

**FRANKLIN COUNTY
HEALTH DEPARTMENT
Frankfort, Kentucky**

**FINANCIAL STATEMENTS
June 30, 2014**

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Ray, Foley, Hensley & Company, PLLC

Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Health
Franklin County Health Department
Frankfort, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the Franklin County Health Department (the Health Department) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Health Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the **Administrative Reference** established by the Commonwealth of Kentucky, Cabinet for Health and Family Services, Department for Public Health, Division of Administration and Financial Management; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

As described in Note 1, the financial statements are prepared by the Health Department, on the basis of the financial reporting provisions of the **Administrative Reference**, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Commonwealth of Kentucky. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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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 Health Department as of June 30, 2014, and the respective changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the assets, liabilities and fund balances arising from cash transactions of the Franklin County Health Department, as of June 30, 2014, and the respective cash receipts and cash disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions of the **Administrative Reference** as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Health Department’s basic financial statements. The supplementary schedules of revenues and expenditures by reporting area are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for 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 also not a required part of the basic financial statements.

The supplementary schedules of revenues and expenditures by reporting area and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules of revenues and expenditures by reporting area and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with **Government Auditing Standards**, we have also issued our report dated October 29, 2014, on our consideration of the Health Department’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 Health Department’s internal control over financial reporting and compliance.

Ray, Foley, Hensley & Company

Ray, Foley, Hensley & Company, PLLC
October 29, 2014

**FRANKLIN COUNTY HEALTH DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE
June 30, 2014**

ASSETS

Current assets		
Cash		
Checking	\$	494,741
Petty cash		<u>415</u>
Total assets	\$	<u>495,156</u>

LIABILITIES AND FUND BALANCE

Current liabilities		
Payroll withholdings and other payables	\$	11,552
Fund Balance		
Unrestricted	\$	403,988
Restricted - State		5,583
Restricted - Federal		13,367
Restricted - Fees		<u>60,666</u>
Total fund balance		<u>483,604</u>
Total liabilities and fund balance	\$	<u>495,156</u>

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

**FRANKLIN COUNTY HEALTH DEPARTMENT
STATEMENT OF CASH REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
for the year ended June 30, 2014**

	Budget	Actual	Over (under) Budget
CASH REVENUES			
State	\$ 537,827	\$ 499,125	\$ (38,702)
Federal, pass-through	679,317	676,840	(2,477)
Local	1,532,500	1,533,223	723
Service fees and other	2,494,887	2,735,691	240,804
Interest	<u>1,500</u>	<u>297</u>	<u>(1,203)</u>
 Total cash revenues	 <u>5,246,031</u>	 <u>5,445,176</u>	 <u>199,145</u>
CASH EXPENDITURES			
Salaries and leave	2,832,434	2,778,854	(53,580)
Part-time	364,775	269,209	(95,566)
Fringe benefits	1,505,145	1,457,446	(47,699)
Contracts	85,625	45,420	(40,205)
Travel	54,612	48,108	(6,504)
Space occupancy	87,750	114,035	26,285
Office and administrative expense	202,326	223,724	21,398
Medical supplies	208,010	182,106	(25,904)
Other operating expenses	274,587	272,458	(2,129)
Capital items	<u>-</u>	<u>-</u>	<u>-</u>
 Total cash expenditures	 <u>5,615,264</u>	 <u>5,391,360</u>	 <u>(223,904)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 (369,233)	 53,816	 423,049
 Prior year funds used	 391,184	 118,807	 (272,377)
 FUND BALANCE - beginning of year	 <u>429,787</u>	 <u>310,981</u>	 <u>(118,806)</u>
 FUND BALANCE - END OF YEAR	 <u>\$ 451,738</u>	 <u>\$ 483,604</u>	 <u>\$ 31,866</u>

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

FRANKLIN COUNTY HEALTH DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Franklin County Health Department (the Health Department) records revenues and expenditures on the cash receipts and disbursements method in accordance with the **Administrative Reference** established by the Commonwealth of Kentucky, Cabinet for Health and Family Services, Department for Public Health, Division of Administration and Financial Management. This basis of accounting and financial reporting differs from generally accepted accounting principles in several areas. Accounts receivable for revenue earned, but not received, and accounts payable for payroll accrued and expense incurred, but unpaid, are not recorded. Inventories are not recorded, but are expensed to the current period. Property, plant and equipment are not capitalized and related depreciation expense, prepaid expenses and deferred revenues are not recorded.

Federal and state revenues for services are recognized as received and are based in some instances upon reimbursement reports filed by the Health Department for eligible services and are subject to adjustments based upon federal and state agency audits as to eligibility of recipients and the computation of reimbursable costs. As of October 29, 2014, no formal reports have been issued as a result of audits performed or in progress for the year ended June 30, 2014.

Source of Funds:

Revenue sources of the Health Department are divided into four groups as follows:

State - includes restricted and unrestricted state grant funds

Federal - includes direct federal grant funds and funds passed through Cabinet for Health and Family Services

Local - includes funds from taxing districts, county and city appropriations, and donations from private sources

Service fees and other - includes funds from Medicaid and Medicare payments for services, self-pay, insurance payments, other pay for service, and interest received.

