



**Auditor of State
Betty Montgomery**

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Clinton County Family and Children First Council
Clinton County
1025 South Street
Suite 300
Wilmington, Ohio 45177

To the Council:

We have audited the accompanying financial statements of Clinton County Family and Children First Council, Clinton County, Ohio (the Council), as of and for the years ended December 31, 2002 and 2001, as listed in the table of contents. 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 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 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 present fairly, in all material respects, the combined fund cash balances of the Council as of December 31, 2002 and 2001, and its combined 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 March 31, 2003 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 Section 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

March 31, 2003

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$20,000	\$192,222	\$212,222
Other Revenue	68,910	0	68,910
	<u>88,910</u>	<u>192,222</u>	<u>281,132</u>
Total Cash Receipts			
	<u>88,910</u>	<u>192,222</u>	<u>281,132</u>
Cash Disbursements:			
Salaries and Benefits	45,673	2,533	48,206
Training and Travel	260	0	260
Contract Services	51,769	179,900	231,669
Miscellaneous	32,675	1,398	34,073
	<u>130,377</u>	<u>183,831</u>	<u>314,208</u>
Total Cash Disbursements			
	<u>130,377</u>	<u>183,831</u>	<u>314,208</u>
Total Receipts Over/(Under) Disbursements	<u>(41,467)</u>	<u>8,391</u>	<u>(33,076)</u>
Fund Cash Balances, January 1	<u>113,593</u>	<u>30,190</u>	<u>143,783</u>
Fund Cash Balances, December 31	<u>\$72,126</u>	<u>\$38,581</u>	<u>\$110,707</u>

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

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$20,000	\$258,568	\$278,568
Other Revenue	<u>182,785</u>	<u>4,100</u>	<u>186,885</u>
Total Cash Receipts	<u>202,785</u>	<u>262,668</u>	<u>465,453</u>
Cash Disbursements:			
Salaries and Benefits	37,230	9,417	46,647
Training and Travel	690	0	690
Contract Services	95,601	255,843	351,444
Miscellaneous	<u>39,726</u>	<u>11,668</u>	<u>51,394</u>
Total Cash Disbursements	<u>173,247</u>	<u>276,928</u>	<u>450,175</u>
Total Receipts Over/(Under) Disbursements	<u>29,538</u>	<u>(14,260)</u>	<u>15,278</u>
Fund Cash Balances, January 1	<u>84,055</u>	<u>44,450</u>	<u>128,505</u>
Fund Cash Balances, December 31	<u><u>\$113,593</u></u>	<u><u>\$30,190</u></u>	<u><u>\$143,783</u></u>

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

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Section 121.37, Ohio Rev. 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. 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 ADAMH board. For counties served by a joint ADAMH 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 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 of the county board of MRDD.
- 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 number of pupils residing in the county.
- j. The school superintendent representing all other school districts within the territory of 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 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.

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 representation of families who are receiving services within the county system; and
- f. 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".

Council Membership

The County's Council membership included Children's Services, Board of Alcohol Drug Addition and Mental Health Services; Board of Mental Retardation and Developmental Disabilities, and the Juvenile Court. The purpose of the Family and Children First Council is to identify ways in which the Child Serving System can provide services to the community in the most efficient and effective manner. A Council Coordinator has been hired to administer all of the Family and Children First Programs. Because these programs affect all of the agencies within the Council membership, the salary of this employee is paid from the State administrative grant received by the Council and pooled funding derived from each of the Council agencies in the County.

Administrative Council

The Administrative Council is a governing and policy making body. The Council is responsible for determining the need for staff positions pursuant to established goals, objectives, and policy statements. This committee is responsible for the creation of all standing committees and task groups of the Council.

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Fund Accounting

The Council uses fund accounting to segregate cash that is restricted as to use. The Council classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. 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 maintains a special revenue fund for awards to the Council funded from state sources. During 2002 and 2001 the following programs were awarded to the Council: Ohio Wellness Block Grant, Council Administrative Funds Grant, Early Start Grant, Stability Grant, Welcome Home Grant, and Help Me Grow.

D. Fiscal Agent

The Clinton County Department of Job and Family Services serves as the Council's administrative agent. The Clinton County Auditor maintains Council funds in a separate Special Revenue Fund.

E. Property, Plant and Equipment

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

**CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process

The Council files an annual budget of estimated expenditures with the Clinton County Auditor required by state law. The estimated expenditures are approved per grant. During the fiscal years under audit, none of the grants expenditures exceeded its estimated expenditures.

2. EQUITY IN POOLED CASH

The Council's cash pool is maintained by the Clinton County Treasurer, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits and investments, and the County is responsible for meeting compliance. The Council's carrying amounts of cash on deposit with the County at December 31, 2002 and 2001 was \$110,707 and \$143,783 respectively.

The Clinton County Auditor, as the ultimate fiscal agent for the Council, is responsible for maintaining adequate depository collateral for all funds in the Council's pooled cash and depository accounts.

The Council does not hold any investments.

3. RISK MANAGEMENT

The Council is covered under the Clinton County Auditor's insurance policy.



Auditor of State Betty Montgomery

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

Clinton County Family and Children First Council
Clinton County
1025 South Street
Suite 300
Wilmington, Ohio 45177

To the Council:

We have audited the accompanying financial statements of Clinton County Family and Children First Council, Clinton County, Ohio (the Council), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated March 31, 2003. 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 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 a matter 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 March 31, 2003.

Clinton County Family and Children First Council
Clinton County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

March 31, 2003



**Auditor of State
Betty Montgomery**

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CLINTON COUNTY FAMILY AND CHILDREN FIRST COUNCIL

CLINTON 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
MAY 13, 2003**