

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,  
ADDICTION AND MENTAL HEALTH SERVICES  
GALLIA COUNTY**

**Single Audit**

**For the Year Ended December 31, 2019**







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(800) 282-0370

Board Members  
Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services  
53 Shawnee Lane  
Gallipolis, Ohio 45631

We have reviewed the *Independent Auditor's Report* of the Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services, Gallia County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. 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 Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

September 8, 2020

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**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,  
DRUG ADDICTION AND MENTAL HEALTH SERVICES  
GALLIA COUNTY  
For Year Ending December 31, 2019**

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**INDEPENDENT AUDITOR'S REPORT**

Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services  
Gallia County  
53 Shawnee Lane  
Gallipolis, Ohio 45631

To the Members of the Board:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services, Gallia County, Ohio (the Board), as of and for the year ended December 31, 2019.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Board's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the Board prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Board does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Board as of December 31, 2019, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services, Gallia County Ohio, as of December 31, 2019, for the year then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Other Matters***

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards and is not a required part of the financial statements.

The Schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this Schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the Schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this Schedule is fairly stated in all material respects in relation to the financial statements taken as a whole.

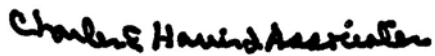


***Emphasis of Matter***

As discussed in Note 10 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Board. We did not modify our opinion regarding this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2020, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***  
July 20, 2020

**Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services**

*Gallia County*

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)*

*All Governmental Fund Types*

*For the Year Ended December 31, 2019*

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Grants	\$ 3,806,459	\$ 100,435	\$ 3,906,894
Charges for Services - Administrative	-	8,830	8,830
Other	44,025	8,000	52,025
<i>Total Cash Receipts</i>	<u>3,850,484</u>	<u>117,265</u>	<u>3,967,749</u>
<b>Cash Disbursements</b>			
Salaries	358,992	37,315	396,307
Supplies	2,201	508	2,709
Equipment	2,605	-	2,605
Contracts - Administrative	-	8,830	8,830
Contracts - Repairs	5,451	-	5,451
Contract - Services	2,846,011	59,659	2,905,670
Travel and Expenses	18,976	3,673	22,649
Public Employee's Retirement	59,348	5,224	64,572
Workers Compensation	5,192	1,102	6,294
Medicare	5,205	541	5,746
Hospitalization (Health Insurance)	93,130	-	93,130
Other Expenses	81,466	15,190	96,656
<i>Total Cash Disbursements</i>	<u>3,478,579</u>	<u>132,042</u>	<u>3,610,621</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	371,906	(14,777)	357,129
<b>Other Financing Receipts (Disbursements)</b>			
Advances In	-	29,183	29,183
Advances Out	-	(29,183)	(29,183)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	371,906	(14,777)	357,129
<i>Fund Cash Balances, January 1</i>	<u>1,956,832</u>	<u>62,499</u>	<u>2,019,331</u>
<b>Fund Cash Balances, December 31</b>			
Restricted	-	66,583	66,583
Assigned	196,471	-	196,471
Unassigned (Deficit)	2,132,267	(18,861)	2,113,406
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,328,738</u>	<u>\$ 47,722</u>	<u>\$ 2,376,460</u>

*See accompanying notes to the financial statements*

# Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services

Gallia County, Ohio

Notes to the Financial Statements

For the Year Ended December 31, 2019

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## Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction, and Mental Health Services, Gallia County, (the Board) as a body corporate and politic. A fourteen-member Board is the governing Body. The Board's Director and the legislative authorities of the political subdivisions making up the Board appoint the other Board members. The Board includes members from those legislative authorities as well as citizens of the Board. Those subdivisions are Gallia County, Jackson County, and Meigs County. The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board's program area. Private and public agencies are the primary service providers, through Board contracts.

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

The Board serves as the administrative agent for the Gallia County Family and Children First Council.

## Note 2 - Summary of Significant Accounting Policies

### *Basis of Presentation*

The Board's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

### *Fund Accounting*

The Board uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Board are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Board for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Board had the following significant Special Revenue Fund:

**Gallia County Family and Children First** – The Board serves as the administrative agent for the Gallia County FCFC.

### *Basis of Accounting*

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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).

**Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services**

*Gallia County, Ohio*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2019*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Basis of Accounting (Continued)***

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

***Budgetary Process***

The Ohio Revised Code requires the Board to adopt a budget for each fund annually.

***Appropriations***

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function 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.

***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 approve estimated resources.

***Encumbrances***

The Ohio Revised Code requires the Board to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2019 budgetary activity appears in Note 3.

***Capital Assets***

The Board records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services**

Gallia County, Ohio

Notes to the Financial Statements

For the Year Ended December 31, 2019

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**Note 2 - Summary of Significant Accounting Policies (continued)**

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Board must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Board classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Board must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Board or a Board official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as they do when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget in the General Fund.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Board applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$3,860,359	\$3,850,484	(\$9,875)
Special Revenue	107,390	117,265	9,875

**Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services**

*Gallia County, Ohio*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2019*

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**Note 3 - Budgetary Activity (Continued)**

2019 Budgeted vs. Actual Budgetary Basis Disbursements			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General	\$3,710,172	\$3,675,050	\$35,122
Special Revenue	132,042	132,042	0

**Note 4 – Deposits and Investments**

As required by the Ohio Revised Code, the Gallia County Treasurer is custodian for the Board's deposits. The County's deposit and investment pool holds the Board's assets, valued at the Treasurer's reported carrying amount. The County is responsible for properly collateralizing any deposits in the County Treasury.

**Note 5 – Interfund Balances**

*Advances*

Advances in and Advances out were used by the Special Revenue Fund (FCFC). Advances of \$2,757 are due to the Family and Children First General Fund from the Help Me Grow Fund.