All transactions are recorded in the general fund except those related to environmental inspection and permit fees. These fees are treated as escrow funds and are deposited in an environmental checking account with a portion being disbursed to the State and a portion being disbursed to the Health Department. Revenue is recorded in the general fund when the portion disbursed to the Health Department is deposited in the operations checking account.

Funding restricted for specific programs in excess of those programs' allowed reimbursements or expenditures are recorded at year-end in the Fund Balance - Restricted.

The Health Department is directed by the State when to use restricted or unrestricted resources when an expenditure is incurred for purposes, for which both restricted and unrestricted net assets are available.

The Health Department uses an indirect cost allocation plan as approved by the Commonwealth of Kentucky, Cabinet for Health and Family Services, Department for Public Health, and is prepared in accordance with OMB Circular A-87.

Functional classifications are included in supplementary data and are a part of the audit for the Health Department.

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly actual results could differ from those estimates.

FRANKLIN COUNTY HEALTH DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Health Department has evaluated and considered the need to recognize or disclose subsequent events through October 29, 2014, which represents the date that these financial statements were available to be issued. Subsequent events past this date, as they pertain to the year ended June 30, 2014, have not been evaluated by the Health Department.

2. CASH AND INVESTMENTS

Under Kentucky Revised Statute 66.480, the Health Department is allowed to invest in obligations of the U.S. and of its agencies, obligations backed by the full faith and credit of the U.S. or a U.S. government agency, obligations of any corporation of the U.S. government, certificates of deposit or other interest-bearing accounts issued by institutions insured by the Federal Deposit Insurance Corporation (FDIC) or similarly collateralized institutions, and bonds and securities of states, local governments, or related agencies in the U.S. rated in one of the three highest categories by a nationally recognized rating agency.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Health Department will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. In order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be one hundred percent of the market value of the principal, plus accrued interest.

The Health Department's deposits at June 30, 2014 were fully covered by federal depository insurance or by collateral held by the custodial banks in the Health Department's name.

Total bank balances	\$ 600,326
FDIC insurance	(250,000)
Collateral held by pledging bank	<u>(1,079,335)</u>
(Over) collateralized	<u>\$ (729,009)</u>

3. ACCRUED TIME-OFF

The Health Department's accrued vacation and other potential compensated absences are not accrued as earned because the Health Department uses the cash basis of accounting. The Health Department records show a potential liability totaling \$193,215 at June 30, 2014.

4. RISK MANAGEMENT

The Health Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In addition to its general liability insurance, the Health Department also carries commercial insurance for all other risks of loss such as worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

**FRANKLIN COUNTY HEALTH DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2014**

5. FUND BALANCE

Fund balance is restricted due to specific program restrictions. Fund balance is restricted as follows:

	State	Federal	Fees	Totals
H1N1-731	\$ -	\$ 29	\$ -	\$ 29
KY Oral Health Coalition-735	-	3,428	-	3,428
CHAT-736	-	111	-	111
Humana Vitality-758	-	-	13,186	13,186
Comp HV Start-Up Admin-768	-	2,334	-	2,334
Bioterrorism (Focus Area E)-823	-	5,190	-	5,190
Bioterrorism (Focus Area F)-824	-	186	-	186
NACCHO Achieve Grant-826	-	1,280	-	1,280
HIV Counseling & Testing-842	3,938	-	-	3,938
HANDS-853	1,645	-	-	1,645
E.P.S.D.T.-865	-	-	5,608	5,608
V.A. Patients-866	-	-	333	333
Home and Com. Based Waiver-868	-	-	41,539	41,539
WIC Pass Thru-875	-	652	-	652
V.A. Patients-876	-	157	-	157
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 5,583</u>	<u>\$ 13,367</u>	<u>\$ 60,666</u>	<u>\$ 79,616</u>

6. RETIREMENT PLAN

The Health Department is a participating employer of the Kentucky Employees' Retirement System (KERS). Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems administers the KERS.

The plan issues separate financial statements which may be obtained by request from Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601.

Plan Description – KERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living (COLA) adjustments are provided at the discretion of state legislature.

Contributions – For the year ended June 30, 2014, grandfathered plan members were required to contribute 5.00% of wages for non-hazardous job classifications. Employees hired after September 1, 2008 were required to contribute 6% of wages for non-hazardous job classifications. Participating employers were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last proceeding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial basis adopted by the Board. For the year ended June 30, 2014, participating employers contributed 26.79% of each non-hazardous employee's wages, which is equal to the actuarially determined rate set by the Board. Administrative costs of Kentucky Retirement System are financed through employer contributions and investment earnings.

