

**VINTON METROPOLITAN HOUSING AUTHORITY
McARTHUR, OHIO**

**REPORT ON EXAMINATION OF FINANCIAL
STATEMENTS AND SUPPLEMENTAL DATA FOR THE
YEAR ENDED SEPTEMBER 30, 2001**

J. E. Slaybaugh & Associates, Inc.
Certified Public Accountant
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STATE OF OHIO
OFFICE OF THE AUDITOR

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Board of Commissioners
Vinton Metropolitan Housing Authority
P.O. Box 487
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We have reviewed the Independent Auditor's Report of the Vinton Metropolitan Housing Authority, Vinton County, prepared by J. E. Slaybaugh & Associates, Inc., for the audit period October 1, 2000 through September 30, 2001. 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 Vinton Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

April 12, 2002

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VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO

FOR THE YEAR ENDED SEPTEMBER 30, 2001

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Vinton Metropolitan Housing Authority
McArthur, Ohio

We have audited the accompanying balance sheet of the Vinton Metropolitan Housing Authority, McArthur, Ohio, as of and for the year ended September 30, 2001, and the related statements of revenues, expenses, equity, and cash flows for the year then ended. These financial statements are the responsibility of the Authority'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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Vinton Metropolitan Housing Authority as of September 30, 2001, and the results of its operations and the cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 21, 2002, on our consideration of Vinton Metropolitan Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental financial data schedules accompanying the financial statements are not necessary for fair presentation of the financial position, results of operations, and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America. The supplemental schedules listed in the table of contents are presented only for purposes of additional analysis and are not a required part of the financial statements. Such schedules have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the financial statements of Vinton Metropolitan Housing Authority, taken as a whole. The accompanying schedule of expenditures of federal awards, 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. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the financial statements, and in our opinion, is stated fairly, in all material respects, in relation to the financial statements taken as a whole.

J. E. Slaybaugh & Associates, Inc.

J.E. Slaybaugh & Associates, Inc.
March 21, 2002

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 BALANCE SHEET
 FOR THE YEAR ENDED SEPTEMBER 30, 2001

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 62,446
Accounts Receivable-HUD	32,674
Prepaid Expenses	<u>1,344</u>

Total Current Assets 96,464

Property and Equipment - Net of \$ 19,854 Accumulated Depreciation 12,060

Total Assets \$ 108,524

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	\$ 54
Accrued Wages and Payroll Taxes	<u>1,007</u>

Total Current Liabilities 1,061

Noncurrent Liabilities

Accrued Compensated Absences	4,557
Other Noncurrent Liabilities	<u>12,089</u>

Total Noncurrent Liabilities 16,646

Total Liabilities 17,707

Equity

Contributed Capital	601
Retained Earnings	<u>90,216</u>

Total Equity 90,817

Total Liabilities and Equity \$ 108,524

The accompanying notes are an integral part of these financial statements.

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN EQUITY
 FOR THE YEAR ENDED SEPTEMBER 30, 2001

<u>Revenue</u>	
HUD Grants	\$ 560,496
Investment Income-Unrestricted	<u>1,021</u>
Total Revenue	561,517
<u>Expenses (before depreciation)</u>	
Housing Assistance Payments	482,704
Administrative Salaries	27,607
Employee Benefits	8,480
Other Administrative Expense	14,197
Material and Labor-Maintenance	4,353
Utilities	1,367
General Expenses	<u>2,356</u>
Total Expenses	541,064
Income (Loss) before Depreciation & Other Costs	20,453
Depreciation	<u>1,883</u>
Operating Income (Loss)	18,570
Retained Earnings - Beginning of Year	<u>71,646</u>
Retained Earnings - End of Year	<u>90,216</u>
Contributed Capital - Beginning of Year	<u>601</u>
Contributed Capital - End of Year	<u>601</u>
Total Equity - End of Year	<u>\$ 90,817</u>

The accompanying notes are an integral part of these financial statements.

