



**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
WAYNE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
WAYNE COUNTY
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REPORT OF INDEPENDENT ACCOUNTANTS

Wayne County Family and Children First Council
Wayne County
215 South Walnut Street
Wooster, Ohio 44691

To the Members of Council:

We have audited the accompanying financial statements of the Wayne County Family and Children First Council, Wayne County, Ohio, (the Council) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Council prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Council as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2000 on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the audit committee, management, the Members of Council and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

August 28, 2000

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**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
WAYNE COUNTY
STATEMENTS OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

	1999	1998
Cash Receipts:		
Intergovernmental	\$410,475	\$212,639
Reimbursements	540,015	335,077
Total Cash Receipts	950,490	547,716
Cash Disbursements:		
Current:		
Nonpersonnel Expenses	42,424	39,346
Contract Services	721,924	511,162
Other Expenses		933
Total Cash Disbursements	764,348	551,441
Total Cash Receipts Over/Under Cash Disbursements	186,142	(3,725)
Fund Cash Balances, January 1	63,558	67,283
Fund Cash Balances, December 31	\$249,700	\$63,558

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

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**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Section 121.37, Revised Code, created the Ohio Family and Children First Cabinet Council and permitted counties to establish county family and children first councils. Statutory membership of a county council consists of the following individuals:

- a. The director of the board of alcohol, drug addiction, and mental health services that serves the county, or, in the case of a county that has a board of alcohol and drug addiction services and a community mental health board, the directors of both boards;
- b. The health commissioner of the board of health of each city or general health district in the county, or their designees;
- c. The director of the county department of human services;
- d. The executive director of the county agency responsible for the administration of children services pursuant to section 5153.15 of the Revised Code;
- e. The superintendent of the county board of mental retardation and developmental disabilities;
- f. The county's juvenile court judge senior in service;
- g. The superintendent of the city, exempted village, or local school district with the largest number of pupils residing in the county, as determined by the department of education, which shall notify each county of its determination at least biennially;
- h. A school superintendent representing all other school districts with territory in the county, as designated at a biennial meeting of the superintendents of those districts;
- i. A representative of the largest city in the county;
- j. The chair of the board of county commissioners, or an individual designated by the board;
- k. A representative of the regional office of the department of youth services;
- l. A representative of the county's head start agencies, as defined in section 3301.31 of the Revised Code;
- m. A representative of the county's early intervention collaborative established pursuant to the federal early intervention program operated under the "Education of the Handicapped Act Amendments of 1986";
- n. At least three individuals representing the interests of families in the county. Where possible, the number of members representing families shall be equal to twenty per cent of the council's remaining membership; and
- o. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Description of the Entity (Continued)

In addition, a county family and children first council may invite any other local public or private agency or group that funds, advocates, or provides services to children to have a representative become a permanent or temporary member of the council.

A county council's statutory responsibilities include the following:

- a. Refer to the cabinet council those children for whom the council cannot provide adequate services;
- b. Make periodic reports to the cabinet council regarding the number of children referred to the county council and the progress made in meeting the needs of each child;
- c. Develop a plan that reviews and adjusts existing programs, fills service gaps where possible, or invents new approaches to achieve better results for families and children;
- d. Participate in the development of a countywide, comprehensive, coordinated, multi-disciplinary, interagency system for infants and toddlers with developmental disabilities or delays and their families, as established pursuant to federal grants received and administered by the department of health for early intervention services under the "Education of the Handicapped Act Amendments of 1986";
- e. Maintain an accountability system to monitor the council's progress in achieving its purposes;
- f. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the county system.

B. Basis of Accounting

These financial statements were prepared on the cash basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Fund Accounting

The Council maintains its accounting records in accordance with the principles of fund accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The Council classifies its funds into the following fund type:

General Fund

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

**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Administrative/Fiscal Agent

Section 121.37 (B)(4), Revised Code, requires each county council to designate an administrative agent for the council. The Mental Health & Recovery Board of Wayne and Holmes Counties serves as the Wayne County Family and Children First Council's administrative and fiscal agent. The Wayne County Auditor, in turn, is the designated fiscal agent for the Mental Health & Recovery Board of Wayne and Holmes Counties.

The administrative agent agrees to:

- a. Serve as the Council's appointing authority;
- b. Exercise spending authority within the limits of the annual budget developed and approved by the Council;
- c. Perform the following on behalf of Council, but only upon the expressed approval of and direction by Council:
 - Enter into written agreements or administer contracts with public or private entities to fulfill specific Council business.
 - Provide financial stipends, reimbursements, or both, to family representatives for expenses related to Council activity.
 - Receive by gift, grant, devise, or bequest any moneys, land, or other property for the purposes for which the Council is established.

E. Property, Plant and Equipment

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

F. Contracted Services

The Grant Coordinator is a paid employee of Wayne County. The funds used to pay the salary of the Grant Coordinator are derived from a state administrative grant and local contributions.

2. EQUITY IN POOLED CASH

The Wayne County Auditor maintains a cash pool used for the County's funds and for the funds of the Council. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with the Wayne County Auditor at December 31, 1999 and 1998 was \$249,700 and \$63,558, respectively. The Wayne County Auditor, as fiscal agent for the Council, is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposit accounts.

3. PUBLIC EMPLOYEES RETIREMENT SYSTEM

Wayne County contributes to the Public Employees' Retirement System of Ohio (PERS), a cost-sharing multiple employer pension plan, for the Grant Coordinator. The Grant Coordinator also contributes to PERS, which provides basic retirement, disability, survivor and health care benefits on eligible service credit to members and beneficiaries. Benefits are established by Chapter 145 of the

**WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Ohio Revised Code. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS.

For 1999, members of PERS contributed a 8.5% of their gross salaries and the employer contributed an amount equal to 13.55% of participants' gross salaries. The County has paid all contributions required through December 31, 1999.



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

Wayne County Family and Children First Council
Wayne County
215 South Walnut Street
Wooster, Ohio 44691

To the Members of Council:

We have audited the accompanying financial statements of the Wayne County Family and Children First Council, Wayne County, Ohio, (the Council) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 28, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Council in a separate letter dated August 28, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Council in a separate letter dated August 28, 2000.

Wayne County Family and Children First Council
Wayne County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
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This report is intended for the information and use of the audit committee, management and the Members of Council, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

August 28, 2000



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WAYNE COUNTY FAMILY AND CHILDREN FIRST COUNCIL

WAYNE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 12, 2000**