FRANKLIN COUNTY HEALTH DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

6. RETIREMENT PLAN (CONTINUED)

The required contribution (employee and employer) and the actual percentage contributed for the Health Department for the current and previous two years are as follows:

Year	Required Contribution	Percentage Contributed
2014	\$ 923,756	100%
2013	\$ 788,735	100%
2012	\$ 849,003	100%

7. COMPLIANCE

The Franklin County Health Department is in compliance with 902 KAR 8:170, Section 3, Subsection 3(c).

8. HOME HEALTH MEDICAID

The June 30, 2013, cost settlements for Home Health were processed and additional payments totaling \$184,934 are included in current year service fee revenues.

9. RELATED PARTY

The Health Department is related to the Franklin County Public Health Taxing District by common Board members. The Franklin County Board of Health sets the public health tax annually. A total of \$1,530,000 in public health taxes were transferred from the Taxing District to the Health Department for the year ended June 30, 2014.

10. GASB 68

In June 2012, the GASB approved a pair of related Statements that reflect substantial changes to the accounting and financial reporting of state and local government employers and pension plans. Statement No. 67, Financial Reporting for Pension Plans, addresses financial reporting for state and local government pension plans. Statement No. 68, Accounting and Financial Reporting for Pensions, addresses financial reporting for state and local government employers whose employees are provided with pensions through pension plans that are covered under Statement No. 67.

The guidance contained in these Statements will change how governments calculate and report the costs and obligations associated with pensions in important ways. It is designed to improve the decision usefulness of reported pension information and to increase the transparency, consistency, and comparability of pension information across governments. Under the pension standards now in effect, cost-sharing employers have not been required to present actuarial information about pensions. Instead, information has been required to be presented in the pension plan's own financial statements for all of the participating governments combined.

Statement No. 68 will take effect for pension plan employers in fiscal years beginning after June 15, 2014, (that is, for years ended June 30, 2015, or later). The Health Department is currently evaluating the effects of this statement on its financial statements. The Health Department estimates that its total unfunded liability would be approximately \$18,117,000, based upon the 2013 plan financial statements plan contributions. The actual liability for June 30, 2015, could be considerably different due to changes in system assumptions and liabilities.