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED SEPTEMBER 30, 2001

Cash Flows from Operating Activities

Operating Income (Loss)	\$ 18,570
Adjustments to reconcile Net Income(Loss) to Net Cash Provided By Operating Activities:	
Depreciation	1,883
Changes in Operating Assets and Liabilities that Increase (Decrease) Cash Flows:	
Accounts Receivable - HUD	11,954
Prepaid Expenses	(551)
Accounts Payable	(881)
Accrued Wages and Payroll	(532)
Deferred Revenues	(1,578)
Accrued Compensated Absences	457
Other Noncurrent Liabilities	<u>(2,369)</u>
Total Adjustments	<u>8,383</u>
Net Cash Provided (Used) By Operating Activities	26,953

Cash Flows from Investing Activities

Change in Property and Equipment	<u>(5,284)</u>
Net Cash Provided (Used) By Investing Activities	<u>(5,284)</u>
Increase (Decrease) In Cash and Cash Equivalents	21,669
Cash and Cash Equivalents - Beginning of Year	<u>40,777</u>
Cash and Cash Equivalents - End of Year	<u>\$ 62,446</u>

The accompanying notes are an integral part of these financial statements.

VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Vinton Metropolitan Housing Authority (VMHA or Authority) was created under the Ohio Revised Code Section 3735.27 to engage in the acquisition, development, leasing and administration of a low-rent housing program. An Annual Contributions Contract (ACC) was signed by the Vinton Metropolitan Housing Authority and the U.S. Department of Housing and Urban Development (HUD), under the provisions of the United States Housing Act of 1937 (42 U.S.C. 1437) Section 1.1. The Authority was also created in accordance with state law to eliminate housing conditions which are detrimental to the public peace, health, safety, morals, or welfare by purchasing, acquiring, constructing, maintaining, operating, improving, extending, and repairing housing facilities. The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14 is the "primary government." A fundamental characteristic of a primary government is that it is fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the ability of the primary government to impose its will upon the potential component unit.

These criteria were considered in determining the reporting entity.

Basis of Accounting

The accompanying combined financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred.

All transactions are accounted for in a single enterprise fund.

Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, the Authority follows GASB guidance as applicable to proprietary funds and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property and Equipment

Property and Equipment is recorded at cost. Costs that materially add to the productive capacity or extend the life of an asset are capitalized while maintenance and repair costs are expensed as incurred.

Useful Lives	
Equipment	7 Years
Autos	5 Years

Depreciation is recorded on the straight-line method.

Capitalization of Interest

The Authority's policy is not to capitalize interest in the construction or purchase of fixed assets.

NOTE 2 - CASH

Cash

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

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

Inactive deposits are public deposits that the Authority has identified as not required for use within the current two 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 Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2001

NOTE 5 - RETIREMENT AND OTHER BENEFIT PLANS

The employees of the Authority are covered by the Public Employees Retirement System of Ohio (PERS), a statewide cost-sharing multiple-employer deferred benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by the state statute per Chapter 145 of the Ohio Revised Code. PERS issues a publicly available financial report. Interested parties may obtain a copy by making a written request to 277 E. Town Street, Columbus, OH 43215-4642 or by calling (614) 466-2085.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.50% of qualifying gross wages for all employees. The total 2001 employer contribution rate was 13.55% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The Authority's contributions to PERS, for the years ending September 30 were as follows:

	Contribution	%
9/30/01	\$ 3,665	13.55%
9/30/00	\$ 3,520	13.55%
9/30/99	\$ 3,624	13.55%

All required contributions were made prior to each of those fiscal year ends.

PERS of Ohio provides post-retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employee and employer contributions. The 2001 employer contribution rate for state employers was 10.84 % of covered payroll: 4.3 % was the portion that was used to fund health care for the year, under the new calculation methodology effective January 1, 1998. Under the prior method, which was actuarially based, accrued liabilities and normal cost rates were computed to determine the amount of employer contributions necessary to fund OPEB. OPEB is financed through employer contributions and investment earnings and is expected to be sufficient to sustain the program indefinitely. The number of benefit recipients eligible for OPEB at September 30, 2001, was 401,339.

VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2001

NOTE 6 - COMPENSATED ABSENCES

Vacation and sick leave policies are established by the Board of Commissioners based on local and state laws.

All permanent employees will earn 4.6 hours sick leave per (90) hours of service. Unused sick leave may be accumulated without limit. At the time of separation, employees shall be paid the value of (30) days of unused sick leave.

All permanent employees will earn vacation hours accumulated based on length of service. All vacation time accumulated will be paid upon separation.

At September 30, 2001, \$ 4,557 was accrued by the Authority for unused vacation and sick time.

NOTE 7 - INSURANCE

The Housing Authority maintains comprehensive insurance coverage with private carriers for health real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. There was no significant reduction in coverages and no settlements exceeded insurance coverage during the past three years.

NOTE 8 - CONTINGENCIES

Litigation and Claims

In the normal course of operations, the Authority may be subject to litigation and claims. At September 30, 2001 the Authority was involved in no matters management believes will have a material effect on the financial statements.

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2001

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures For The Year Ended</u>
<u>U.S. Department of Housing and Urban Development</u>		
Direct Programs:		
 Section 8 Tenant Based :		
Section 8 Housing Voucher Program	14.871	<u>560,496</u>
 Total Federal Assistance		 \$ <u>560,496</u>

NOTE: This schedule has been prepared on the accrual basis of accounting.

See Independent Auditors' Report

VINTON METROPOLITAN HOUSING AUTHORITY
Supplemental Financial Data Schedule
Balance Sheet
As of September 30, 2001

	Section 8 Housing Vouchers <u>14,871</u>	<u>TOTAL</u>
ASSETS		
Current Assets		
Cash-unrestricted	\$ 62,446	\$ 62,446
Total cash	<u>62,446</u>	<u>62,446</u>
Accounts and notes receivables		
Accounts receivable-HUD other projects	<u>32,674</u>	<u>32,674</u>
Total receivables, net of allowances for uncollectibles	<u>32,674</u>	<u>32,674</u>
Prepaid expense	<u>1,344</u>	<u>1,344</u>
Total current assets	<u>96,464</u>	<u>96,464</u>
Noncurrent assets		
Furniture, equipment and machinery-admin.	31,914	31,914
Accumulated depreciation	<u>(19,854)</u>	<u>(19,854)</u>
Total fixed assets, net of accum. depreciation	<u>12,060</u>	<u>12,060</u>
Total non-current assets	<u>12,060</u>	<u>12,060</u>
Total assets	<u>\$ 108,524</u>	<u>\$ 108,524</u>
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable< 90 days	\$ 54	\$ 54
Accrued wages/payroll taxes payable	1,007	1,007
Other current liabilities	<u>12,089</u>	<u>12,089</u>
Total current liabilities	<u>13,150</u>	<u>13,150</u>
Non-current liabilities		
Non-current liabilities-other	<u>4,557</u>	<u>4,557</u>
Total non-current liabilities	<u>4,557</u>	<u>4,557</u>
Total Liabilities	<u>17,707</u>	<u>17,707</u>
Equity		
Net HUD PHA contributions	601	601
Undesignated fund balance/retained earnings	<u>90,216</u>	<u>90,216</u>
Total equity	<u>90,817</u>	<u>90,817</u>
Total liabilities & equity	<u>\$ 108,524</u>	<u>\$ 108,524</u>

See Independent Accountants' Report

VINTON METROPOLITAN HOUSING AUTHORITY
 MC ARTHUR, OHIO
 SCHEDULE OF REVENUE AND EXPENSE BY PROGRAM
 FOR THE YEAR ENDED SEPTEMBER 30, 2001

