



**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Family and Children First Council
Gallia County
53 Shawnee Lane
P.O. Box 514
Gallipolis, Ohio 45631

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Gallia County, Ohio (the Council), as of and for the years ended December 31, 2000 and 1999. 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 audit.

We conducted our audit in accordance with audit standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the 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 presents fairly, in all material respects, the fund cash balances of the Family and Children First Council, Gallia County, as of December 31, 2000 and 1999, 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 June 27, 2001, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the audit committee, management, the Family and Children First 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.

Jim Petro
Auditor of State

June 27, 2001

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**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2000**

		<u>General</u>
Cash Receipts:		
Intergovernmental		<u>\$139,145</u>
Total Cash Receipts		<u>139,145</u>
Cash Disbursements:		
Current:		
Salaries		36,404
Benefits		10,731
Travel		2,466
Contract Services		97,704
Administrative		2,073
Other		<u>9,732</u>
Total Cash Disbursements		<u>159,110</u>
Total Cash Receipts Over/(Under) Cash Disbursements		<u>(19,965)</u>
Fund Cash Balances, January 1		
Undesignated	62,236	
Designated	<u>3,680</u>	
Total Fund Cash Balances, January 1		<u>65,916</u>
Fund Cash Balances, December 31		<u><u>\$45,951</u></u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>
Cash Receipts:	
Intergovernmental	<u>\$161,181</u>
Total Cash Receipts	<u>161,181</u>
Cash Disbursements:	
Current:	
Salaries	19,047
Benefits	7,248
Travel	521
Contract Services	106,592
Administrative	2,165
Other	<u>4,771</u>
Total Cash Disbursements	<u>140,344</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>20,837</u>
Fund Cash Balances, January 1 - See Note 2	
Undesignated	41,399
Designated	<u>3,680</u>
Total Fund Cash Balances, January 1	<u>45,079</u>
Fund Cash Balances, December 31	
Undesignated	62,236
Designated	<u>3,680</u>
Total Fund Cash Balances, December 31	<u>\$65,916</u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

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 permitting counties to establish County Family and Children First Councils. Statutory membership of the Council consists of the following individuals:

- a. At least three individuals whose families are or have received services from an agency which is represented on the Council. If possible, twenty per cent of the Council's membership should consist of members representing families.
- b. The Director of the Community Mental Health Board.
- c. The Director of the County Alcohol, Drug Addiction and Mental Health Services Board. For counties served by a joint Alcohol, Drug Addiction and Mental Health Board, the Joint Board's Director must designate a member to participate on the County's Council.
- d. A representative from each City Board of Health and General Board of Health District in the County. If there are more than two health districts, then the membership is limited to the commissioners of the two districts with the largest populations.
- e. The Director of the County Department of Human Services.
- f. The Executive Director of the County Children's Services Board.
- g. The Superintendent for the County Board of Mental Retardation and Developmental Disabilities.
- h. The Administrative or the Judge Senior in service or his designee for the County's Juvenile Court.
- i. The Superintendent of the City, Exempted Village, or Local School District with the largest numbers of pupils residing in the County.
- j. The School Superintendent representing all other School Districts within the territory in the County, as designated at a biennial meeting of the Superintendents of those Districts.
- k. A representative of the Municipal Corporation with the largest population in the County.
- l. The Chair of the Board of County Commissioners or a designee.
- m. A representative from the regional office of the Ohio Department of Youth Services.
- n. A representative of the County's Head Start agencies.
- o. A representative of the County's Early Intervention Collaborative.
- p. A representative of the Local Nonprofit Entity that funds, advocates or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Description of the Entity (Continued)

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. Maintain an accountability system to monitor the Council's progress in achieving its purposes;
- e. Establish a mechanism to ensure ongoing input from a broad representative of families who are receiving services within the County system,
- f. Participate in the development of a County-wide, 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".

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid 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. Fiscal Agent

The Gallia-Jackson-Meigs Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board was designated as the fiscal and administrative agent for all funds received in the name of the Council.

**FAMILY AND CHILDREN FIRST COUNCIL
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Equity in Pooled Cash

The Council's cash is maintained by the Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits, and the ADAMHS Board is responsible for compliance. As of December 31, 2000 and 1999, the Council's share of the ADAMHS Board's cash pool was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$45,951</u>	<u>\$65,916</u>
Total deposits	<u><u>\$45,951</u></u>	<u><u>\$65,916</u></u>

E. Designated Fund Balance

A portion of the fund balance for 1999 and part of 2000 was designated from unemployment pool monies in the event the County would have to pay unemployment benefits. The amount set aside (\$3,680) was an estimation of the potential payments and was split among Gallia, Jackson, and Meigs Counties' Family and Children First Councils due to the fact that their fiscal agent, the Gallia-Jackson-Meigs Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board, was the same for each Council. In mid 2000, the Jackson and Meigs Counties' Family and Children First Councils changed fiscal agents to the Jackson County Department of Health and the Meigs County Department of Job and Family Services, respectively. At that time, the unemployment pool monies were returned to the undesignated fund balance of the Council.

F. Budgetary Process

The Council files an annual estimate of expenditures with the Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board as required by state law. This estimate is adopted by the Board. The Fiscal Officer of the ADAMHS Board inputs these appropriations into the system and ensures that the Council's expenditures do not exceed appropriations.

2. RESTATEMENT OF PRIOR YEAR BALANCE

In the prior year, the undesignated fund balance of the General Fund was understated. This restatement caused an increase of \$1,014 in the undesignated fund balance of the General Fund, from \$40,385 to \$41,399.

3. RETIREMENT SYSTEM

The Council's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Council contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. For the period July 1, 2000 through December 31, 2000, PERS temporarily reduced the employer's contribution rate to 8.13% of participants' gross salaries. The Council has paid all contributions required through December 31, 2000.

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

Family and Children First Council
Gallia County
53 Shawnee Lane
P.O. Box 514
Gallipolis, Ohio 45631

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Gallia County, Ohio (the Council), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 27, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the 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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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.

This report is intended for the information and use of the audit committee, management and the Family and Children First Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 27, 2001



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FAMILY AND CHILDREN FIRST COUNCIL

GALLIA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 9, 2001**