

SOUTHWEST OHIO ORGANIZATION FOR SCHOOL HEALTH

HAMILTON COUNTY



REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2022

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Board of Directors
Southwest Ohio Organization of School Health
11083 Hamilton Avenue
Cincinnati, OH 45231-1499

We have reviewed the *Independent Auditor's Report* of the Southwest Ohio Organization of School Health, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2021 through June 30, 2022. 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 Southwest Ohio Organization of School Health is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

December 19, 2022

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**SOUTHWEST OHIO ORGANIZATION OF SCHOOL HEALTH
HAMILTON COUNTY
FOR THE YEAR ENDED JUNE 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southwest Ohio Organization of School Health

Report on the Audit of the Financial Statements

Opinion

We have audited the modified cash basis financial statements of the Southwest Ohio Organization of School Health (the Consortium) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the Consortium, as of June 30, 2022, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consortium and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Accounting Basis

Ohio Administrative Code 117-2-03(B) requires the Consortium to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis other than accounting principles generally accepted in the United States. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2022, on our consideration of the Consortium'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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Consortium's 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 Consortium's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
November 23, 2022

**Southwest Ohio Organization of School Health
Statement of Net Cash Position - Modified Cash Basis
June 30, 2022**

Assets:

Equity in Pooled Cash and Investments	<u>\$ 30,419,659</u>
Total Assets	<u>30,419,659</u>
Net Cash Position:	
Unrestricted	<u>30,419,659</u>
Total Net Cash Position	<u>\$ 30,419,659</u>

See accompanying notes to the financial statements.

Southwest Ohio Organization of School Health
Statement of Cash Receipts, Cash Disbursements and Changes in Net Cash Position - Modified Cash Basis
For the Year Ended June 30, 2022

Operating Cash Receipts:	
Contributions from member districts	\$ 92,732,424
	<u>92,732,424</u>
Total operating cash receipts	<u>92,732,424</u>
Operating Cash Disbursements:	
Claim settlements	86,504,070
Professional/Legal Services	11,546
Miscellaneous	1,114,364
	<u>87,629,980</u>
Total operating cash disbursements	<u>87,629,980</u>
Operating cash receipts over (under) operating cash disbursements	5,102,444
Non-Operating Cash Receipts:	
Interest earnings	26,985
	<u>26,985</u>
Change in Net Cash Position	5,129,429
Net Cash Position:	
Beginning of year	25,290,230
	<u>25,290,230</u>
End of year	<u>\$ 30,419,659</u>

See accompanying notes to the financial statements.

**Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022**

Note 1 - Summary of Significant Accounting Policies

Description of the Consortium

The Southwest Ohio Organization of School Health (the Consortium), organized under Ohio Revised Code Chapter 167, was established on January 1, 2012, for the purpose of establishing and carrying out a cooperative health program. The Consortium is established for the purpose of exercising the rights and privileges conveyed to it by the Bylaws of the Consortium.

The Southwest Ohio Organization of School Health Consortium is a legally separate consortium. The Consortium is a jointly governed organization with member governmental entities. The Consortium was formed to maximize benefits and/or reduce costs of medical, prescription drug, dental, and/or other group insurance coverage for member employees and the eligible dependents and designated beneficiaries of member employees. The governing board consists of the treasurers and human resource directors, (for those districts with two votes) who have been designated by the superintendents per the by-laws. As of June 30, 2022, there were 10 member Districts.

The Consortium utilizes the Hamilton County Educational Service Center (the Service Center) as its fiscal agent. The Treasurer of the fiscal agent maintains the Consortium Fund as a custodial fund and separate and apart from all other funds of the fiscal agent.

The Consortium is a self-insurance pool with claims administered by a third party administrator. The Consortium's third party administrator for the medical insurance plan is Anthem and for the dental insurance plan is Dental Care Plus. Claims are made to the third party administrator by covered individuals. The third party administrator processes the claims, approve or deny, and make payments to medical and dental providers. The third party administrator submits a list of claims paid to the Consortium, who in turn submits payments to the third party administrator.

Membership in the Consortium is dependent upon each member enrolling in all benefit programs offered by or through the Consortium. If a member district withdraws from the Consortium, it would not receive a refund of premiums paid to the Consortium and it may not rejoin for a period of three years. New schools district may become members of the Consortium only upon approval by the Board of Directors of the Consortium.

Basis of Accounting

These financial statements are prepared using the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. In cases where these modified cash basis statements contain items that are the same as, or similar to, those items in the financial statements prepared in conformity with GAAP, similar informative disclosures are provided. On these financial statements, receipts are recorded in the Consortium's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

**Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022**

As a result of the use of this modified cash basis of accounting, certain assets and their related receipts (such as accounts receivable and receipts for billed or provided services not yet collected) and certain liabilities and their related disbursements (such as accounts payable and disbursements for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Basis of Presentation

The basic financial statements consist of a statement of net cash position – modified cash basis and a statement of cash receipts, cash disbursements and changes in net cash position – modified cash basis.

The Consortium uses an enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Governing Body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

Operating cash receipts are those receipts that are generated directly from the primary activity of the Consortium. Operating cash disbursements are necessary costs incurred to provide the service that is the primary activity of the Consortium. All cash receipts and cash disbursements not meeting this definition are reported as non-operating.

Cash and Investments

The Consortium's cash is held and invested by the Service Center, who acts as fiscal agent for Consortium monies. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively. During fiscal year 2022, the Consortium's investments were limited to U.S. Treasury and Agency securities, negotiable CD's, commercial paper, and money market accounts.

