



Dave Yost • Auditor of State

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Athens-Hocking-Vinton Board of Alcohol
Drug Addiction and Mental Health Services
Athens County
P.O. Box 130
Athens, Ohio 45701

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statement of the cash balances, receipts, disbursements by fund type, and related notes of the Athens-Hocking-Vinton Board of Alcohol Drug Addiction and Mental Health Services, Athens County, Ohio (the Board), as of and for the year ended December 31, 2015.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting this financial statement in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 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 this financial statement 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 statement is 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 Board's preparation and fair presentation of the financial statement 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 Board'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 opinions.

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

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

Although the effects on the financial statement of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Board does not intend this statement to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit. Our opinion on this accounting basis 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 statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Board as of December 31, 2015 or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the combined cash balances of the Athens-Hocking-Vinton Board of Alcohol Drug Addiction and Mental Health Services, Athens County, Ohio, as of December 31, 2015, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit, described in Note 1.

Other Matters

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

The Schedule of Expenditures of Federal Awards (the Schedule) presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statement.

The Schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statement. We subjected this Schedule to the auditing procedures we applied to the financial statement. 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 statement or to the financial statement itself, 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 statement taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 9, 2016, 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. 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 Board's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

August 9, 2016

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**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property Taxes	\$3,594,702	\$0	\$0	\$3,594,702
Charges for Services	0	43,549	0	43,549
Intergovernmental	2,809,863	0	0	2,809,863
Miscellaneous	9,483	0	0	9,483
	<u>6,414,048</u>	<u>43,549</u>	<u>0</u>	<u>6,457,597</u>
<i>Total Cash Receipts</i>				
Cash Disbursements				
Current:				
Health:				
Salaries and Wages	475,046	0	0	475,046
Fringe Benefits	81,573	0	0	81,573
Contractual Services	4,722,381	23,238	0	4,745,619
Supplies and Materials	6,871	0	0	6,871
Other	395,393	0	0	395,393
Capital Outlay	4,126	0	80,693	84,819
	<u>5,685,390</u>	<u>23,238</u>	<u>80,693</u>	<u>5,789,321</u>
<i>Total Cash Disbursements</i>				
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>728,658</u>	<u>20,311</u>	<u>(80,693)</u>	<u>668,276</u>
Other Financing Receipts (Disbursements)				
Transfers In	0	712,255	0	712,255
Transfers Out	(712,255)	0	0	(712,255)
Other Financing Sources	0	0	284	284
	<u>(712,255)</u>	<u>712,255</u>	<u>284</u>	<u>284</u>
<i>Total Other Financing Receipts (Disbursements)</i>				
<i>Net Change in Fund Cash Balances</i>	16,403	732,566	(80,409)	668,560
<i>Fund Cash Balances, January 1</i>	<u>2,496,552</u>	<u>157,334</u>	<u>346,453</u>	<u>3,000,339</u>
Fund Cash Balances, December 31				
Restricted	0	889,900	0	889,900
Committed	0	0	266,044	266,044
Assigned	522,609	0	0	522,609
Unassigned	1,990,346	0	0	1,990,346
	<u>\$2,512,955</u>	<u>\$889,900</u>	<u>\$266,044</u>	<u>\$3,668,899</u>
<i>Fund Cash Balances, December 31</i>				

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

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**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2015**

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 Athens-Hocking-Vinton Board of Alcohol, Drug Addiction and Mental Health Services, Athens County (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 Athens County, Hocking County and Vinton County. The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board's program area. Private and public agencies are the primary service providers, through Board contracts.

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

B. Accounting Basis

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit.

C. Deposits and Investments

As required by the Ohio Revised Code, the Athens County Treasurer is custodian for the Board's deposits. The County's deposit and investment pool holds the Board's assets, valued at the Treasurer's reported 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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Board had the following significant Special Revenue Fund:

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2015
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

SAMI Project Fund – This fund accounts for receipts from rental properties. Funds are paid out primarily to the Athens Metropolitan Housing Authority for contract services.

3. Capital Project Funds

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Board had the following significant Capital Project Fund:

317 Board Building Construction Fund – This fund receives revenue from other funds to make capital acquisitions and improvements to Board-owned facilities.

E. Budgetary Process

The Ohio Revised Code requires the Board to adopt a budget for each fund annually

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function 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 individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2015 budgetary activity appears in Note 2.

F. Fund Balance

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

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2015
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

1. 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.

2. Committed

The Board can commit amounts via formal action (resolution). The Board must adhere to these commitments unless they 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.

3. 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 or a Board official delegated that authority by resolution, or by State Statute.

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

H. 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.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2015
(Continued)**

2. Budgetary Activity

Budgetary activity for the year ending December 31, 2015 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$6,405,640	\$6,414,048	\$8,408
Special Revenue	756,774	755,804	(970)
Capital Projects	250	284	34
Total	\$7,162,664	\$7,170,136	\$7,472

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$7,138,327	\$6,920,254	\$218,073
Special Revenue	777,254	23,238	754,016
Capital Projects	200,000	80,693	119,307
Total	\$8,115,581	\$7,024,185	\$1,091,396

3. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax 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.

