



**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Family and Children First Council
Henry County
J-169 State Route 65
McClure, Ohio 43534-9740

To the Council:

We have audited the accompanying financial statements of the Family and Children First Council, Henry County, (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 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 described in Note 2, 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 combined fund cash balances of the Family and Children First Council, Henry County, Ohio, as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 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 audits.

This report is intended solely for the information and use of the Council, management, 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

May 21, 2001

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**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types		Total (Memorandum Only)
	General	Special Revenue	
Cash receipts:			
Intergovernmental	\$23,175	\$113,665	\$136,840
Cash disbursements:			
Salaries/benefits	19,740		19,740
Contract services		153,925	153,925
Travel/training	833		833
Office supplies	99		99
Total cash disbursements	20,672	153,925	174,597
Total cash receipts over/(under) cash disbursements	2,503	(40,260)	(37,757)
Other financing disbursements:			
Other uses		(597)	(597)
Excess of cash receipts over (under) cash disbursements	2,503	(40,857)	(38,354)
Fund cash balances, January 1, 2000	13,519	45,498	59,017
Fund cash balances, December 31, 2000	\$16,022	\$4,641	\$20,663

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

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types		Total (Memorandum Only)
	General	Special Revenue	
Cash receipts:			
Intergovernmental	\$20,000	\$165,126	\$185,126
Cash disbursements:			
Salaries/benefits	18,110		18,110
Contract services		142,200	142,200
Travel/training	758	276	1,034
Audit expense	2,470		2,470
Total cash disbursements	21,338	142,476	163,814
Total cash receipts over/(under) cash disbursements	(1,338)	22,650	21,312
Other financing receipts/(disbursements):			
Transfers-in	942		942
Transfers-out	(308)	(634)	(942)
Refund of Receipts		(971)	(971)
Total other financing receipts/(disbursements)	634	(1,605)	(971)
Excess of cash receipts over (under) cash disbursements	(704)	21,045	20,341
Fund cash balances, January 1, 1999	14,223	24,453	38,676
Fund cash balances, December 31, 1999	\$13,519	\$45,498	\$59,017

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

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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

1. DESCRIPTION OF THE ENTITY

Ohio Revised Code § 121.37 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.

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.

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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

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.

Steering Committee

The Steering Committee is comprised of the Council Chairperson , Vice Chairperson , Secretary and two other members which are elected on a two year rotated basis from the general membership and a family member

The Steering Committee's responsibility is to act on behalf of the Council to administer the operation of the Council, including:

- a. Enter into contracts authorized by full Council. Provide direction to Council Coordinator with regard to operations of Council.
- b. Monitoring and directing the implementation of the Strategic Community Plan, Service Coordination plan, and Children Cluster Plan.
- c. Monitoring Committee work and providing direction to committee chairs.
- d. Monitoring annual operating budgets.
- e. Identify service gaps in local community resources and developing strategies to assist children and their families.
- f. Addressing and recommending resolutions to policy issues-concerns identified by Council.
- g. Resolving services disputes referred from family team/or families.

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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

- h. Reviewing and approving periodic reports to the State Cabinet regarding the operation of Council.
- i. Consistent with policies of the Council, enter into contracts based on resources available and applying for and administering grants to plan and coordinate service delivery for families and children.
- j. Identifying regulation and policy waiver requests necessary to the implementation of Council plans and strategies.

Council

Family and Children First Council, Henry County, membership includes all members specified by Ohio Revised Code Section 121.37, as well as additional at large members, including family representatives, advocates, community leaders, service providers and religious and union leaders. At large members serve a maximum of two successive three year terms. The Council acts in an advisory capacity to the Steering Committee and reviews Steering Committee activities on a quarterly basis. The Council promotes and facilitates collaboration among community resources regarding the provision of services to families and children. The Council reviews and approves the plans and policies that will govern these collaborations and on a periodic basis reviews reports on the operations of such collaborations.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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.

B. 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 transactions are reflected in a self-balancing group of accounts.

Governmental Funds:

General Fund - 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.

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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

The Council had the following sources of funding:

Intergovernmental Receipts - Funds received from the Administration Grants. Local monies contributed by Henry County agencies, including the Henry County Commissioners.

Special Revenue Funds - These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Council had the following significant Special Revenue Funds:

Ohio Wellness Block Grant - State grant to be used for programs aimed at reducing Teen Pregnancy and Child Abuse.

Welcome Home Grant - State grant used to pay costs associated with visits to mothers who just had babies by registered nurses.

Ohio Early Start Project Grant - Federal grant for prevention and early intervention by providing funding to identify and support infants and toddlers at risk of child abuse and neglect of developmental delay.

C. Fiscal Agent

The Henry County Auditor, the Henry County Department of Job and Family Services, the Henry County Department of Health and the Northwest Ohio Educational Service Center and the Henry County Board of Mental Retardation and Developmental Disabilities served as fiscal agents for the Council. Council funds are maintained in separate agency funds by the Henry County Auditor.

D. 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.

E. Early Start Project

The Council identified the Center for Child Abuse Prevention and Treatment Inc. (the Center), the County's early intervention collaborative, as the administrative agent for the Ohio Early Start Project. The Council relies on the Center to perform all administrative and fiscal functions pertaining to this funding. The Henry County Job and Family Service serves as the fiscal agent for the Center and therefore serves as the fiscal agent for Early Start. The Center reports to the Council on the progress and activities of Early Start on a periodic basis and for inclusion in the Council's annual report.

F. Council Staff

The purpose of the Council is to identify and support the implementation of ways which the Child serving Systems can provide services in a coordinated and collaborative manner that results in the efficient and effective provisions of services for the community's families. Council membership includes all of the members specified in the Ohio Revised Code as well as additional at large members representing families, community leaders, family serving agencies and charitable and religious organizations.

**FAMILY AND CHILDREN FIRST COUNCIL
HENRY COUNTY**

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

3. EQUITY IN POOLED CASH

The Henry County Treasurer maintains a cash pool used by all of the County's funds, including those of the Family and Children First Council. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with the County at December 31, 2000 was \$20,663, and at December 31, 1999 was \$59,017. The Henry County Treasurer is responsible for maintaining adequate depository collateral for all funds in the Henry County's pooled and deposit accounts.

4. RISK MANAGEMENT

The Council is insured for general liability and casualty by the Henry County Commissioners.

5. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

6. RESTATEMENT OF JANUARY 1, 1999 FUND BALANCES

The Special Revenue Funds Balance amount of \$24,946 as of January 1, 1999, was decreased by \$493, to \$24,493, to correct errors posted in 1998. The Wellness Block Grant had a net decrease of \$593 for having included a \$650 credit to the Well Child Grant and a supplies expense overstatement of \$57. The Early Start grant had \$100 supplies expense that was not chargeable to the grant.

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

Family and Children First Council
Henry County
J-169 State Route 65
McClure, Ohio 43534-9740

To the Council:

We have audited the financial statements of Henry County Family and Children First Council (the Council) as of and for the year ended December 31, 2000 and 1999, and have issued our report thereon dated May 21, 2001. We conducted our audit 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 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 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 certain matters involving the internal control structure and its operation that do not require inclusion in this report, that we have reported to the Council's management in a separate letter dated May 21, 2001.

Family and Children First Council
Henry 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 steering committee, management, and Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

May 21, 2001



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FAMILY AND CHILDREN FIRST COUNCIL

HENRY 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
JUNE 12, 2001**