



**Auditor of State
Betty Montgomery**

**TRI COUNTY ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Types – For the Year Ended June 30, 2003.....	3
Notes to the Financial Statements	5
Schedule of Federal Awards Expenditures	9
Notes to the Schedule of Federal Awards Expenditures	10
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11
Independent Accountants' Report on Compliance with Requirements Applicable to Major Federal Programs and Internal Control Over Compliance in Accordance with OMB Circular A-133	13
Schedule of Findings	15

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Tri-County Alcohol, Drug Addiction, and Mental Health Services Board
Mercer, Van Wert, and Paulding Counties
Mercer County
1054 South Washington Street, Suite A
P.O. Box 269
Van Wert, Ohio 45891

To Members of the Board:

We have audited the accompanying financial statements of the Alcohol, Drug Addiction, and Mental Health Services Board of Mercer, Van Wert, and Paulding Counties, (the Board) as of and for the year ended June 30, 2003. These financial statements are the responsibility of the Board'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 described in Note 1, the Board 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 Board, as of June 30, 2003, 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 August 26, 2003, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

The accompanying schedule of federal awards expenditures 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. In our opinion, it 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 Board, federal awarding agencies and pass-through entities, and other officials authorized to receive this report under Section 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 26, 2003

**TRI-COUNTY ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL TYPES
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Taxes	\$936,589		\$936,589
Intergovernmental Receipts	97,535		97,535
Grants		\$4,067,348	4,067,348
Gifts, Donations, and Bequests	24,100		24,100
Other Receipts	31,304		31,304
	<u>1,089,528</u>	<u>4,067,348</u>	<u>5,156,876</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Salaries	82,519	111,845	194,364
Supplies	161	7,566	7,727
Equipment	8,315	8,110	16,425
Grants	956,144	3,806,154	4,762,298
Rentals	6,899	12,450	19,349
Advertising and Printing	367	2,621	2,988
Travel	2,278	8,171	10,449
Public Employee's Retirement	5,259	37,300	42,559
Other	46,508	63,703	110,211
	<u>1,108,450</u>	<u>4,057,920</u>	<u>5,166,370</u>
Total Cash Disbursements			
Total Receipts Over/(Under) Disbursements	<u>(18,922)</u>	<u>9,428</u>	<u>(9,494)</u>
Other Financing Receipts/(Disbursements):			
Advances-In	350,000	400,000	750,000
Advances-Out	(400,000)	(350,000)	(750,000)
Reimbursements	24,128	(24,128)	
	<u>(25,872)</u>	<u>25,872</u>	
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(44,794)	35,300	(9,494)
Fund Cash Balances, July 1	<u>635,223</u>	<u>197,907</u>	<u>833,130</u>
Fund Cash Balances, June 30	<u>\$590,429</u>	<u>\$233,207</u>	<u>\$823,636</u>
Reserves for Encumbrances, June 30	<u>\$34,786</u>	<u>\$1,217</u>	<u>\$36,003</u>

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

This page intentionally left blank.

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Alcohol, Drug Addiction and Mental Health Services Board of Mercer, Van Wert, and Paulding Counties, (the Board) 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 Board is directed by an eighteen-member Board. Board members are appointed by legislative authorities of the political subdivisions making up the Board. The Board includes members from those legislative authorities as well as citizens of the Board. Those subdivisions are Mercer, Van Wert, and Paulding Counties. The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board. These services are provided primarily through contracts with private and public agencies.

The Board's management believes these financial statements present all activities for which the Board 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 County Treasurer is custodian for the Board's cash. The Board's cash is held in the County's cash and investment pool, and is valued at the County Treasurer's carrying amount.

D. Fund Accounting

The Board uses fund accounting to segregate cash that is restricted as to use. The Board 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 required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes.

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Board had the following significant Special Revenue Funds:

Alcohol and Drug State – The Board receives funds from the State Government for Alcohol and Drug Programs.

Alcohol and Drug Federal – The Board receives funds from the Federal Government for Alcohol and Drug Programs.

Mental Health State – The Board receives funds from the State Government for Mental Health Programs.

Mental Health Federal – The Board receives funds from the Federal Government for Mental Health Programs.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of July 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

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

A summary of fiscal year 2003 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under Board's basis of accounting.

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2003
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending June 30, 2003 follows:

Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,084,270	\$1,113,656	\$29,386
Special Revenue	4,089,085	4,067,348	(21,737)
Total	\$5,173,355	\$5,181,004	\$7,649

Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,181,612	\$1,143,236	\$38,376
Special Revenue	4,086,176	4,083,265	2,911
Total	\$5,267,788	\$5,226,501	\$41,287

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. 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 payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Board.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

4. RETIREMENT SYSTEMS

The Board's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS 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. OPERS members contribute 8.5% of their gross salaries. The Board contributes an amount equal to 13.55% of participants' gross salaries. The Board has paid all contributions required through June 30, 2003.

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2003
(Continued)**

5. RISK MANAGEMENT

Commercial Insurance

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

6. LEASE AGREEMENT

The Board entered into a lease agreement, for a four-year term that began June 1, 2001 and expires May 31, 2005, for the lease of space for the operations of the Board. The lease term beginning June 1, 2002, establishes the lease rate at \$19,260 for the year to be paid in monthly installments of \$1,650; the lease term beginning June 1, 2003, establishes the lease rate at \$20,330 for the year to be paid in monthly installments of \$1,694.17; and the lease term beginning June 1, 2004, establishes the lease rate at \$21,400 for the year to be paid in monthly installments of \$1,783.33. The lease agreement is subject to renewal at the lessee's option.

