health Department, Tuscarawas County, Ohio complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The Department'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 Department's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Department's 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, 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 management, the audit committee, the Board of Health, others within the entity, federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.

Charles Harris Associates

CHARLES E. HARRIS & ASSOCIATES, INC.

July 27, 2012

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 SECTION .505**

**Tuscarawas County Health Department
Tuscarawas County
December 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	Special Supplemental Nutrition Program for Women, Infants and Children - CFDA #10.557
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

SCHEDULE OF FINDINGS - (continued)
OMB CIRCULAR A-133 SECTION .505

Tuscarawas County Health Department
Tuscarawas County
December 31, 2011

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

TUSCARAWAS COUNTY HEALTH DEPARTMENT
Schedule of Prior Audit Findings
December 31, 2011

The prior report, for the year ending December 31, 2010, reported no material citations or recommendations.

This page intentionally left blank.



Dave Yost • Auditor of State

TUSCARAWAS COUNTY HEALTH DEPARTMENT

TUSCARAWAS 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
DECEMBER 6, 2012**