SUPPLEMENTARY SCHEDULES

FRANKLIN COUNTY HEALTH DEPARTMENT
SUPPLEMENTARY SCHEDULE OF REVENUES BY REPORTING AREA
for the year ended June 30, 2014

	REVENUE						Total Costs	Department Carryover	Excess Revenues (Expenditures)	
	State	Federal	Local	Service Fees	Interest	Total Revenues				
Food	500	\$ 167,076	\$ -	\$ 37,250	\$ 6,188	\$ 293	\$ 210,807	\$ 210,807	\$ -	\$ -
Public Facilities	520	-	-	30,216	3,032	-	33,248	33,248	-	-
General Sanitation	540	-	-	57,252	-	-	57,252	57,252	-	-
Onsite Sewage	560	-	-	47,603	12,280	-	59,883	59,883	-	-
Total Environmental		<u>167,076</u>	<u>-</u>	<u>172,321</u>	<u>21,500</u>	<u>293</u>	<u>361,190</u>	<u>361,190</u>	<u>-</u>	<u>-</u>
Preventative/Presenting Problems	700	-	-	-	-	-	-	-	-	-
Dental Services	712	9,200	-	1,560	6,241	-	17,001	25,534	8,533	-
Laboratory/Testing/Radiology	718	-	-	-	-	-	-	-	-	-
Osteoporosis Prevention & Ed.	723	2,000	-	435	-	-	2,435	2,435	-	-
KY Oral Health Coalition	735	-	-	644	-	-	644	644	-	-
CHAT	736	-	4,558	111	-	-	4,669	4,669	-	-
Coordinated School Health	740	-	384	-	-	-	384	384	-	-
Environmental Strike Team	746	-	751	100	-	-	851	851	-	-
IEP Student School Contract	748	-	-	20,978	-	-	20,978	20,978	-	-
Accreditation	750	-	-	58,122	-	-	58,122	58,122	-	-
Humana Vitality	758	-	-	-	20,955	-	20,955	15,147	-	5,808
MCH Coordinator	766	-	33,108	18,337	-	-	51,445	51,445	-	-
Comp HV Start-Up Admin	768	-	13,317	6,339	-	-	19,656	19,656	-	-
PHEP Special Projects	771	-	30,000	231	-	-	30,231	30,231	-	-
HBE Assistance	772	-	-	542	-	-	542	542	-	-
Pediatric/Adolescent	800	-	50,103	271	140,925	-	191,299	191,299	-	-
Family Planning	802	1,280	97,038	135,013	50,480	-	283,811	283,811	-	-
Maternity Services & Activity	803	-	-	24,579	-	-	24,579	24,579	-	-
WIC	804	-	234,713	22,551	-	-	257,264	257,264	-	-
MCH Nutrition & Group Activity	805	-	5,076	16,511	8,786	3	30,376	30,376	-	-
Tuberculosis Visits & Activity	806	-	50	51,006	6,868	-	57,924	57,924	-	-
Sexually Transmitted Disease	807	-	-	145,034	21,963	-	166,997	166,997	-	-
Diabetes	809	-	-	19,369	250	-	19,619	19,619	-	-
Adult Visits & Follow-up	810	802	-	159,324	125,228	-	285,354	285,354	-	-
Breast & Cervical Cancer	813	-	11,485	41,631	2,493	-	55,609	55,609	-	-
Healthy Communities	817	10,000	-	982	-	-	10,982	10,982	-	-
Community Based Services	818	-	-	6,224	850	-	7,074	7,074	-	-
Bioterrorism (Focus Area A)	821	-	33,775	13,701	-	-	47,476	47,476	-	-
Bioterrorism (Focus Area E)	823	-	531	845	-	-	1,376	1,376	-	-
NACCHO Achieve Grant	826	-	-	1,348	-	-	1,348	1,348	-	-
PRAMS	827	-	16,493	-	-	-	16,493	16,493	-	-
Tobacco Cessation	836	18,238	-	4,172	-	-	22,410	22,410	-	-
Federal Diabetes Today	841	-	2,000	2,819	-	-	4,819	4,819	-	-
HIV Counseling & Testing	842	6,572	-	-	-	-	6,572	2,634	-	3,938
HANDS	853	46,310	-	-	209,021	-	255,331	256,072	741	-
Physical Activity	857	-	-	7,785	-	-	7,785	7,785	-	-
Special Project-School Nurse	858	-	-	354,881	510,148	1	865,030	865,030	-	-
Home Health	861	-	-	140,217	1,304,988	-	1,445,205	1,474,298	29,093	-
Senior Bridge	864	-	-	191	731	-	922	922	-	-
EPSDT	865	-	-	-	5,608	-	5,608	-	-	5,608
V.A. Patients	866	-	-	-	333	-	333	-	-	333
Home & Community Based Waiver	868	-	-	-	270,717	-	270,717	229,178	-	41,539
Nurse Consultant for DPH	871	30,806	-	2,353	-	-	33,159	33,159	-	-
Admin Resource MGR	872	100,463	-	2,439	-	-	102,902	102,902	-	-
WIC Pass Thru	875	-	59,129	4,146	-	-	63,275	63,275	-	-
TB Pass Thru	876	-	1,282	-	-	-	1,282	1,125	-	157
DPH Hands	878	56,301	-	4,117	-	-	60,418	60,418	-	-
EPSDT Outreach	883	-	-	3,672	20,722	-	24,394	24,394	-	-
Core Public Health	890	-	-	47,868	30	-	47,898	47,898	-	-
Medicaid Match	891	-	-	34,905	-	-	34,905	115,345	80,440	-
Clinical Expenses for Other HD	893	-	-	2,687	4,477	-	7,164	7,164	-	-
Total Medical		<u>281,972</u>	<u>593,793</u>	<u>1,358,040</u>	<u>2,711,814</u>	<u>4</u>	<u>4,945,623</u>	<u>5,007,047</u>	<u>118,807</u>	<u>57,383</u>
Minor Restricted		-	-	2,862	-	-	2,862	2,862	-	-
Allocable Direct		<u>50,077</u>	<u>83,047</u>	<u>-</u>	<u>2,377</u>	<u>-</u>	<u>135,501</u>	<u>20,261</u>	<u>-</u>	<u>115,240</u>
Total Administrative		<u>50,077</u>	<u>83,047</u>	<u>2,862</u>	<u>2,377</u>	<u>-</u>	<u>138,363</u>	<u>23,123</u>	<u>-</u>	<u>115,240</u>
Total revenues		<u>\$ 499,125</u>	<u>\$ 676,840</u>	<u>\$ 1,533,223</u>	<u>\$ 2,735,691</u>	<u>\$ 297</u>	<u>\$ 5,445,176</u>	<u>\$ 5,391,360</u>	<u>\$ 118,807</u>	<u>\$ 172,623</u>

**FRANKLIN COUNTY HEALTH DEPARTMENT
SUPPLEMENTARY SCHEDULE OF DIRECT COSTS BY REPORTING AREA
for the year ended June 30, 2014**