**Note 6 – Risk Management**

Full-time employees are provided health, vision, dental, and life insurance through the Gallia County Commissioners Office. Full-time employees are also offered supplemental life insurance.

Workers' Compensation coverage is provided by the State of Ohio. The Board pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

*Commercial Insurance*

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Directors and Officers Liability
- Errors and omissions.

There has been no significant reduction in insurance coverage from 2018 and settled claims have not exceeded this coverage in the past three years.

**Gallia-Jackson-Meigs Board of Alcohol, Drug Addiction and Mental Health Services**

*Gallia County, Ohio*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2019*

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**Note 7 – Defined Benefit Pension Plan**

**Ohio Public Employees Retirement**

The Board's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Board contributed an amount equaling 14%, of participants' gross salaries. The Board has paid all contributions required through December 31, 2019.

**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans.

The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2019. The portion of employee contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2019.

**Note 9 – Contingent Liabilities**

Amounts grantor agencies pay to the Board are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 10 – Subsequent Event**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Board. The Board's investment portfolio has incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Board's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,  
DRUG ADDICTION AND MENTAL HEALTH SERVICES  
GALLIA COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(PREPARED BY MANAGEMENT)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>FEDERAL GRANTOR Pass-Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Number</b>	<b>Passed Through to Subrecipients</b>	<b>Disbursements</b>
<b>United States Department of Education</b>				
<i>Pass-Through Ohio Department of Development Disabilities:</i>				
Special Education - Grants for Infants and Families	84.181	H181A190024	\$ -	\$ 12,192
	84.181	H181A200024	-	12,330
Total United States Department of Education			-	24,522
<b>United States Department of Health and Human Services</b>				
<i>Pass-Through Ohio Department of Mental Health Addiction Services:</i>				
Social Services Block Grant	93.667	N/A	-	59,613
Promoting Safe and Stable Families	93.556	5AU-19-C0027/5AU20-C0027	-	32,144
Substance Abuse & Mental Health Services_Projects of Regional and National Significance	93.243	1900520/1900693	-	106,070
Opioid STR	93.788	1900486	-	261,920
State Opioid Response - Opiate Treatment	93.788	1900804/1900921/2000410	-	605,301
Total Opioid Grants			-	867,221
Block Grants for Community Mental Health Services	93.958	SM1041-19/20	-	72,152
<b>Pass-Through Ohio Department of Alcohol and Drug Addiction Services:</b>				
Block Grants for the Prevention and Treatment of Substance Abuse	93.959			
Substance Abuse and Violence Education and Support		1900288/2000040	26,492	26,492
Community Investment Treatment		T1010041-17	-	123,353
TASC Serving Gallia, Jackson, and Meigs Counties		1900243/2000181	405,287	405,287
Prevention Per Capita		T1010041-17	2,569	105,060
Total Block Grants for the Prevention and Treatment of Substance Abuse			434,348	660,192
Total United States Department of Health and Human Services			434,348	1,797,392
<b>Total Expenditures of Federal Awards</b>			<b>\$ 434,348</b>	<b>\$ 1,821,914</b>

The accompanying Notes to the Federal Awards Expenditures Schedule are an integral part of this Schedule.



**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,  
DRUG ADDICTION AND MENTAL HEALTH SERVICES  
GALLIA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(PREPARED BY MANAGEMENT)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Board under programs of the federal government for the year ended December 31, 2019. The information on this Schedule is prepared in accordance with the requirements of *Title 2 U.S. Requirements for Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position, changes in fund balance, or cash flows of the Board.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D – SUBRECIPIENTS**

The Board passes certain federal awards received from the Ohio Department of Mental Health and Addiction Services to other governments or not-for-profit agencies (subrecipients). As Note A describes, the Board reports expenditures of Federal Awards to subrecipients when paid in cash.

As a subrecipient, the Board has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

**NOTE E – MATCHING REQUIREMENTS**

Certain Federal programs require the Board to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS

Gallia-Jackson-Gallia Board of Alcohol, Addiction and Mental Health Services  
Gallia County  
53 Shawnee Lane  
Gallipolis, Ohio 45631

To the Members of the Board:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements by fund type of the Gallia-Jackson-Gallia Board of Alcohol, Addiction and Mental Health Services, Gallia County, (the Board) as of and for the year ended December 31, 2019, and the related notes to the financial statements and have issued our report thereon dated July 20, 2020, wherein we noted the Board followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Board.

**Internal Control Over Financial Reporting**

As part of our financial statement audit, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Board's internal control. Accordingly, we have not opined on it.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Board's financial statements. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Board's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

### **Purpose of this Report**

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Charles E. Harris & Associates, Inc.**  
July 20, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services  
Gallia County  
53 Shawnee Lane  
Gallipolis, Ohio 45631

To the Members of the Board:

***Report on Compliance for the Major Federal Program***

We have audited the Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services' (the Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Board's major federal program for the year ended December 31, 2019. The Board's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Board's major federal program based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the Board's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Gallia-Jackson-Meigs Board of Alcohol, Addiction and Mental Health Services, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

***Report on Internal Control Over Compliance***

Management of the Board, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



***Charles E. Harris & Associates, Inc.***  
July 20, 2020

**GALLIA-JACKSON-MEIGS BOARD OF ALCOHOL,  
DRUG ADDICTION AND MENTAL HEALTH SERVICES  
GALLIA COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
December 31, 2019**

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

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)	No
(d)(1)(vii)	Major Programs:	Opioid STR; and State Opioid Response - Opiate Treatment - CFDA #93.788
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: >\$750,000 Type B: All Others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None

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# OHIO AUDITOR OF STATE KEITH FABER



**GALLIA JACKSON MEIGS BOARD OF ADAMH SERVICES**

**GALLIA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 9/22/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)