

**COMBINED HEALTH DISTRICT  
CLARK COUNTY  
SINGLE AUDIT  
JANUARY 1, 2014 – DECEMBER 31, 2014**







# Dave Yost • Auditor of State

Members of the Board  
Clark County Combined Health District  
529 East Home Road  
Springfield, Ohio 45503

We have reviewed the *Independent Auditor's Report* of the Clark County Combined Health District, Clark County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2014 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

June 3, 2015

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**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

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## INDEPENDENT AUDITOR'S REPORT

Combined Health District  
Clark County  
529 East Home Road  
Springfield, Ohio 45503

To the Members of the District:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Clark County Combined Health District, Clark County, Ohio (the District) as of and for the year ended December 31, 2014.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

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

As described in Note 1 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
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Newark, Ohio 43055  
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Combined Health District  
Clark County  
Independent Auditor's Report

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2014 or changes in financial position thereof for the year then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Clark County Combined Health District, Clark County as of December 31, 2014 and its combined cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Matters***

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Federal Award Expenditures presents additional analysis as 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 is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule 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 schedule is fairly stated in all material respects in relation to the financial statements taken as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2015, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Wilson, Sherman & Snow, Inc.*

April 21, 2015  
Newark, Ohio

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Totals</u>
<b>Cash Receipts:</b>			
Intergovernmental Revenue	\$344,466	\$1,917,547	\$2,262,013
Property Taxes	1,959,494	0	1,959,494
Licenses, Permits, & Fees	190,470	562,144	752,614
Contractual services	0	454,750	454,750
Medicaid	57,948	0	57,948
State Subsidy	25,993	0	25,993
Vital Statistics	303,555	0	303,555
Rabies	3,560	0	3,560
Reimbursements	103,411	0	103,411
Other receipts	14,708	1,591	16,299
Total Cash Receipts	3,003,605	2,936,032	5,939,637
<b>Cash Disbursements:</b>			
Salaries	1,477,015	1,547,556	3,024,571
Benefits	231,010	236,548	467,558
Insurances	411,329	441,057	852,386
Workers Compensation	23,674	23,163	46,837
Supplies	90,914	9,836	100,750
State Remittance	172,526	75,900	248,426
Equipment	22,172	17,986	40,158
Contracts	198,560	198,837	397,397
Travel & Training	24,621	15,456	40,077
Maintenance	14,723	315,594	330,317
Other	120,579	193,682	314,261
Total Cash Disbursements	2,787,123	3,075,615	5,862,738
Total Cash Receipts Over (Under) Cash Disbursements	216,482	(139,583)	76,899
<b>Other Financing Cash Receipts/(Cash Disbursements):</b>			
Transfers-In	0	170,000	170,000
Advances-In	15,000	65,000	80,000
Transfers-Out	(170,000)	0	(170,000)
Advances-Out	(65,000)	(15,000)	(80,000)
Total Other Financing Cash Receipts/(Cash Disbursements)	(220,000)	220,000	0
Net Change in Fund Balance	(3,518)	80,417	76,899
Fund Cash Balances, January 1, 2014	2,275,804	1,026,441	3,302,245
<b>Fund Cash Balances, December 31, 2014</b>	<b>\$2,272,286</b>	<b>\$1,106,858</b>	<b>\$3,379,144</b>
<b>Fund Cash Balances, December 31</b>			
Restricted	\$0	\$921,056	\$921,056
Committed	25,873	185,802	211,675
Assigned	558,675	0	558,675
Unassigned	1,687,738	0	1,687,738
<b>Fund Cash Balances, December 31</b>	<b>\$2,272,286</b>	<b>\$1,106,858</b>	<b>\$3,379,144</b>

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

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**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 Clark County Combined Health District, (the District) as a body corporate and politic. An eight-member Board and a Health Commissioner govern the District. The District's services include prevention and control of diseases, sanitation, vital statistics, abatement and removal of nuisances, and air pollution control.

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

**B. Basis of Accounting**

The financial statement follows the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District 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. Deposits and Investments**

As required by the Ohio Revised Code, the Clark County Treasurer is custodian for the District's cash. The County's cash and investment pool holds the District's cash, valued at the County Treasurer's carrying amount.

**D. Fund Accounting**

The District uses fund accounting to segregate cash that is restricted as to use. The District classifies its fund into the following type:

**1. General Fund**

The General Fund reports all financial resources except for restricted resources requiring a separate accounting. The General Fund balance is available for any purpose provided it is disbursed or transferred according to Ohio law.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

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

**D. Fund Accounting (Continued)**

**2. Special Revenue Fund**

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

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

**E. Budgetary Process**

The Ohio Revised Code requires that its fund be budgeted annually (except Agency Funds).

**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 District Board must annually approve appropriation measures and subsequent amendments. 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 approve estimated resources.