	DIRECT COSTS										Total Direct Costs	
	Salaries	Part-Time	Fringes	Contracts	Travel	Occupancy	Administration	Supplies	Other	Capital		
Food	500	\$ 73,520	\$ -	\$ 31,034	\$ -	\$ -	\$ -	\$ 85	\$ -	\$ 231	\$ -	\$ 104,870
Public Facilities	520	11,684	-	4,932	-	-	-	-	-	28	-	16,644
General Sanitation	540	20,070	-	8,469	-	-	-	-	-	49	-	28,588
Onsite Sewage	560	20,961	-	8,849	-	-	-	-	-	14	-	29,824
Total Environmental		<u>126,235</u>	<u>-</u>	<u>53,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>179,926</u>
Preventative/Presenting Problems	700	294,726	82,525	136,201	-	120	-	64	3,541	-	-	517,177
Dental Services	712	912	111	406	-	22	-	-	-	-	-	1,451
Laboratory/Testing/Radiology	718	10,384	6,564	5,176	6,955	-	-	-	9,774	215	-	39,068
Osteoporosis Prevention & Ed.	723	1,222	-	650	-	13	-	-	-	-	-	1,885
KY Oral Health Coalition	735	224	-	115	-	48	-	-	-	25	-	412
CHAT	736	2,240	-	1,197	-	84	-	-	-	-	-	3,521
Coordinated School Health	740	-	-	-	-	184	-	-	-	200	-	384
Environmental Strike Team	746	387	-	210	-	6	-	-	-	-	-	603
IEP Student School Contract	748	10,822	-	5,779	-	-	-	-	-	-	-	16,601
Accreditation	750	28,192	-	15,065	-	(451)	-	-	-	636	-	43,442
Humana Vitality	758	3,577	1,729	2,095	-	-	-	-	3,403	589	-	11,393
MCH Coordinator	766	21,224	3,823	11,740	-	215	-	-	-	-	-	37,002
Comp HV Start-Up Admin	768	9,408	-	5,031	-	279	-	-	-	116	-	14,834
PHEP Special Projects	771	-	-	-	-	-	-	15,115	1,325	13,791	-	30,231
HBE Assistance	772	279	-	152	-	-	-	-	-	-	-	431
Pediatric/Adolescent	800	6,669	190	3,586	-	248	-	-	7	305	-	11,005
Family Planning	802	607	521	378	-	-	-	-	22,158	392	-	24,056
Maternity Services & Activity	803	706	-	381	11,781	33	-	-	1,264	-	-	14,165
WIC	804	14,554	-	7,779	-	26	-	1,653	167	1,013	-	25,192
MCH Nutrition & Group Activity	805	7,281	-	3,890	-	29	-	-	-	48	-	11,248
Tuberculosis Visits & Activity	806	617	-	325	-	-	-	-	1,347	-	-	2,289
Sexually Transmitted Disease	807	4,181	-	2,239	-	-	-	-	-	-	-	6,420
Diabetes	809	9,078	173	4,865	-	188	-	-	258	119	-	14,681
Adult Visits & Follow-up	810	2,947	179	1,596	-	56	-	-	61,683	85	-	66,546
Breast & Cervical Cancer	813	529	5,710	873	20,834	-	-	-	-	208	-	28,154
Healthy Communities	817	3,538	-	1,888	-	92	-	-	-	4,044	-	9,562
Community Based Services	818	3,104	-	1,663	-	9	-	-	-	61	-	4,837
Bioterrorism (Focus Area A)	821	7,114	18,128	5,683	-	289	-	761	-	676	-	32,651
Bioterrorism (Focus Area E)	823	188	476	150	-	-	-	94	-	-	-	908
NACCHO Achieve Grant	826	233	-	127	-	425	-	-	-	450	-	1,235
PRAMS	827	-	-	-	-	-	-	1,500	-	14,993	-	16,493
Tobacco Cessation	836	9,725	-	5,200	-	120	-	-	-	1,980	-	17,025
Federal Diabetes Today	841	1,355	-	719	-	-	-	-	-	2,054	-	4,128
HIV Counseling & Testing	842	1,226	-	650	-	-	-	-	-	-	-	1,876
HANDS	853	86,770	40,692	50,583	-	3,524	-	2,442	-	7,603	-	191,614
Physical Activity	857	2,341	-	1,255	-	6	-	-	-	2,845	-	6,447
Special Project-School Nurse	858	422,699	16,380	227,594	-	947	-	6,277	2,362	2,443	-	678,702
Home Health	861	539,309	31,755	252,241	5,850	25,456	-	50,943	73,159	2,577	-	981,290
Senior Bridge	864	393	-	186	-	30	-	-	-	-	-	609
EPSDT	865	-	-	-	-	-	-	-	-	-	-	-
V.A. Patients	866	-	-	-	-	-	-	-	-	-	-	-
Home & Community Based Waiver	868	89,579	3,845	42,212	-	3,996	-	-	1,028	-	-	140,660
Nurse Consultant for DPH	871	(31)	23,356	2,404	-	-	-	-	-	90	-	25,819
Admin Resource MGR	872	57,522	-	29,777	-	-	-	-	-	-	-	87,299
WIC Pass Thru	875	35,371	-	18,308	-	-	-	-	-	-	-	53,679
TB Pass Thru	876	629	-	325	-	-	-	-	-	-	-	954
DPH Hands	878	29,164	-	15,094	-	5,530	-	1,365	-	325	-	51,478
EPSDT Outreach	883	10,229	-	5,467	-	-	-	90	-	-	-	15,786
Core Public Health	890	22,035	-	11,782	-	72	-	1,139	-	1,686	-	36,714
Medicaid Match	891	-	-	-	-	-	-	-	-	115,345	-	115,345
Clinical Expenses for Other HD	893	3,504	-	1,874	-	370	-	-	-	-	-	5,748
Total Medical		<u>1,756,763</u>	<u>236,157</u>	<u>884,911</u>	<u>45,420</u>	<u>41,966</u>	<u>-</u>	<u>81,443</u>	<u>181,476</u>	<u>174,914</u>	<u>-</u>	<u>3,403,050</u>
Minor Restricted		-	-	-	-	-	-	-	-	2,862	-	2,862
Allocable Direct		-	-	20,261	-	-	-	-	-	-	-	20,261
Total Administrative		<u>-</u>	<u>-</u>	<u>20,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,862</u>	<u>-</u>	<u>23,123</u>
Indirect Cost Allocation - Space		34,268	204	20,596	-	-	114,035	-	-	-	-	169,103
Indirect Cost Allocation - Admin		211,835	18,706	129,097	-	3,505	-	125,299	-	64,666	-	553,108
Indirect Cost Allocation - Clinic		278,348	4,022	125,322	-	19	-	2,487	-	623	-	410,821
Indirect Cost Allocation - Medical		79,949	2,121	48,207	-	2,085	-	2,177	630	3,978	-	139,147
Indirect Cost Allocation - Home Health		211,441	7,999	127,740	-	533	-	9,750	-	15,499	-	372,962
Indirect Cost Allocation - Environmental		80,015	-	48,028	-	-	-	2,483	-	9,594	-	140,120
Indirect Cost Allocation		<u>895,856</u>	<u>33,052</u>	<u>498,990</u>	<u>-</u>	<u>6,142</u>	<u>114,035</u>	<u>142,196</u>	<u>630</u>	<u>94,360</u>	<u>-</u>	<u>1,785,261</u>
Total expenditures		<u>\$ 2,778,854</u>	<u>\$ 269,209</u>	<u>\$ 1,457,446</u>	<u>\$ 45,420</u>	<u>\$ 48,108</u>	<u>\$ 114,035</u>	<u>\$ 223,724</u>	<u>\$ 182,106</u>	<u>\$ 272,458</u>	<u>\$ -</u>	<u>\$ 5,391,360</u>

