

SUMMIT COUNTY
GENERAL HEALTH DISTRICT

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2003

This audit report is subject to review and acceptance by the Auditor of State's office, and the requirements of ORC 117.25 are not met until the Auditor of State certifies this report. This process takes approximately two weeks and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards.



**Auditor of State
Betty Montgomery**

Board of Health
Summit County General Health District
Stow, Ohio

We have reviewed the Independent Auditor's Report of the Summit County General Health District, Summit County, prepared by Brott Mardis & Co., for the audit period January 1, 2003 through December 31, 2003. 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 Summit County General Health District is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

August 3, 2004

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**SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY**

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SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY
1100 Graham Road Circle
Stow, Ohio 44224

Appointed Officials and Administrative Personnel
As of December 31, 2003

APPOINTED OFFICIALS

NAME	TITLE	TERM OF OFFICE	SURETY	AMOUNT	PERIOD
Jay Williamson, M.D.	Board President	01/01/02 - 12/31/05			
Lewis Debevec, Jr.	Board Member	01/01/03 - 12/31/06			
Kristine Gill, Ph.D., R.N.	Board Member	01/01/02 - 12/31/05			
Douglas Hasbrouck	Board Member	01/01/03 - 12/31/06			
Jeffrey Snell, J.D.	Board Member	03/01/02 - 03/31/06			
Peggy Burns	Board Member	03/01/01 - 03/31/05			
Gale Betterly, Ph.D.	Board Member	03/01/03 - 03/31/07			
G. Kolaczewski, M.D.	Board Member	12/31/99 - 12/31/03			
Carol Metz, J.D.	Board Member	12/01/01 - 12/31/05			
Lawrence Halpin	Board Member	12/31/99 - 12/31/03			
Lynn Clark, J.D.	Board Member	03/01/00 - 03/31/04			
Pat Lachowski	Board Member	01/01/02 - 12/31/04			
Mike Haught	Board Member	03/01/02 - 03/31/04			
Daniel Emmett	Board Member	03/01/99 - 03/31/03			

ADMINISTRATIVE PERSONNEL

Gene Nixon, R.S. , M.P.A.	Health Commissioner	04/01/03 - 03/31/05	(A)	\$1,000,000	(B)
Mary Manis	Fiscal Administrator	Continuous	(A)	\$1,000,000	2/16/03 - 2/16/06

STATUTORY LEGAL COUNSEL

Sherri Bevan Walsh, Prosecutor
County of Summit
53 University Avenue
Akron, Ohio 44308

(A) Love Insurance Agency, Inc.
(B) Concurrent with contract.



BROTT MARDIS & CO.

Certified Public Accountants

106 South Main St., Suite 1306, Akron, Ohio 44308-1418
330-762-5022 fax: 330-762-2727 www.brottmardis.com

INDEPENDENT AUDITOR'S REPORT

Board of Health
Summit County General Health District
Summit County
1100 Graham Circle
Stow, Ohio 44224

We have audited the accompanying combined statement of cash receipts, cash disbursements and changes in fund cash balances - all governmental fund types of the Summit County General Health District (the Health District) as of and for the year ended December 31, 2003. These financial statements are the responsibility of the Health 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 Health 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 accounting principles generally accepted in the United States of America.

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 Summit County General Health District as of December 31, 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 a report dated February 6, 2004 on our consideration of the Health District's internal control over financial reporting and our test 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.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Health District, taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for the purposes of 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. Such information has been subjected 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 officials authorized to receive this report under Section 117.26, Ohio Revised Code, and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants

February 6, 2004

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND CASH BALANCES-
ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	2003	(Memorandum Only)
	General	Special Revenue	Total
Cash Receipts:			
Local taxes	\$ 2,523,750	\$ -	\$ 2,523,750
State subsidy	83,243	-	83,243
Environmental health fees	1,105,277	-	1,105,277
Vital statistics	126,028	-	126,028
Personal health services	383,762	-	383,762
School health programs	1,089,648	-	1,089,648
Federal, state and local grants and reimbursements	46,103	1,443,693	1,489,796
State fees	151,371	-	151,371
Miscellaneous	25,377	-	25,377
Total cash receipts	5,534,559	1,443,693	6,978,252
Cash Disbursements:			
Salaries	3,272,426	765,572	4,037,998
PERS/Workers Comp/Medicare	618,286	131,241	749,527
Health benefits	493,224	80,456	573,680
Travel	103,850	17,438	121,288
Supplies	190,088	19,153	209,241
Contractual services	540,532	410,606	951,138
Building rental	45,756	4,396	50,152
Advertising and printing	9,722	14,115	23,837
Other expenses	46,822	603	47,425
Equipment	156,193	22,972	179,165
State remittances	134,610	-	134,610
Debt service - building	22,155	-	22,155
Total cash disbursements	5,633,664	1,466,552	7,100,216
Total cash receipts under cash disbursements	(99,105)	(22,859)	(121,964)
Other financing receipts (disbursements):			
Advances - in	252,834	237,687	490,521
Advances - out	(237,687)	(252,834)	(490,521)
Total other financing receipts (disbursements)	15,147	(15,147)	-
Total cash receipts and other financing receipts under cash disbursements and other financing disbursements	(83,958)	(38,006)	(121,964)
Fund cash balances, January 1, 2003	778,833	209,999	988,832
Fund cash balances, December 31, 2003	\$ 694,875	\$ 171,993	\$ 866,868
Reserve for encumbrances, December 31, 2003	\$ 6,598	\$ 7,535	\$ 14,133
Reserve for contingencies, December 31, 2003	\$ -	\$ 50,000	\$ 50,000