	Section 8 Housing Voucher Program	Total
REVENUE		
HUD Grants	\$ 560,496	\$ 560,496
Investment Income-Unrestricted	<u>1,021</u>	<u>1,021</u>
Total Revenue	561,517	561,517
EXPENSES		
Housing Assistance Payments	482,704	482,704
Administrative Salaries	27,607	27,607
Employee Benefits	8,480	8,480
Other Administrative Expense	14,197	14,197
Material and Labor-Maintenance	4,353	4,353
Utilities	1,367	1,367
General Expenses	<u>2,356</u>	<u>2,356</u>
Total Expenses	<u>541,064</u>	<u>541,064</u>
Income (Loss) before Depreciation & Other Costs	20,453	20,453
Depreciation	<u>1,883</u>	<u>1,883</u>
Operating Income (Loss)	<u>\$ 18,570</u>	<u>\$ 18,570</u>

See Independent Auditors' Report

VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO
SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2001

The PHA had 157 units under management.

<u>Management</u>	<u>Units</u>
Section 8 Housing Vouchers Program	<u>157</u>
TOTAL	<u>157</u>

REPORT ON PRIOR YEAR AUDIT FINDINGS

THERE WERE NO PRIOR YEAR AUDIT FINDINGS

See Independent Auditors' Report

J. E. Slaybaugh & Associates, Inc.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Vinton Metropolitan Housing Authority
McArthur, Ohio

We have audited the financial statements of Vinton Metropolitan Housing Authority, McArthur, Ohio, as of and for the year ended September 30, 2001, and have issued our report thereon dated March 21, 2002. 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.

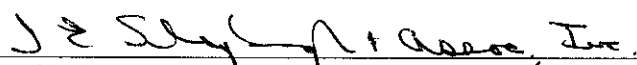
Compliance

As part of obtaining reasonable assurance about whether Vinton Metropolitan Housing Authority'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 the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Vinton Metropolitan Housing Authority'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.

This report is intended for the information and use of management and the Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.



J.E. Slaybaugh & Associates, Inc.
March 21, 2002

J. E. Slaybaugh & Associates, Inc.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners
Vinton Metropolitan Housing Authority
McArthur, Ohio

Compliance

We have audited the compliance of Vinton Metropolitan Housing Authority 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 each of its major federal programs for the year ended September 30, 2001. Vinton Metropolitan Housing Authority's major federal programs are 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 to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on Vinton Metropolitan Housing Authority'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* and the provisions of the *Public and Indian Housing Compliance Supplement*, PIH Notice 97-30. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Vinton Metropolitan Housing Authority'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 Vinton Metropolitan Housing Authority's compliance with those requirements.


In our opinion, Vinton Metropolitan Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2001.

Internal Control Over Compliance

The management of Vinton Metropolitan Housing Authority 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 Authority'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.

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.

This report is intended for the information and use of management and the Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.



J.E. Slaybaugh & Associates, Inc.
March 21, 2002

VINTON METROPOLITAN HOUSING AUTHORITY
MC ARTHUR, OHIO

SCHEDULE OF FINDINGS

September 30, 2001

PART I - SUMMARY OF AUDITOR'S RESULTS

1. The auditor has issued an unqualified opinion on the financial statements of Vinton Metropolitan Housing Authority.
2. There were no reportable conditions in internal control disclosed by the audit of the financial statements.
3. There was no noncompliance material to the financial statements disclosed by the audit.
4. There were no reportable conditions in the internal control over major programs disclosed by the audit.
5. The auditor has issued an unqualified opinion on compliance for major programs for Vinton Metropolitan Housing Authority.
6. The audit disclosed no audit findings.
7. The major programs are:
 - Tenant Based Section 8 Housing Vouchers Program
8. The dollar threshold used to distinguish between Type A and Type B programs was \$ 300,000.
9. The auditor determined that Vinton Metropolitan Housing Authority qualified as a low-risk auditee.

PART II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED
TO BE REPORTED IN ACCORDANCE WITH *GAGAS*

1. None

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS

1. None



STATE OF OHIO
OFFICE OF THE AUDITOR

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VINTON METROPOLITAN HOUSING AUTHORITY

VINTON 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
APRIL 18, 2002