FRANKLIN COUNTY HEALTH DEPARTMENT
SUPPLEMENTARY SCHEDULE OF INDIRECT COSTS BY REPORTING AREA
for the year ended June 30, 2014

	INDIRECT COSTS							Total Indirect Costs	
	Departmental	Environmental	Clinic	Medical	Space	Home Health	Allocation		
Food	500	\$ 16,267	\$ 81,607	\$ -	\$ -	\$ 8,063	\$ -	\$ -	\$ 105,937
Public Facilities	520	2,583	12,968	-	-	1,053	-	-	16,604
General Sanitation	540	4,442	22,278	-	-	1,944	-	-	28,664
Onsite Sewage	560	4,635	23,267	-	-	2,157	-	-	30,059
Total Environmental		<u>27,927</u>	<u>140,120</u>	<u>-</u>	<u>-</u>	<u>13,217</u>	<u>-</u>	<u>-</u>	<u>181,264</u>
Preventative/Presenting Problems	700	92,850	-	392,149	40,262	55,131	-	(1,097,569)	(517,177)
Dental Services	712	243	-	-	104	175	-	23,561	24,083
Laboratory/Testing/Radiology	718	4,419	-	18,672	1,917	2,997	-	(67,073)	(39,068)
Osteoporosis Prevention & Ed.	723	343	-	-	149	58	-	-	550
KY Oral Health Coalition	735	61	-	-	26	145	-	-	232
CHAT	736	626	-	-	273	249	-	-	1,148
Coordinated School Health	740	-	-	-	-	-	-	-	-
Environmental Strike Team	746	112	-	-	47	89	-	-	248
IEP Student School Contract	748	3,031	-	-	1,314	32	-	-	4,377
Accreditation	750	7,893	-	-	3,423	3,364	-	-	14,680
Humana Vitality	758	1,543	-	-	671	1,540	-	-	3,754
MCH Coordinator	766	7,146	-	-	3,099	4,198	-	-	14,443
Comp HV Start-Up Admin	768	2,634	-	-	1,142	1,046	-	-	4,822
PHEP Special Projects	771	-	-	-	-	-	-	-	-
HBE Assistance	772	77	-	-	34	-	-	-	111
Pediatric/Adolescent	800	1,931	-	-	836	488	-	177,039	180,294
Family Planning	802	333	-	-	145	390	-	258,887	259,755
Maternity Services & Activity	803	199	-	-	86	72	-	10,057	10,414
WIC	804	4,076	-	-	1,767	1,263	-	224,966	232,072
MCH Nutrition & Group Activity	805	2,041	-	-	884	632	-	15,571	19,128
Tuberculosis Visits & Activity	806	171	-	-	75	186	-	55,203	55,635
Sexually Transmitted Disease	807	1,173	-	-	508	584	-	158,312	160,577
Diabetes	809	2,594	-	-	1,126	1,218	-	-	4,938
Adult Visits & Follow-up	810	879	-	-	383	386	-	217,160	218,808
Breast & Cervical Cancer	813	1,941	-	-	843	785	-	23,886	27,455
Healthy Communities	817	990	-	-	430	-	-	-	1,420
Community Based Services	818	868	-	-	377	992	-	-	2,237
Bioterrorism (Focus Area A)	821	7,694	-	-	3,337	3,794	-	-	14,825
Bioterrorism (Focus Area E)	823	205	-	-	88	175	-	-	468
NACCHO Achieve Grant	826	66	-	-	28	19	-	-	113
PRAMS	827	-	-	-	-	-	-	-	-
Tobacco Cessation	836	2,721	-	-	1,181	1,483	-	-	5,385
Federal Diabetes Today	841	382	-	-	164	145	-	-	691
HIV Counseling & Testing	842	343	-	-	149	266	-	-	758
HANDS	853	37,102	-	-	16,087	11,269	-	-	64,458
Physical Activity	857	658	-	-	284	396	-	-	1,338
Special Project-School Nurse	858	123,531	-	-	53,565	9,232	-	-	186,328
Home Health	861	140,445	-	-	-	32,509	320,054	-	493,008
Senior Bridge	864	93	-	-	-	-	220	-	313
EPSDT	865	-	-	-	-	-	-	-	-
V.A. Patients	866	-	-	-	-	-	-	-	-
Home & Community Based Waiver	868	23,120	-	-	-	12,710	52,688	-	88,518
Nurse Consultant for DPH	871	7,340	-	-	-	-	-	-	7,340
Admin Resource MGR	872	15,603	-	-	-	-	-	-	15,603
WIC Pass Thru	875	9,596	-	-	-	-	-	-	9,596
TB Pass Thru	876	171	-	-	-	-	-	-	171
DPH Hands	878	7,909	-	-	-	1,031	-	-	8,940
EPSDT Outreach	883	2,865	-	-	1,242	4,501	-	-	8,608
Core Public Health	890	6,173	-	-	2,675	2,336	-	-	11,184
Medicaid Match	891	-	-	-	-	-	-	-	-
Clinical Expenses for Other HD	893	990	-	-	426	-	-	-	1,416
Total Medical		<u>525,181</u>	<u>-</u>	<u>410,821</u>	<u>139,147</u>	<u>155,886</u>	<u>372,962</u>	<u>-</u>	<u>1,603,997</u>
Minor Restricted		-	-	-	-	-	-	-	-
Allocable Direct		-	-	-	-	-	-	-	-
Total Administrative		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Indirect Allocation		<u>(553,108)</u>	<u>(140,120)</u>	<u>(410,821)</u>	<u>(139,147)</u>	<u>(169,103)</u>	<u>(372,962)</u>	<u>-</u>	<u>(1,785,261)</u>
Totals		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Ray, Foley, Hensley & Company, PLLC

