



**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CLARK COUNTY FAMILY AND CHILDRENS FIRST COUNCIL
CLARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1998	4
Notes to the Financial Statements	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9
Schedule of Findings	11

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Clark County Family and Children First Council
1345 Lagonda Avenue
Springfield, Ohio 45503

To Members of Council:

We have audited the accompanying financial statements of the Clark County Family and Children First Council (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 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. 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 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.

As described in Note 3 to the accompanying financial statements, the Council changed its accounting basis from generally accepted accounting principles to a method prescribed or permitted by the Auditor of State.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Clark County Family and Children First Council, as of December 31, 1999 and 1998, 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 September 5, 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, 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 cursive script, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

September 5, 2000

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

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

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Total Memorandum</u>
Cash Receipts:			
Intergovernmental Revenue	\$62,011	\$1,974,321	\$2,036,332
In-Kind Contributions	5,010	0	5,010
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	67,021	1,974,321	2,041,342
 Cash Disbursements:			
Salaries and Benefits	27,112	0	27,112
Supplies and Materials	3,245	25	3,270
Equipment	1,334	0	1,334
Contract Services	5,202	1,459,950	1,465,152
Rent & Utility	4,850	0	4,850
Travel	1,120	377	1,497
Miscellaneous	6,347	609	6,956
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	49,210	1,460,961	1,510,171
 Total Receipts Over/(Under) Disbursements	17,811	513,360	531,171
 Fund Cash Balance, January 1, 1999	1,083	(27,171)	(26,088)
	<hr/>	<hr/>	<hr/>
Fund Cash Balance, December 31, 1999	<u>\$18,894</u>	<u>\$486,189</u>	<u>\$505,083</u>

The Notes to the Financial Statements are an integral part of this statement.

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

GOVERNMENTAL FUND TYPES

	<u>General</u>	<u>Special Revenue</u>	<u>Total Memorandum</u>
Cash Receipts:			
Intergovernmental Revenue	\$68,915	\$1,669,121	\$1,738,036
In-Kind Contributions	4,009	0	4,009
Miscellaneous	7,366	4,155	11,521
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	80,290	1,673,276	1,753,566
Cash Disbursements:			
Salaries & Benefits	56,251	167,250	223,501
Supplies & Materials	17,440	0	17,440
Equipment	1,381	0	1,381
Contract Services	3,042	1,535,296	1,538,338
Rent & Utility	5,434	0	5,434
Travel	831	0	831
Miscellaneous	658	0	658
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	85,037	1,702,546	1,787,583
Total Receipts Over/(Under) Disbursements	(4,747)	(29,270)	(34,017)
Fund Cash Balance, January 1, 1998 (As Restated - See Note 3)	5,830	2,099	7,929
	<hr/>	<hr/>	<hr/>
Fund Cash Balance, December 31, 1998	\$1,083	(\$27,171)	(\$26,088)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Notes to the Financial Statements are an integral part of this statement.

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 1999 AND 1998**

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 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.

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 1999 AND 1998**

(Continued)

1. DESCRIPTION OF THE ENTITY (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.

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 the 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.

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources. The Council had the following major source of funding:

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 1999 AND 1998**

(Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

Intergovernmental Receipts - Funds received from the Administration Grant, Service Coordination Plan implementation Grant

Special Revenue Funds

The Special Revenue Funds are used to account for all financial activity having a specific purpose. The Council had the following major source of funding:

Intergovernmental Receipts - Funds received from the Ohio Wellness grant, Family Stability Grant and the Early Start programs.

C. Fiscal Agent

The fiscal agent for the Clark County Family and Children First Council from January 1, 1998 through June 30, 1999 was the Clark County ADAMHS Board. The fiscal agent from June 30, 1999 through December 31, 1999 was the Clark County Educational Service Center.

D. Unpaid Vacation and Sick Leave

The Council employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Council.

3. CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR BALANCES

For 1998, the Council changed its accounting basis from Generally Accepted Accounting Principles to the cash basis of accounting. This change had the following effect on fund balance as it was previously reported for December 31, 1997:

	General Fund	Special Revenue Fund
Fund Balance as Previously Reported	\$7,081	\$ 80,893
Adjustments due to accruals as of December 31, 1997	<u>(1,251)</u>	<u>(78,794)</u>
Restated Balances as of January 1, 1998	<u>\$5,830</u>	<u>\$ 2,099</u>

4. EQUITY IN POOLED CASH AND INVESTMENTS

The Clark County Educational Service Center, as current fiscal agent for the Council, is responsible for maintaining adequate depository collateral for all funds in District's pooled and deposit amounts.

5. NONCOMPLIANCE

The Council did not comply with Ohio Rev. Code Section 117.38 regarding completion and publishing of annual reports.

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

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

Clark County Family and Children First Council
1345 Lagonda Avenue
Springfield, Ohio 45503

To Member of Council:

We have audited the financial statements of the Clark County Family and Children First Council (the Council) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated September 5, 2000, wherein we noted that the Council changed its accounting basis from generally accepted accounting principles to one previously prescribed or permitted by the Auditor of State. 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 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 1999-60312-001.

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. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Council in separate letter dated September 5, 2000.

This report is intended for the information and use of the audit committee, management and 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", with a large, stylized loop at the end.

JIM PETRO
Auditor of State

September 5, 2000

**CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLARK COUNTY**

**SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 1999-60312-001

Noncompliance Citation

Ohio Rev. Code Section 117.38 states that cash basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end. These reports must be on forms prescribed by the Auditor of State. However, if the Auditor of State has not prescribed a form for the report, the public office shall submit its report on the form used by the public office. Any public office which does not file the report by the required date shall pay a penalty of twenty-five dollars for each day the report remains unfiled, not to exceed seven hundred fifty dollars.

The report shall contain the amount of: 1) receipts, and the amounts due from each source; 2) expenditures for each purpose; 3) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and 4) public debt of each taxing district, the purpose of the debt, and how the debt will be repaid.

Also, the public office must publish notice in a local newspaper stating that the financial report is available for public inspection at the office of the chief fiscal officer.

The Council did not file reports for 1998 and 1999. The Council should develop and implement procedures to prepare and publish notice of the annual report in a timely and accurate manner. This should enhance the Council's ability in making accurate financial decisions and enable any potential user to gain access to the financial statements.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CLARK COUNTY FAMILY AND CHILDREN FIRST COUNCIL

CLARK 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 10, 2000**