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

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2003

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **Description of the Entity**

The Summit County General Health District (the Health District) serves as a policy-making body with authority to adopt rules and regulations. The Health District was organized under provisions of Chapter 3709, Ohio Revised Code. The Health District is directed by an appointed fourteen-member board and a Health Commissioner.

The Health District (1) adopts regulations as necessary for the prevention of disease and the promotion of public health, (2) holds hearings on public health matters, (3) cooperates with other health agencies and citizens groups to promote community health programs and, (4) informs and educates the community on public health matters.

The Health District's management believes these financial statements present all activities for which the Health 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 receipt and disbursement basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when 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**

All Health District cash is maintained and invested by the Summit County Treasurer.

D. **Fund Accounting**

The Health District uses fund accounting to segregate cash that is restricted as to use.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

The Health District classifies its funds into the following types:

General Fund

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

Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Health District had the following significant Special Revenue Funds:

Women, Infants, and Children Fund - This fund receives proceeds from a federal grant to provide nutritional assistance to qualified women, infants and children.

Prenatal/Life Link Fund - This fund receives proceeds from Summit County hospitals to fund designated Community Projects.

Early Intervention Fund - This fund receives proceeds from a federal grant to provide parents of children with illness or disability information regarding available public assistance.

Child and Family Health Services Fund - This fund receives proceeds from a federal grant directed at improving and maintaining the health status of women and children by providing support for development of health services standards and guidelines, training, data and planning systems.

E. Budgetary Process

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

Appropriations

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

Estimated Resources

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

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

A summary of 2003 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

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

2. CASH

The Summit County Auditor is the statutory fiscal officer for the Health District. The Summit County Treasurer maintains a cash pool used by all funds. Refer to the December 31, 2003, Summit County Financial Condition Report for a description of the County's cash and investment balances and policies.

3. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2003, was as follows:

Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$5,573,750	\$5,534,559	\$(39,191)
Special Revenue	<u>1,773,491</u>	<u>1,443,693</u>	<u>(329,798)</u>
Total	<u>\$7,347,241</u>	<u>\$6,978,252</u>	<u>\$(368,989)</u>

Appropriated vs. Budgeted Expenditures

<u>Fund Type</u>	<u>Appropriated Expenditures</u>	<u>Budgeted Expenditures</u>	<u>Variance</u>
General	\$6,080,947	\$5,640,262	\$440,685
Special Revenue	<u>1,653,074</u>	<u>1,474,087</u>	<u>178,987</u>
Total	<u>\$7,734,021</u>	<u>\$7,114,349</u>	<u>\$619,672</u>

4. DEBT

Debt outstanding at December 31, 2003:

	<u>Principal</u>	<u>Interest Rate</u>
Health District Obligation for Roof Repair	\$105,000	5.5725%

The Health District has an agreement with Summit County whereby the Health District is required to pay the county's building bond debt obligations pertaining to the repair of the roof in exchange for the Health District's use of the county-owned building.

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year ending December 31</u>	<u>Roof Repair Debt</u>
2004	\$ 21,330
2005	20,490
2006	19,627
2007	23,750
2008	22,560
Subsequent	<u>21,280</u>
	<u>\$129,037</u>

5. RETIREMENT SYSTEMS

The Health District's 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. PERS members contributed 8.5% of their gross salaries. The Health District contributed an amount equal to 13.55% of participants' gross salaries. The Health District has paid all contributions required through December 31, 2003.

6. RISK MANAGEMENT

The Health District maintains comprehensive insurance coverage through Summit County's umbrella coverage with commercial insurance providers for the following risks:

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

6. RISK MANAGEMENT (Continued)

The Health District also provides health insurance and dental and vision coverage to full-time employees. The Health District has elected to provide benefits through a participatory agreement with Summit County. Employees can choose from a variety of plans such as a Health Maintenance Organization (HMO) or traditional coverage.

Additionally, the Health District provides professional liability insurance for all public health nurses, dieticians, medical and dental support staff.

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.

8. LEASES

The Health District leases various clinic facilities under operating leases for up to three years in length. Total rent paid for these leases in 2003 was \$50,152.

9. CONTINGENCY RESERVE FOR SPECIAL REVENUE FUND

The Board of Health has established a contingency reserve for the Special Revenue Fund in accordance with Section 5705.13 of the Ohio Revised Code. The purpose of the fund is to provide a reserve for payment of unexpected future termination benefits. No more than 5% of preceding year General Fund local assessments can be reserved at any one time. Accordingly, the Health District had a contingency reserve balance at December 31, 2003, of \$50,000, which was approximately 2.0% of 2002's General Fund local assessments.