**3. Encumbrances**

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

A summary of the 2014 budgetary activity appears in Note 2.

**F. Fund Balance**

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

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

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

**F. Fund Balance (Continued)**

**1. Nonspendable**

The District 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**

The Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**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 the Board or a District 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 District 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.

**G. Property, Plant, and Equipment**

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

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

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

**H. Intergovernmental Revenues**

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis are recorded when received in accordance with the District's cash basis method of accounting.

**I. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the year ending 2014 follows:

**2014 Budgeted vs. Actual Receipts**

<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$3,192,440	\$3,018,605	(\$173,835)
Special Revenue	3,311,566	3,171,032	(140,534)
Total	<u>\$6,504,006</u>	<u>\$6,189,637</u>	<u>(\$314,369)</u>

**2014 Budgeted vs. Budgetary Basis Expenditures**

<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$3,120,088	\$3,119,136	\$952
Special Revenue	3,168,435	3,145,914	22,521
Total	<u>\$6,288,523</u>	<u>\$6,265,050</u>	<u>\$23,473</u>

**3. PROPERTY TAX**

The County Commissioners serve as a special taxing authority to levy a special levy outside the property tax ten-mil limitation to enable the District with sufficient funds to provide health programs and maintain general operations. The County Commissioners place a countywide (excluding the City of New Carlisle) levy of 1.0 mils on the 2001 ballot and obtained voter approval by the electors of the County. The District continued to pass replacement levies since 2001 noting the most recent five year replacement levy approved was in calendar year 2011 which represents real estate collections for calendar year 2012 through 2016.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

**3. PROPERTY TAX (Continued)**

Real property taxes become a lien on January 1 preceding the October 1 date for which the tax rates are adopted. The State District of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include 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.

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

**4. RETIREMENT SYSTEMS**

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2014, all employees with the exception of the Health Commissioner, contributed 10% of their gross salaries and the District contributed an amount equaling 14%. Regarding the Health Commissioner, the District contributes 24% of the Health Commissioner's gross salary to OPERS, which is considered the Health Commissioner's required 10% plus the District's required contribution of 14%. The District has paid all contributions required through December 31, 2014.

**5. CONTRACTUAL OBLIGATIONS**

The District entered into agreements for the purpose of rental space for operations of the Women, Infants and Children (WIC) program and also seven vehicles to be used for District operations.

Rental space for the WIC program is for a period of twelve months with a base rent of \$6,966.67 per month. The seven vehicles are for a period of 36 months commencing August 1, 2013 with base rent ranging from \$213.47 to \$281.31 per month.

**6. RISK MANAGEMENT**

**A. Risk Pool Membership**

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

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

**6. RISK MANAGEMENT (Continued)**

**A. Risk Pool Membership (Continued)**

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 coverage for its members. York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc.), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. 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 and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2013, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does 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, 2012 and 2013 (the latest information available):

	<u>2012</u>	<u>2013</u>
Assets	\$34,389,569	\$34,411,883
Liabilities	<u>(14,208,353)</u>	<u>(12,760,194)</u>
Net Position	<u>\$20,181,216</u>	<u>\$21,651,689</u>

At December 31, 2012 and 2013, respectively, the liabilities above include approximately \$13.1 million and \$11.6 million of estimated incurred claims payable. The assets above also include approximately \$12.6 million and \$11.1 million of unpaid claims to be billed to approximately 475 member governments in the future, as of December 31, 2012 and 2013, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2013, the District's share of these unpaid claims collectible in future years is approximately \$29,307.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

**6. RISK MANAGEMENT (Continued)**

**A. Risk Pool Membership (Continued)**

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<b><u>Contributions to PEP</u></b>	
<b><u>2013</u></b>	<b><u>2014</u></b>
\$37,975	\$41,868

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**B. County Commissioner Association of Ohio Workers' Compensation Group Rating Plan**

For 2014, through Clark County serving as the District's fiscal agent, the District participated in the County/Commissioners Association of Ohio Workers' Compensation Group Rating Plan ("the GRP"), an insurance purchasing pool. The intent of the GRP is to achieve a reduced premium for the District by virtue of its grouping with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than the individual rate.

The GRP then calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from, or pays rate equalization rebates to the various participants. Participation in the plan is limited to counties that can meet the Plan's selection criteria.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(CONTINUED)**

**6. RISK MANAGEMENT (Continued)**

**C. Employee Medical Benefits**

The District participates in a health insurance plan through Anthem available for all full-time employees. The fully insured plan includes health, mental health and prescription benefits. The cost of the program for 2014 was \$838,255 compared to 2013 of \$741,575 and \$753,203 in 2012. This shows a 13 percent increase between 2014 and 2013 noting increased participation and higher premiums. The District also participates in group dental plans with MCA and Superior. The total cost for the combined programs was \$12,572 in 2014, \$10,877 for 2013 and \$11,424 for 2012. This indicates an increase between 2014 and 2013 and was attributed to more employees accepting coverage.