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**FRANKLIN COUNTY HEALTH DEPARTMENT
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Health
Franklin County Health Department
Frankfort, Kentucky

We have audited, in accordance with the 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, the financial statements of the Franklin County Health Department (the Health Department) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Health Department's basic financial statements, and have issued our report thereon dated October 29, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Health Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Health Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Health Department's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Health Department's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under **Government Auditing Standards**.

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**FRANKLIN COUNTY HEALTH DEPARTMENT
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(CONTINUED)**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ray, Foley, Hensley and Company

Ray, Foley, Hensley and Company, PLLC

October 29, 2014



Ray, Foley, Hensley & Company, PLLC

Certified Public Accountants and Consultants

**FRANKLIN COUNTY HEALTH DEPARTMENT
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Health
Franklin County Health Department
Frankfort, Kentucky

Report on Compliance for Each Major Federal Program

We have audited the Franklin County Health Department's (the Health Department) compliance with the types of compliance requirements described in the **OMB Circular A-133 Compliance Supplement** that could have a direct and material effect on each of the Health Department's major federal programs for the year ended June 30, 2014. The Health Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Health Department's major federal programs 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 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 Department'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 each major federal program. However, our audit does not provide a legal determination of the Health Department's compliance.

Opinion on Each Major Federal Program

In our opinion, the Franklin County Health Department, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

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**FRANKLIN COUNTY HEALTH DEPARTMENT
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133
(CONTINUED)**

Report on Internal Control over Compliance

Management of the Health Department 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 Health Department's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Health Department'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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Ray, Foley, Hensley & Company