SUPPLEMENTAL DATA

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES

DECEMBER 31, 2003

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Pass-Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Non- Cash Receipts</u>	<u>Disbursements</u>	<u>Non-Cash Disbursements</u>
<u>U.S. DEPARTMENT OF</u>						
<u>AGRICULTURE</u>						
<i>Passed Through the City of Akron</i>						
Special Supplemental Nutrition Program for Women, Infants and Children	FY0393713	10.557	\$ 316,450	\$ -	\$ 280,137	\$ -
	FY0493714	10.557	12,475	-	60,440	-
Total Special Supplemental Nutrition for Women, Infants and Children			328,925	-	340,577	-
Total U.S. Department of Agriculture			328,925	-	340,577	-
<u>U.S. DEPARTMENT OF</u>						
<u>HEALTH AND HUMAN</u>						
<u>SERVICES</u>						
<i>Passed Through Ohio Department of Health</i>						
Health Promotion Block Grant	FY0293722	93.991	30,003	-	9,511	-
	FY0393723	93.991	89,717	-	89,493	-
Total Health Promotional Block Grant			119,720	-	99,004	-
Child and Family Services Block Grant <i>Passed Through the City of Akron</i>	FY0293732	93.944	45,134	-	-	-
	FY0393733	93.944	101,317	-	78,030	-
	FY0493734	93.944	31,270	-	59,575	-
Total Child and Family Services Block Grant			177,721	-	137,605	-
OIMRI <i>Passed Through Ohio Department of Health</i>	FY0393823	93.994	93,267	-	117,506	-
	FY0493824	93.994	37,500	-	11,685	-
Total OIMRI			130,767	-	129,191	-

The note to the Schedule of Federal Awards Expenditures is an integral part of this schedule.

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES

DECEMBER 31, 2003

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	Federal CFDA Number	Receipts	Non- Cash Receipts	Disbursements	Non-Cash Disbursements
Medicaid Eligibility <i>Passed Through the City of Barberton</i>	FY0393813	93.778	25,488	-	34,996	-
Total MEO			25,488	-	34,996	-
Immunization Action Plan - Infant Immunizations <i>Passed Through Ohio Department of Health</i>	FY0293702 FY0393703	93.268 93.268	11,193 169,008	- -	55,665 133,450	- -
Total Immunization Action Plan - Infant Immunizations			180,201	-	189,115	-
Public Health Infrastructure <i>Passed Through Ohio Department of Health</i>	FY0393953	93.283	158,640	-	143,814	-
<i>Passed Through City of Akron</i>	FY0493954	93.283	44,112	-	58,966	-
Total Public Health Infrastructure			202,752	-	202,780	-
Total U.S. Department of Health and Human Services			836,649	-	792,691	-
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>						
Disaster Assistance	FY0393601	83.544	24,035	-	21,580	-
Total Federal Emergency Management Agency			24,035	-	21,580	-
Total Federal Financial Assistance			\$ 1,189,609	\$ -	\$ 1,154,848	\$ -

The note to the Schedule of Federal Awards Expenditures is an integral part of this schedule.

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SUMMIT COUNTY

NOTE TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

DECEMBER 31, 2003

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures is a summary of the Health District's federal award programs. The schedule has been prepared on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



BROTT MARDIS & CO.

Certified Public Accountants

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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 Health
Summit County General Health District
Summit County
1100 Graham Circle
Stow, Ohio 44224

We have audited the financial statements of the Summit County General Health District (the Health District) as of and for the year ended December 31, 2003, and have issued our report thereon dated February 6, 2004. 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 Health 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 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 the Health 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.

This report is intended solely for the information and use of management, the 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.

Brott Mardis & Co.

Certified Public Accountants
February 6, 2004



BROTT MARDIS & CO.

Certified Public Accountants

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

Board of Health
Summit County General Health District
Summit County
1100 Graham Circle
Stow, Ohio 44224

Compliance

We have audited the compliance of Summit County General Health District (the Health 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, 2003. The Health District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Health District's management. Our responsibility is to express an opinion on the Health 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 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 the Health 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 Health District's compliance with those requirements.

In our opinion, the Health 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, 2003.

Internal Control Over Compliance

The management of the Health 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 Health 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.

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 management, the 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.


Certified Public Accountants
February 6, 2004

SUMMIT COUNTY GENERAL HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2003

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Health District.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Health District were disclosed during the audit.
4. No reportable conditions in internal control were disclosed during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award program for the Health District expresses an unqualified opinion on the major federal program.
6. No audit findings relative to the major federal award program for the Health District are reported in this schedule.
7. The programs tested as the major programs were Medicaid Eligibility-CFDA #93.778, Immunization Action Plan-CFDA #93.268 and Public Health Infrastructure-CFDA #93.283.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Health District was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS

None



**Auditor of State
Betty Montgomery**

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SUMMIT COUNTY GENERAL HEALTH DISTRICT

SUMMIT 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
AUGUST 17, 2004**