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.

**TRI-COUNTY ALCOHOL AND DRUG ADDICTION MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2003**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Project Number	Disbursements
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Mental Health:</i>			
Block Grants for Community Mental Health Services			
Community Block Grant	93.958	SFY03	\$95,023
Children/Adolescent Block Grant	93.958	SFY03	<u>26,365</u>
Total Block Grants for Community Mental Health Services			121,388
Social Services Block Grant	93.667	SFY03	55,361
Medical Assistance Program	93.778	SFY03	1,020,711
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Medical Assistance Program	93.778	SFY03	<u>82,619</u>
Total Medical Assistance Program			1,103,330
Substance Abuse Prevention and Treatment Block Grant			
Alcohol, Drug and Rehabilitation Block Grant	93.959	SFY03	263,210
Federal Drug Free Community Grant	93.959	54-01507-00-CMMCO-P-03-0034	12,000
Women's Set Aside Grant	93.959	54-10499-00-WOMAN-T-03-8970	82,591
	93.959	54-01387-00-WOMAN-T-03-8996	81,658
	93.959	54-01507-00-WOMAN-T-03-9932	<u>68,728</u>
Total Women's Set Aside Grant			<u>232,977</u>
Total Substance Abuse Prevention and Treatment Block Grant			<u>508,187</u>
Total U.S. Department of Health and Human Services			1,788,266
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Drug Free Schools	84.186A	54-01507-00-DFSCA-P-03-9107	51,250
FEDERAL EMERGENCY MANAGEMENT ADMINISTRATION			
<i>Passed Through Ohio Department of Mental Health</i>			
Crisis Counseling Grant	83.539	DR-1444-OH	<u>33,143</u>
Total Federal Assistance			<u><u>\$1,872,659</u></u>

The notes to the Schedule of Federal Awards Expenditures are an integral part of this schedule.

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
JUNE 30, 2003**

1. SIGNIFICANT ACCOUNTING POLICIES

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

2. SUBRECIPIENTS

The Board obtains grants through the Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) and contracts with sub-recipient agencies for providing services. As described in Note 1, the Board records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the Board is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

Ohio Department of Mental Health

Grants from the ODMH are passed through the Board to the Foundations Behavioral Health Services (Mercer County Mental Health service provider agency), Paulding County Comprehensive Mental Health Services, Inc., and Westwood Behavioral Health Center (Van Wert County Mental Health service provider agency).

Total Board Subsidy expenditures to ODMH provider agencies for fiscal year 2003 were:

Foundations Behavioral Health Services	\$418,028
Paulding County Comprehensive Mental Health Services, Inc.	228,662
Westwood Behavioral Health Center	364,249

Ohio Department of Alcohol and Drug Addiction Services

Grants from the ODADAS are passed through the Board to the Mercer County Alcohol and Drug Abuse Center, Inc. (dba Gateway Outreach Center), Paulding County Alcohol and Drug Services, Inc. (dba The Turning Point), and Westwood Behavior Health Center (Van Wert County Alcohol and Drug Addiction service provider agency).

Total Board Subsidy expenditures to ODADAS provider agencies for fiscal year 2003 were:

Mercer County Alcohol and Drug Abuse Center, Inc.	\$242,930
Paulding County Alcohol and Drug Services, Inc.	202,762
Westwood Behavioral Health Center	176,549



**Auditor of State
Betty Montgomery**

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

Tri-County Alcohol, Drug Addiction, and Mental Health Services Board
Mercer, Van Wert, and Paulding Counties
Mercer County
1054 South Washington Street, Suite A
P.O. Box 269
Van Wert, Ohio 45891

To Members of the Board:

We have audited the accompanying financial statements of the Tri-County Alcohol, Drug Addiction, and Mental Health Services Board of Mercer, Van Wert, and Paulding Counties (the Board) as of and for the year ended June 30, 2003, and have issued our report thereon dated August 26, 2003. 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 the Board'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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of Board in a separate letter dated August 26, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board'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 Board in a separate letter dated August 26, 2003.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688
www.auditor.state.oh.us

This report is intended solely for the information and use of the audit committee, management, the Board, and 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 26, 2003



**Auditor of State
Betty Montgomery**

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

Tri-County Alcohol, Drug Addiction, and Mental Health Services Board
Mercer, Van Wert, and Paulding Counties
Mercer County
1054 South Washington Street, Suite A
P.O. Box 269
Van Wert, Ohio 45891

To Members of the Board:

Compliance

We have audited the compliance of the Tri-County Alcohol, Drug Addiction, and Mental Health Services Board of Mercer, Van Wert, and Paulding Counties (the Board) 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 June 30, 2003. The Board'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 to its major federal program is the responsibility of the Board's management. Our responsibility is to express an opinion on the Board'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 Board'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 Board's compliance with those requirements.

In our opinion, the Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2003.

Internal Control Over Compliance

The management of the Board 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 Board'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.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688
www.auditor.state.oh.us

**Internal Control Over Compliance
(Continued)**

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 solely for the information and use of the audit committee, management, the Board, and 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.



Betty Montgomery
Auditor of State

August 26, 2003

**TRI-COUNTY ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD
MERCER, VAN WERT, AND PAULDING COUNTIES
MERCER COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
JUNE 30, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Substance, Abuse, Prevention and Treatment (SAPT) Block Grant: CFDA # 93.959
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	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.



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

TRI-COUNTY ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES

MERCER 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
OCTOBER 16, 2003**