



**Auditor of State
Betty Montgomery**

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2001.....	4
Notes to the Financial Statements	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Family and Children First Council
Monroe County
P.O. Box 42
Woodsfield, Ohio 43793

To the Members of Council:

We have audited the accompanying financial statements of the Family and Children First Council, Monroe County, Ohio (the Council), as of and for the years ended December 31, 2002 and 2001. 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 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, Monroe County, 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 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 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.

Family and Children First Council
Monroe County
Independent Accountants' Report
Page 2

This report is intended solely for the information and use of the audit committee, management, the 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

July 28, 2003

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE 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>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$20,000	\$209,627	\$229,627
Total Cash Receipts	<u>20,000</u>	<u>209,627</u>	<u>229,627</u>
Cash Disbursements:			
Current:			
Supplies	341		341
Contractual Services	18,413	206,531	224,944
Travel	624		624
Other	2,368		2,368
Total Cash Disbursements	<u>21,746</u>	<u>206,531</u>	<u>228,277</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(1,746)	3,096	1,350
Fund Cash Balances, January 1	<u>23,506</u>	<u>9,692</u>	<u>33,198</u>
Fund Cash Balances, December 31	<u><u>\$21,760</u></u>	<u><u>\$12,788</u></u>	<u><u>\$34,548</u></u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE 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	\$151,260	\$171,260
Other	722		722
Total Cash Receipts	<u>20,722</u>	<u>151,260</u>	<u>171,982</u>
Cash Disbursements:			
Current:			
Supplies	263		263
Contractual Services	17,123	154,369	171,492
Travel	401		401
Other	3,597		3,597
Total Cash Disbursements	<u>21,384</u>	<u>154,369</u>	<u>175,753</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(662)	3,109)	3,771)
Fund Cash Balances, January 1	<u>24,168</u>	<u>12,801</u>	<u>36,969</u>
Fund Cash Balances, December 31	<u><u>\$23,506</u></u>	<u><u>\$9,692</u></u>	<u><u>\$33,198</u></u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE COUNTY**

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

1. 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 Jobs and Family 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 municipal corporation with the largest population 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 Ohio 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 percent of the Council's remaining membership; and
- o. An Executive Director of a non-profit agency that funds, advocates, or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE COUNTY**

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

1. 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. 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";
- e. Maintain an accountability system to monitor the Council's progress in achieving its purpose; and
- f. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the County system.

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 uses fund accounting to segregate cash and investments that are 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 by law or contract to be restricted.

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE COUNTY**

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Council had the following Special Revenue Funds:

Wellness Block Fund – This fund receives federal monies from the Ohio Department of Jobs and Family Services with the primary focus of preventing out-of-wedlock birth among teens throughout Ohio.

Welcome Home Fund – This fund receives state grant funds to be used to aid first time mothers and teen mothers in adjusting to living with and caring for a newborn.

Ohio Children's Trust Fund – This fund receives state monies to be used to decrease the incidences of child abuse in Monroe County through public awareness and the training and placement of volunteers in child abuse/ neglect programs.

Help Me Grow Fund – This fund receives federal and state monies from the Ohio Department of Health as it relates to the Early Intervention (Part C) and Welcome Home Components of the Help Me Grow Program. Help Me Grow is a collaborative and integrated system of services and supports to help families create an environment conducive to the growth and development of young children thereby enhancing a child's ability to learn, reducing incidences of child abuse and neglect, and supporting parent's efforts to achieve self-sufficiency.

C. Administrative/Fiscal Agent

Section 121.37(B)(4), Revised Code, requires each County Council to designate an administrative agent for the Council. The Monroe County Commissioners serve as administrative and fiscal agent for the Council. Monroe County maintains Council funds in a Special Revenue Fund on the County's financial records. 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; and
- c. Perform the following on behalf of Council, but only upon the expressed approval of and direction by Council:

**FAMILY AND CHILDREN FIRST COUNCIL
MONROE COUNTY**

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Administrative/ Fiscal Agent (Continued)

- Enter into written agreements or administer contracts with public or private entities to fulfill Council business;
- Provide financial stipends, reimbursements, or both, to family representatives for expenses related to Council activity; and
- Receive by gift, grant, devise, or bequest any monies, land, or other property for the purposes for which the Council is established.

3. EQUITY IN POOLED CASH AND INVESTMENTS

The Council is part of the cash and investments pool used by all of Monroe County's funds. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with Monroe County at December 31, 2002 and 2001 was \$34,548 and \$33,198, respectively. Monroe County is responsible for maintaining adequate collateral for all funds in the Monroe County pooled and deposit accounts.

4. RETIREMENT SYSTEMS

The Council Coordinator is currently employed on a contracted services basis; therefore, the Council does not contribute to any pension plan.

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.



**Auditor of State
Betty Montgomery**

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

Family and Children First Council
Monroe County
P.O. Box 42
Woodsfield, Ohio 43793

To the Member of Council:

We have audited the accompanying financial statements of the Family and Children First Council, Monroe County, Ohio (the Council), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated July 28, 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.

Family and Children First Council
Monroe County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, and the 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

July 28, 2003



**Auditor of State
Betty Montgomery**

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FAMILY AND CHILDREN FIRST COUNCIL

MONROE 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
SEPTEMBER 9, 2003**