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 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 2015, OPERS members contributed 10% of their gross salaries and the Board contributed an amount equaling 14%, of participants' gross salaries. The Board has paid all contributions required through December 31, 2015.

5. Contingent Liabilities

Amounts grantor agencies pay to the Board 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.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2015
(Continued)**

6. Risk Management

Commercial Insurance

The Board has obtained commercial insurance for the following risks:

- General liability and casualty;
- Directors and officials liability;
- Vehicle; and,
- Property

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**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

FEDERAL GRANTOR <i>Pass-Through Grantor</i> Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Disbursements
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Pass-Through Athens Metropolitan Housing Authority:</i>				
Continuum of Care Program - Shelter Plus Care	14.267	N/A		\$15,324
<i>Pass-Through Hocking County Metropolitan Housing Authority:</i>				
Section 8 Housing Choice Vouchers	14.871	N/A		5,202
<i>Pass-Through Vinton County Metropolitan Housing Authority:</i>				
Section 8 Housing Choice Vouchers	14.871	N/A		2,713
Total Section 8 Housing Choice Vouchers				<u>7,915</u>
Total United States Department of Housing and Urban Development				23,239
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Pass-Through Ohio Department of Mental Health and Addiction Services</i>				
ARRA - Race to the Top - Early Childhood Mental Health Consultation	84.412A	99-0005-RTTT-C-15-1777	\$142,500	142,500
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	05-0405-SPFSFS-P-15-15179	5,000	5,000
Social Services Block Grant	93.667	N/A		78,300
Block Grants for Community Mental Health Services:				
Ex Offender Mini Grant	93.958	99-0005-EXOFFEND-C-15-15003	12,500	12,500
Supportive Housing Match for DSA	93.958	05-0005-HOUSING-T-15-15135	23,875	23,875
Community Plan	93.958	N/A		43,169
Total Block Grants for Community Mental Health Services				<u>79,544</u>
Block Grants for Prevention and Treatment of Substance Abuse:				
Per Cap Prevention	93.959	N/A	3,395	3,395
Drug Free Coalition		05-06755-DFCC-P-15/16-0031/ 05-0000-DFCC-P-15/16-9945	69,701	69,701
Youth Led Prevention		N/A	2,630	2,630
Community Investments		N/A		89,930
Women's Treatment		05-6755-WOMENS-T-15-9038	411,888	411,888
TASC		05-8184-TASC-T-14/15-9769	104,236	104,236
DYS Aftercare		N/A		32,812
Total Block Grants for Prevention and Treatment of Substance Abuse				<u>714,592</u>
Total United States Department of Health and Human Services				<u>1,019,936</u>
Total Federal Awards Expenditures				<u>\$1,043,175</u>

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

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED
DECEMBER 31, 2015**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Athens-Hocking-Vinton Board of Alcohol, Drug Addiction and Mental Health Services, Athens County, Ohio (the Board) under programs of the federal government for the year ended December 31, 2015. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Board.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Board has elected to not use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the Board to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Dave Yost • Auditor of State

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

Athens-Hocking-Vinton Board of Alcohol,
Drug Addiction and Mental Health Services
Athens County
P.O. Box 130
Athens, Ohio 45701

To the Board of Directors:

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 statement of the Athens-Hocking-Vinton Board of Alcohol Drug Addiction and Mental Health Services, Athens County, Ohio (the Board), as of and for the year ended December 31, 2015, and the related notes to the financial statement and have issued our report thereon dated August 9, 2016, wherein we noted the Board followed financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statement, but not to the extent necessary to opine on the effectiveness of the Board'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 Board's financial statement. 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 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, 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*.

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 Board's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Dave Yost
Auditor of State
Columbus, Ohio

August 9, 2016



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Athens-Hocking-Vinton Board of Alcohol,
Drug Addiction and Mental Health Services
Athens County
P.O. Box 130
Athens, Ohio 45701

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited the Athens-Hocking-Vinton Board of Alcohol Drug Addiction and Mental Health Services, Athens County, Ohio (the Board), compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Board's major federal program for the year ended December 31, 2015. The *Summary of Audit Results* in the accompanying Schedule of Findings identifies the Board's major federal program.

Management's Responsibility

The Board'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 Board's compliance for the Board'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance 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 Board'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 Board's major program. However, our audit does not provide a legal determination of the Board's compliance.

Opinion on the Major Federal Program

In our opinion, the Board 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, 2015.

Report on Internal Control Over Compliance

The Board'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 Board'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 the Uniform Guidance, 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 Board'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 compliance tests and the results of this testing based on the Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

August 9, 2016

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,
DRUG ADDICTION AND MENTAL HEALTH SERVICES
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Adverse under GAAP; Unmodified under the regulatory basis
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Program: <ul style="list-style-type: none"> • Block Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959 	
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	No

**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

ATHENS – HOCKING – VINTON BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES

ATHENS 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 1, 2016**