**7. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the District 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.

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

**8. INTERFUND TRANSACTIONS**

Interfund transfers for the year ended December 31, 2014, were as follows:

Transfers from the General Fund to Special Revenue Funds:                 \$170,000

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund advances for the year ended December 31, 2014 were as follows:

Advances from the General Fund to the Special Revenue Fund:                 \$65,000

Advances from the Special Revenue Fund to the General Fund :                 \$15,000

Advances represent the allocation of unrestricted receipts to finance a program that had not received the total grant funds awarded as of December 31, 2014, or return advances from those programs to the General fund.

**CLARK COUNTY COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**SCHEDULE OF FEDERAL AWARD EXPENDITURES  
FOR YEAR ENDED DECEMBER 31, 2014**

<u>Program Title</u>	<u>Pass Through Entity Number</u>	<u>CFDA Number</u>	<u>Disbursements</u>
<b>U.S. Department of Agriculture:</b>			
<i>Passed through Ohio Department of Health:</i>			
Special Supplemental Nutrition Program for Women, Infants, & Children	01210011WA0114/01210011WA0215	10.557	\$ 681,807
<b>Total U.S. Department of Agriculture</b>			<u>681,807</u>
<b>U.S. Department of Health and Human Services Center for Disease Control and Prevention:</b>			
<i>Passed through Ohio Department of Health:</i>			
Immunization Cooperative Agreements	01210012IM0613/01210012IM0714	93.268	57,062
Maternal and Child Health Services Block Grant to the States Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	01210011MC0714/01210011MC0815	93.994	123,161
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	01210011MV0314/01210011MV0415	93.505	437,508
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	01210012TS0114	93.539	8,737
	01210012PH0514/01210012PH0615	93.074	<u>104,571</u>
<b>Total U.S. Department of Health and Human Services Center for Disease Control and Prevention</b>			<u>731,039</u>
<b>U.S. Department of Transportation National Highway Traffic Safety Administration:</b>			
<i>Passed through Ohio Department of Public Safety:</i>			
Highway Safety Cluster:			
State and Community Highway Safety	SC-2014-12-00-00-00472-00	20.600	34,371
Alcohol Impaired Driving Countermeasures Incentive Grant I	OVITF-2014-12-00-00-00428-00	20.601	<u>64,585</u>
Total Highway Safety Cluster			<u>98,956</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	OVITF-2015-12-00-00-00452-00	20.608	<u>5,854</u>
<b>Total U.S. Department of Transportation National Highway Traffic Safety Administration</b>			<u>104,810</u>
<b>Total Federal Award Expenditures</b>			<u>\$ 1,517,656</u>

See accompanying notes to the schedule of federal award expenditures.

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARD EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Award Expenditures (the Schedule) is a summary of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A- 133, *Audits of State, Local Governments, and Non-Profit Organizations*.

**NOTE B – 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.

**NOTE C – COMMINGLING**

The District has several funds which receive and expend federal and local funds to meet specific program requirements. It is assumed that federal dollars are expended first.



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

Combined Health District  
Clark County  
529 East Home Road  
Springfield, Ohio 45503

To the Members of the Board:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Clark County Combined Health District, Clark County, (the District) as of and for the year ended December 31, 2014, and the related notes to the financial statements and have issued our report thereon dated April 21, 2015 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the District'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, opining 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*.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wilson, Shannon & Sons, Inc.*

April 21, 2015  
Newark, Ohio



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

Combined Health District  
Clark County  
529 East Home Road  
Springfield, Ohio 45503

To the Members of the Board:

***Report on Compliance for the Major Federal Program***

We have audited the Clark County Combined Health District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Clark County Combined Health District's major federal program for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

***Management's Responsibility***

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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 us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. 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 our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

*Wilson, Shannon & Snow, Inc.*

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***Opinion on the Major Federal Program***

In our opinion, the Clark County Combined Health District 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, 2014.

***Report on Internal Control Over Compliance***

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District'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's applicable 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

*Wilson, Sherman & Snow, Inc.*

April 21, 2015  
Newark, Ohio

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

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

**DECEMBER 31, 2014**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	GAAP – Adverse Regulatory – Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other significant deficiencies reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for each major federal program?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other significant deficiencies in its internal control for each major federal program?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<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>	Special Supplemental Nutrition Program for Women, Infants, and Children / C.F.D.A. 10.557
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

**COMBINED HEALTH DISTRICT  
CLARK COUNTY**

**SCHEDULE OF FINDINGS  
*OMB CIRCULAR A-133 §.505*  
DECEMBER 31, 2014**

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None

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# Dave Yost • Auditor of State

**CLARK COUNTY COMBINED HEALTH DISTRICT**

**CLARK 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  
JUNE 16, 2015**