



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES

Hamilton County General Health District  
Hamilton County  
250 William Howard Taft Road  
Cincinnati, Ohio 45219

We have performed the procedures enumerated below, with which The Ohio Department of Health, the Board of Commissioners and the management of Hamilton County General Health District (the District) agreed, solely to assist the District in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2006 and 2005, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report will only describe exceptions exceeding \$1,000.

### **Cash Balances Procedures:**

1. As permitted by the Ohio Revised Code, the Hamilton County Treasurer is custodian for the District's deposits and investments. The County's deposit and investment pool holds the District's assets. We confirmed the District's account balances with the Hamilton County Auditor and Treasurer. We found no exceptions.
2. We agreed the January 1, 2005 fund balances recorded in the Hamilton County Performance System to the December 31, 2004 balances in the 2004 audited statements, and we agreed the December 31, 2006 fund balances recorded in the Hamilton County Performance System to the January 1, 2007 balances in the 2007 audited statements. We found no exceptions.

### **Receipt and Disbursement Transactions Procedures:**

1. We haphazardly selected from the County Auditor's office *Performance* reports 40 receipts from each year 2005 and 2006 and compared the transactions to evidence supporting they were posted to a proper fund and recorded in the proper year. We noted that the District comingled federal receipts and disbursements in the General fund and 7 out of 40 receipts reviewed in 2005 for a total amount of \$596,073, and 5 out of 40 receipts reviewed in 2006 for a total amount of \$427,205 were federal grant receipts that were recorded in the General fund rather than a separate fund in accordance with federal requirements.

2. We haphazardly selected 40 disbursements from the Hamilton County Auditor's Office Performance System for each year 2005 and 2006 and determined whether:
  - a. The disbursements were for a proper public purpose.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Hamilton County Auditor's Office Performance System and to the names and amounts on the supporting invoices.
  - c. If applicable, determined whether the payment was posted to a restricted fund consistent with the fund's purpose in compliance with OMB Circular A87 for federal funds expended.

We noted that the District comingled federal receipts and disbursements in the General fund, and that 15 out of 40 disbursements reviewed in 2005 totaling \$500,408, and 17 out of 40 disbursements reviewed in 2006 totaling \$370,128 were federal disbursements that were recorded in the General fund rather than a separate fund in accordance with federal requirements. We also noted two disbursements in 2005 totaling \$55,778, and 1 disbursement in 2006 totaling \$53,055 which were recorded in the General fund using object level codes reserved for federal disbursements that were not federal disbursements.

3. We haphazardly selected one payroll check for five employees from 2005 and 2006 from the Payroll Register Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Ceridian Voucher transmittal report to supporting documentation (timecard or legislatively-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as indicated from supporting documentation. We also determined whether the payment was posted to the proper year. We found no exceptions.
4. We compared any exceptions noted in step 1, 2, and 3 with any correcting entries already identified and recorded by the County Auditor during the year end close-out process. The County Auditor did not have any correcting entries to address the exceptions identified in steps 1 and 2.

**Officials' Response:**

We acknowledge your comments in the report for #1 and # 2 under Receipt and Disbursement Transactions Procedures regarding the maintenance of separate receipts and disbursements, and fund accounts for all Federal awards. We have since created a separate grant fund and are using grant accounting to separately and accurately track each award, and are certain that this method will provide better transparency. We still feel it is important to note that while a separate fund account should have been maintained, the Health District did keep accurate and separate paper records of the awards, and no awards were at any time misspent or misreported to the grantors.

We are not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the District, 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 "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

January 29, 2013

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**HAMILTON COUNTY GENERAL HEALTH DISTRICT**

**HAMILTON 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  
FEBRUARY 12, 2013**