Net Cash Position

Net cash position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Consortium had no restricted net cash position at fiscal year-end.

Note 2 – Deposits and Investments

State statutes classify monies held by the Consortium into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Consortium treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022

Inactive deposits are public deposits that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the Consortium's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Consortium, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits with Financial Institutions

Custodial credit risk for deposits is the risk that in the event of bank failure, the Consortium will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2022, the carrying amount of all Consortium deposits was \$21,243,739. As of June 30, 2022, \$21,075,355 of the Consortium's bank balance of \$21,325,355 was exposed to custodial risk credit risk because it was uninsured and collateralized. The Consortium's financial institution was approved for a reduced collateral rate through the Ohio Pooled Collateral System.

The Consortium has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the Consortium and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 50 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

The fair value of these investments is not materially different than measurement value. As of June 30, 2022, the Consortium had the following investments and maturities:

	Measurement Value	Weighted Average Maturity (Years)
US Treasury Notes	\$1,240,536	2.65
Federal National Mortgage Association	699,083	1.91
Federal Farm Credit Bank	1,073,549	1.84
Federal Home Loan Mortgage	1,014,152	2.39
Federal Home Loan Bank	941,675	2.18
Commercial Paper	1,244,071	0.35
Negotiable Certificate of Deposit	1,250,000	1.93
Money Market Funds	1,712,854	0.00
	<u>\$9,175,920</u>	
Portfolio Weighted Average Maturity		1.55

Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Consortium’s investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The Consortium’s investments in federal agency securities and U.S. Treasury Notes, were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. Commercial Paper, Negotiable CDs, and Money Market Funds were not rated. The Consortium’s investment policy does not specifically address credit risk beyond requiring the Consortium to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Consortium will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty’s trust department or agent, but not in the Consortium’s name. The Consortium has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The Consortium places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Consortium at June 30:

	<u>% of Investments</u>
US Treasury Notes	13.5%
Federal National Mortgage Association	7.6%
Federal Farm Credit Bank	11.7%
Federal Home Loan Mortgage	11.1%
Federal Home Loan Bank	10.3%
Commercial Paper	13.5%
Negotiable Certificate of Deposit	13.6%
Money Market Funds	18.7%
	<u>100.0%</u>

Note 3 – Risk Management

The Consortium is self-insured for medical, dental, and prescription drug insurance. Membership rates are charged based on claims approved by the third party administrators (Anthem and Dental Care Plus). Member districts may withdraw from the Consortium at the end of any fiscal year, and may be removed for failure to make the required payments. The Consortium will pay the run out of all benefit claims of the withdrawing member. If the withdrawing member withdraws upon expiration of their term (two year initial term and one year thereafter) with 180 days written notice, they may also be eligible for return of reserve of the Cooperative Fund if there are any funds remaining after the payment of claims and administration. Any member withdrawing outside of the terms of notice rules will pay a two month premium fee to cover costs of off-cycle withdrawal and would only receive return of reserve of the Cooperative Fund by Board vote. Upon automatic withdrawal for non-payment by any member district, the Consortium will pay the run out of all benefit claims provided the Consortium has received all outstanding and unpaid premiums.

Southwest Ohio Organization of School Health
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 4 – Loss Reserve

Since the medical, dental, and prescription drug programs are self insured, the loss reserve must be equal to or less than the actual fund balance. The net positions as of June 30, 2022 and June 30, 2021 were \$30,419,659 and \$25,290,230, respectively.

The loss reserve, certified by a statement of actuarial opinion provided by an actuary who is a member of the American Academy of Actuaries, for the fiscal years ended June 30, 2022 and June 30, 2021 were \$9,597,200 and \$6,830,800, respectively.

The medical, dental, and prescription drug programs meet the loss reserve.

Note 5 – Compliance

Ohio Administrative Code, Section 117-2-03(B), requires the Consortium to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. However, the Consortium prepared its financial statements on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, deferred outflows, liabilities, deferred inflows, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The Consortium can be fined and various other administrative remedies may be taken against the Consortium.

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

To the Board of Directors
Southwest Ohio Organization of School Health

We have audited, in accordance with the 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, the financial statements of the Southwest Ohio Organization of School Health (the Consortium), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements, and have issued our report thereon dated November 23, 2022, wherein we noted the Consortium uses the modified cash basis of accounting, which is an accounting basis other than generally accepted accounting principles.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Consortium's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of the Consortium's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Consortium's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2022-001.

Consortium's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Consortium's response to the findings identified in our audit and described in the accompanying schedule of findings. The Consortium's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
November 23, 2022

**SOUTHWEST OHIO ORGANIZATION OF SCHOOL HEALTH
SCHEDULE OF AUDIT FINDINGS
June 30, 2022**

2022- 001 Finding Type — Noncompliance — GAAP Reporting

Ohio Rev. Code Section 117.38 provides that each public office shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report to the form utilized by the public office. Ohio Administrative Code Section 117-2-03(B) further clarifies the requirements of Ohio Rev. Code 117.38. It was revised to require insurance pools to prepare annual GAAP financial report filings. The Consortium did not prepare its financial statements in accordance with Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03(B).

Recommendation:

We recommend the Consortium prepare its financial statements on the GAAP basis of accounting.

Management's Response:

Management believes reporting on a basis of accounting other than generally accepted accounting principles (GAAP) is more cost efficient and does not present a higher risk for the Consortium's assets.

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OHIO AUDITOR OF STATE KEITH FABER



**SOUTHWEST OHIO ORGANIZATION OF SCHOOL HEALTH
HAMILTON COUNTY**

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 12/29/2022

88 East Broad Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov