



**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2001**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

General Health District  
Tuscarawas County  
897 East Iron Avenue  
Dover, Ohio 44622

To the Executive Director and District Board of Health:

We have audited the accompanying financial statements of the General Health District, Tuscarawas County, Ohio, (the District) as of and for the year ended December 31, 2001. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the General Health District as of December 31, 2001, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2002, 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form an opinion on the financial statements of the District, taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for additional analysis as required by 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. We subjected this information to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, the District Board of Health and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

**Jim Petro**  
Auditor of State

July 30, 2002

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

|   | Governmental Fund Types |                    |                     | Totals<br>(Memorandum<br>Only) |
|---|-------------------------|--------------------|---------------------|--------------------------------|
|   | General                 | Special<br>Revenue | Capital<br>Projects |                                |
| <b>Cash Receipts:</b>   |                         |                    |                     |                                |
| Local Taxes   | \$799,695               | \$0                | \$25,000            | \$824,695                      |
| Contracts   |                         | 127,664            |                     | 127,664                        |
| Intergovernmental   | 346,783                 | 1,141,339          |                     | 1,488,122                      |
| Charges for Services  | 260,641                 | 84,583             |                     | 345,224                        |
| Fees, Licenses and Permits  | 13                      | 232,712            |                     | 232,725                        |
| Other   | 29,486                  | 47,440             |                     | 76,926                         |
| <b>Total Cash Receipts</b>  | <b>1,436,618</b>        | <b>1,633,738</b>   | <b>25,000</b>       | <b>3,095,356</b>               |
| <b>Cash Disbursements:</b>  |                         |                    |                     |                                |
| Current:  |                         |                    |                     |                                |
| Personnel   | 1,003,631               | 1,202,823          |                     | 2,206,454                      |
| Travel / Conferences  | 10,660                  | 32,701             |                     | 43,361                         |
| Supplies  | 98,943                  | 116,738            | 28,392              | 244,073                        |
| Rentals   |                         | 7,265              |                     | 7,265                          |
| Contract Services   | 265,269                 | 172,965            |                     | 438,234                        |
| Remittance to State of Ohio   | 12,756                  | 21,640             |                     | 34,396                         |
| Other   | 6,571                   | 4,786              |                     | 11,357                         |
| Equipment   | 9,180                   | 38,735             |                     | 47,915                         |
| Capital Improvements  |                         |                    | 17,448              | 17,448                         |
| <b>Total Cash Disbursements</b>   | <b>1,407,010</b>        | <b>1,597,653</b>   | <b>45,840</b>       | <b>3,050,503</b>               |
| <b>Total Cash Receipts Over/(Under) Cash Disbursements</b>  | <b>29,608</b>           | <b>36,085</b>      | <b>(20,840)</b>     | <b>44,853</b>                  |
| <b>Other Financing Receipts/(Disbursements):</b>  |                         |                    |                     |                                |
| Transfers-In  | 5,638                   | 34,729             |                     | 40,367                         |
| Advances-In   | 21,000                  | 32,500             |                     | 53,500                         |
| Transfers-Out   | (34,729)                | (5,638)            | 0                   | (40,367)                       |
| Advances-Out  | (32,500)                | (21,000)           | 0                   | (53,500)                       |
| <b>Total Other Financing Receipts/(Disbursements)</b>   | <b>(40,591)</b>         | <b>40,591</b>      | <b>0</b>            | <b>0</b>                       |
| <b>Excess of Cash Receipts and Other Financing<br/>Receipts Over/(Under) Cash Disbursements<br/>and Other Financing Disbursements</b> | <b>(10,983)</b>         | <b>76,676</b>      | <b>(20,840)</b>     | <b>44,853</b>                  |
| <b>Fund Cash Balances, January 1</b>  | <b>56,351</b>           | <b>397,653</b>     | <b>58,963</b>       | <b>512,967</b>                 |
| <b>Fund Cash Balances, December 31</b>  | <b>\$45,368</b>         | <b>\$474,329</b>   | <b>\$38,123</b>     | <b>\$557,820</b>               |
| <b>Reserves for Encumbrances, December 31</b>   | <b>\$26,449</b>         | <b>\$15,561</b>    | <b>\$1,300</b>      | <b>\$43,310</b>                |

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

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**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The General Health District, Tuscarawas County, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a seven-member appointed Board and an appointed Health Commissioner and Executive Director. The District's services include referrals to the Bureau of Crippled Children Services Program, communicable disease investigations, immunization clinics, tuberculosis screening, home visits and various licenses and permits including inspections, birth and death certificates and related services.

As health districts are structured in Ohio, the County Auditor and County Treasurer serve as fiscal officer and custodian of funds for the District, respectively. As fiscal officer, the Auditor certifies the availability of cash and appropriations prior to the processing of payments. As the custodian of public funds, the County Treasurer invests District monies held on deposit in the County Treasury.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash**

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

**D. Fund Accounting**

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

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those restricted by law or contract.

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

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

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds**

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

Women, Infants and Children (WIC) Grant Fund; Family Planning; Child and Family Health Services Grant Fund; Alcohol Program and Early Intervention Fund – These funds are used to account for receipts for federal and state grants.

Food Service Fund – This fund is used to account for food service licenses is issued.

Solid Waste Grant Fund – This fund is used to account for permits issued and grants from the Joint Solid Waste District.

**3. Capital Projects Funds**

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Permanent Improvement Fund is the District's only Capital Projects Fund.

**E. Budgetary Process**

The District is subject to budgetary provisions of Ohio Rev. Code Section 3709.28, as well as Sections 5705.28(C) (1) and 5705.41(D). Accordingly, an appropriation measure is adopted by the District on or before the first Monday of April in each year for the period January 1 to December 31 of the following year. The appropriation measure, together with the itemized estimate of the sources of revenue available to the District for the next fiscal year, is submitted to the County Auditor who in turn submits it to the County Budget Commission.

The appropriation measure controls expenditures by the District for the period January 1 to December 31 of the following year. Budgetary expenditures (that is disbursements plus encumbrances) may not exceed estimated resources. The District may, by resolution, transfer funds from one item, create new items and make additional appropriations, subject to the availability of funds.

**F. Encumbrances**

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

Encumbrances are purchase orders, contracts and other commitments for the expenditure of monies that are recorded as the equivalent of expenditures on the budgetary basis to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

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

**G. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements (Capital Improvements and Equipment) when paid. These items are not reflected as assets on the accompanying financial statements.

**H. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the District.

**2. EQUITY IN POOLED CASH**

The Tuscarawas County Auditor serves as fiscal agent for the District. The investment of County funds, including District funds, is determined by the Tuscarawas County Treasurer. The carrying amount of cash at December 31, 2001 was \$557,820 which was insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the County.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ended December 31, 2001 follows:

| 2001 Budgeted vs. Actual Receipts |                      |                    |            |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
| General                           | \$1,425,238          | \$1,442,256        | \$17,018   |
| Special Revenue                   | 1,762,450            | 1,668,467          | (93,983)   |
| Capital Projects                  | 25,000               | 25,000             | 0          |
| Total                             | \$3,212,688          | \$3,135,723        | (\$76,965) |

| 2001 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |           |
|---|----------------------------|---------------------------|-----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General   | \$1,482,099                | \$1,468,188               | \$13,911  |
| Special Revenue                                       | 2,159,585                  | 1,618,852                 | 540,733   |
| Capital Projects                                      | 83,963                     | 47,140                    | 36,823    |
| Total   | \$3,725,647                | \$3,134,180               | \$591,467 |

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

**4. PROPERTY TAXES**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the County Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

**5. RETIREMENT SYSTEM**

The District's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries through December 31, 2001. The District has paid all contributions required through December 31, 2001.

**6. RISK MANAGEMENT**

**Commercial Insurance**

The Tuscarawas County Commissioners and the District maintain comprehensive insurance. The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- building contents.

**7. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

**8. LEASE OBLIGATION**

The District has a capital lease agreement for a copier system. The following is a schedule of the future minimum payments required as of December 31, 2001:

| <u>Year</u> | <u>Obligation</u> |
|-------------|-------------------|
| 2002        | \$20,508          |
| 2003        | 20,508            |
| 2004        | 20,508            |
| 2005        | <u>15,381</u>     |
| Total       | <u>\$76,905</u>   |

These expenditures are reflected as program expenditures (Contract Services) in the General Fund; Special Revenue Women, Infants, and Children (WIC) Grant Fund; Special Revenue Family Planning Fund; and the Special Revenue Child and Family Health Services Grant Fund.

**9. INSURANCE PURCHASING POOL**

The District participates in a group rating plan for Workers' compensation through Tuscarawas County as established under Ohio Rev. Code Section 4123.29. The District paid \$39,187 to Tuscarawas County to participate in the pool in 2001.

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**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

| Federal Grantor/<br>Pass Through Grantor/<br>Program Title  | Federal<br>CFDA<br>Number | Grant<br>Number                       | Program<br>or Award<br>Amount | Cash<br>Receipts           | Cash<br>Expenditures       |
|---|---------------------------|---------------------------------------|-------------------------------|----------------------------|----------------------------|
| <b>U.S. Department of Agriculture</b>   |                           |                                       |                               |                            |                            |
| <i>(Passed through Ohio Department of Health)</i>   |                           |                                       |                               |                            |                            |
| Special Supplemental Nutrition Program for<br>Women, Infants and Children (WIC)   | 10.557                    | 79-1-001-1-CL-01<br>79-1-001-1-CL-02  | \$ 277,463<br>270,463         | \$215,098<br><u>75,000</u> | \$207,773<br><u>69,905</u> |
| <b>Total U.S. Department of Agriculture</b>   |                           |                                       |                               | <b>290,098</b>             | <b>277,678</b>             |
| <b>U.S. Department of Health and Human Services</b>   |                           |                                       |                               |                            |                            |
| <i>(Passed through Ohio Department of Health)</i>   |                           |                                       |                               |                            |                            |
| Preventive Health and Health Services Block Grant   | 93.991                    | 79-1-001-P-BP-387                     | 14,354                        | <u>0</u>                   | <u>84</u>                  |
| Maternal & Child Health Services Block Grant<br>to the States (CFHS)  | 93.994                    | 79-1-001-A1-01<br>79-1-001-A1-02      | 103,843<br>98,225             | 78,883<br><u>24,402</u>    | 66,172<br><u>31,259</u>    |
| <b>Total Maternal &amp; Child Health Services Block Grant (CFHS)</b>  |                           |                                       |                               | <b>103,285</b>             | <b>97,431</b>              |
| Immunization Grants   | 93.268                    | 79-1-001-P-AZ-142<br>79-1-001-2-AZ-01 | 26,818<br>20,000              | 6,184<br><u>20,000</u>     | 4,434<br><u>20,000</u>     |
| <b>Total Immunization Grants</b>  |                           |                                       |                               | <b>26,184</b>              | <b>24,434</b>              |
| Family Planning Services  | 93.217                    | 79-1-001-1-01<br>79-1-001-1-02        | 47,530<br>63,208              | 5,720<br><u>41,917</u>     | 0<br><u>47,637</u>         |
| <b>Total Family Planning Services</b>   |                           |                                       |                               | <b>47,637</b>              | <b>47,637</b>              |
| Medical Assistance Program - CAFS   | 93.778                    | N/A                                   | N/A                           | <u>43,604</u>              | <u>43,604</u>              |
| <i>(Passed through Alcohol, Drug Addiction and Mental Health<br/>Services Board of Tuscarawas and Carroll Counties)</i> |                           |                                       |                               |                            |                            |
| Substance Abuse Prevention and Treatment Block Grant  | 93.959                    | 2001-05<br>2002-05                    | 153,591<br>117,916            | 153,591<br><u>117,916</u>  | 153,591<br><u>117,916</u>  |
| <b>Total Substance Abuse Prevention and Treatment Block Grant</b>   |                           |                                       |                               | <b>271,507</b>             | <b>271,507</b>             |
| <b>Total U.S. Department of Health and Human Services</b>   |                           |                                       |                               | <b>492,217</b>             | <b>484,697</b>             |
| <b>U.S. Department of Education</b>   |                           |                                       |                               |                            |                            |
| <i>(Passed through the Ohio Department of Health)</i>   |                           |                                       |                               |                            |                            |
| Special Education Grants for Infants and<br>Families with Disabilities  | 84.181                    | 79-1-001-F-AN-01<br>79-1-001-F-AN-02  | 82,447<br>56,899              | 60,168<br><u>0</u>         | 59,309<br><u>24,312</u>    |
| <b>Total U.S. Department of Education</b>   |                           |                                       |                               | <b>60,168</b>              | <b>83,621</b>              |
| <b>Total</b>  |                           |                                       |                               | <b><u>\$842,483</u></b>    | <b><u>\$846,080</u></b>    |

*The Notes to the Schedule of Receipts and Expenditures of Federal Awards is an integral part of this statement.*

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2001**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B – ACCOUNTING METHOD FOR EXPENDITURES**

Federal funds were commingled with the local funds for the Substance Abuse Prevention and Treatment Block Grant, Maternal & Child Family Health Services Block Grant and Preventive Health Services Block Grant. It is assumed federal monies are expended first.

The Medicaid billed for 2001 was distributed by the Alcohol, Drug Addiction and Mental Health Services Board (Board). The District has a contract with this Board for 100% reimbursement of the contract rate for services provided to clients.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

General Health District  
Tuscarawas County  
897 East Iron Avenue  
Dover, Ohio 44622

To the Executive Director and District Board of Health:

We have audited the accompanying financial statements of the General Health District, Tuscarawas County, Ohio, (the District) as of and for the year ended December 31, 2001, and have issued our report thereon dated July 30, 2002. We conducted our audit in accordance with auditing standards generally accepted by 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.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated July 30, 2002.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated July 30, 2002.

General Health District  
Tuscarawas County  
Report of Independent Accountants on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of the audit committee, management, the District Board of Health, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

**Jim Petro**  
Auditor of State

July 30, 2002



STATE OF OHIO  
OFFICE OF THE AUDITOR

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

General Health District  
Tuscarawas County  
897 Easy Iron Avenue  
Dover, Ohio 44622

To the Executive Director and District Board of Health:

**Compliance**

We have audited the compliance of the General Health District, Tuscarawas County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2001. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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 that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2001.

**Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

General Health District  
Tuscarawas County  
Report of Independent Accountants on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control Over  
Compliance in Accordance with OMB Circular A-133  
Page 2

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in separate letter dated July 30, 2002.

This report is intended solely for the information and use of the audit committee, management, the District Board of Health, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a stylized flourish at the end.

**Jim Petro**  
Auditor of State

July 30, 2002

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2001**

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

|              |  |  |
|--------------|--|--|
| (d)(1)(i)    | Type of Financial Statement Opinion  | Unqualified  |
| (d)(1)(ii)   | Were there any material control weakness conditions reported at the financial statement level (GAGAS)?         | No   |
| (d)(1)(ii)   | Were there any other reportable control weakness conditions 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 internal control weakness conditions reported for major federal programs?              | No   |
| (d)(1)(iv)   | Were there any other reportable internal control weakness conditions reported for major federal programs?      | No   |
| (d)(1)(v)    | Type of Major Programs' Compliance Opinion   | Unqualified  |
| (d)(1)(vi)   | Are there any reportable findings under § .510?  | No   |
| (d)(1)(vii)  | Major Programs (list):   | Special Supplemental Food Program for Women, Infants, and Children (WIC) CFDA # 93.994 |
| (d)(1)(viii) | Dollar Threshold: Type A\B Programs  | Type A: > \$ 300,000<br>Type B: all others   |
| (d)(1)(ix)   | Low Risk Auditee?  | Yes  |

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

None

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

None

**GENERAL HEALTH DISTRICT  
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001**

| Finding Number | Finding Summary  | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid;<br><b>Explain:</b>  |
|----------------|--|------------------|--|
| 2000-61279-001 | <b>Ohio Rev. Code 5705.41 (D)</b> requires District's fiscal officer to certify the availability of funds prior to any obligation. During 2000, the District did not certify the availability of funds prior to commitments being made for 30% of the expenditures tested. | No               | Partially Corrected.<br>8% of the expenditures tested were not certified by the County Auditor prior to incurring the obligation. We have reported this matter to the District in a separate letter dated July 30, 2002. |



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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800-282-0370  
Facsimile 614-466-4490

**GENERAL HEALTH DISTRICT**

**TUSCARAWAS COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 3, 2002**