Ray, Foley, Hensley & Company, PLLC
October 29, 2014

**FRANKLIN COUNTY HEALTH DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended June 30, 2014**

GRANTOR/PROGRAM TITLE	Federal CFDA Number	Pass/Through Contract Number	Grant Contract Period	Expenditures
U.S. Department of Agriculture (USDA) Passed through Kentucky Cabinet for Health and Family Services:				
WIC Program - Administrative Expenditures	10.557	01160013	7/1/2013-6/30/2014	\$ 103,233
WIC Program - Administrative Expenditures	10.557	01160014	7/1/2013-6/30/2014	<u>215,632</u>
Total U.S. Department of Agriculture				<u>\$ 318,865</u>
U.S. Department of Health and Human Services (HHS) Passed through Kentucky Cabinet for Health and Family Services:				
HPP & PHEP	93.074	02140012	7/1/2013-6/30/2014	\$ 21,376
HPP & PHEP	93.074	02140013	7/1/2013-6/30/2014	64,553
HPP & PHEP	93.074	02150012	7/1/2013-6/30/2014	415
HPP & PHEP	93.074	02150013	7/1/2013-6/30/2014	<u>504</u>
				<u>86,848</u>
School-Based Comprehensive Oral Health	93.110	01770013	7/1/2013-6/30/2014	<u>16,493</u>
Respiratory Disease	93.116	01060014	7/1/2013-6/30/2014	<u>50</u>
Title X - Family Planning	93.217	01150013	7/1/2013-6/30/2014	7,988
Title X - Family Planning	93.217	01150014	7/1/2013-6/30/2014	<u>97,038</u>
				<u>105,026</u>
Immunizations	93.268	01050012	7/1/2013-6/30/2014	33,402
Immunizations	93.268	01050013	7/1/2013-6/30/2014	<u>16,701</u>
				<u>50,103</u>
Disease Control and Prevention	93.283	01110012	7/1/2013-6/30/2014	1,805
Disease Control and Prevention	93.283	01110013	7/1/2013-6/30/2014	11,485
Disease Control and Prevention	93.283	02400013	7/1/2013-6/30/2014	<u>1,406</u>
				<u>14,696</u>
Subtotal HHS				<u>\$ 273,216</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Franklin County Health Department and is presented 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, or used in the preparation of, the basic financial statements may differ from these numbers.

**FRANKLIN COUNTY HEALTH DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended June 30, 2014**

GRANTOR/PROGRAM TITLE	Federal CFDA Number	Pass/Through Contract Number	Grant Contract Period	Expenditures
U.S. Department of Health and Human Services (HHS) (previous page)				<u>\$ 273,216</u>
U.S. Department of Health and Human Services (HHS) Passed through State (CHFS)				
Minority Health	93.296	01020013	7/1/2013-6/30/2014	<u>300</u>
ACA - Home Visits	93.505	01320012	7/1/2013-6/30/2014	4,927
ACA - Home Visits	93.505	013200OL13	7/1/2013-6/30/2014	<u>8,390</u>
				<u>13,317</u>
KY Women's Cancer Screening	93.744	01130013	7/1/2013-6/30/2014	<u>2,618</u>
EPSDT Outreach	93.778	03095012	7/1/2013-6/30/2014	2,377
EPSDT Outreach	93.778	03095013	7/1/2013-6/30/2014	<u>20,722</u>
				<u>23,099</u>
Federal Diabetes	93.945	02400014	7/1/2013-6/30/2014	<u>1,250</u>
Preventive Services Block Grant	93.991	01040012	7/1/2013-6/30/2014	197
Preventive Services Block Grant	93.991	01040013	7/1/2013-6/30/2014	<u>4,460</u>
				<u>4,657</u>
MCH Services Block Grant	93.994	01120011	7/1/2013-6/30/2014	1,256
MCH Services Block Grant	93.994	01120012	7/1/2013-6/30/2014	55,887
MCH Services Block Grant	93.994	01120013	7/1/2013-6/30/2014	<u>5,474</u>
				<u>62,617</u>
Total U.S. Department of Health and Human Services				<u>381,074</u>
Grand total federal awards expended				<u>\$ 699,939</u>
EPSDT Outreach reported in Service Fees in the financial statements				<u>(23,099)</u>
Federal awards reported in the financial statements as direct or pass-through				<u><u>\$ 676,840</u></u>

**FRANKLIN COUNTY HEALTH DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the year ended June 30, 2014**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified __Yes XNo

Significant deficiencies identified that are not
considered to be material weaknesses __Yes XNone reported

Non-compliance material to financial statements noted __Yes XNo

Federal Awards:

Internal control over major programs:

Material weaknesses identified __Yes XNo

Significant deficiencies identified that are not
considered to be material weaknesses __Yes XNone reported

Type of auditors' report issued on compliance for major programs:

Unmodified for all major programs.

Any audit findings disclosed that are required to be reported in
accordance with Section 510(a) of Circular A-133? __Yes XNo

Major Programs:

CFDA Number	Name of Federal Program or Cluster
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10.557	USDA – WIC Administration
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Dollar threshold used to distinguish between type A
and type B programs: \$ 300,000

Auditee qualified as a low-risk auditee? XYes _No

II. FINDINGS RELATED TO FINANCIAL STATEMENTS

NONE

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

IV. PRIOR AUDIT FINDINGS

NONE

**FRANKLIN COUNTY HEALTH DEPARTMENT
SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2014**

There are no prior audit findings to report.

**FRANKLIN COUNTY HEALTH DEPARTMENT
AUDIT ADJUSTMENTS
June 30, 2014**

There are no proposed audit adjustments.