



**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Carroll Family and Children First Council  
Carroll County  
55 East Main Street  
Carrollton, Ohio 44615

To the Council:

We have audited the accompanying financial statements of Carroll Family & Children First Council, Carroll County, Ohio, as of and for the years ended December 31, 2000 and December 31, 1999. These financial statements are the responsibility of the Carroll Family & Children First 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 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 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 Carroll Family & Children First Council as of December 31, 2000 and December 31, 1999, 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 May 21, 2001 on our consideration of the Carroll Family & Children First 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, 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

May 21, 2001

**CARROLL FAMILY & CHILDRENS FIRST COUNCIL  
CARROLL 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**

|  | <u>Governmental Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|--------------------------------|----------------------------|---|
|  | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                  |                                |                            |   |
| Intergovernmental                      | \$61,584                       | \$402,634                  | \$464,218                               |
| Miscellaneous                          |                                |                            |   |
| Total Cash Receipts                    | <u>61,584</u>                  | <u>402,634</u>             | <u>464,218</u>                          |
| <b>Cash Disbursements:</b>             |                                |                            |   |
| Current:                               |                                |                            |   |
| Personnel                              | 17,728                         | 76,596                     | 94,324                                  |
| Supplies                               | 3,916                          | 26,486                     | 30,402                                  |
| Administration                         |                                | 16,884                     | 16,884                                  |
| Contracts - Services                   | 1,341                          | 171,431                    | 172,772                                 |
| Utilities                              | 1,101                          | 900                        | 2,001                                   |
| Miscellaneous                          | 2,330                          | 47,621                     | 49,951                                  |
| Capital Outlay                         |                                | 782                        | 782                                     |
| Total Disbursements                    | <u>26,416</u>                  | <u>340,700</u>             | <u>367,116</u>                          |
| Total Receipts Over Disbursements      | <u>35,168</u>                  | <u>61,934</u>              | <u>97,102</u>                           |
| Fund Cash Balances January 1           | <u>30,904</u>                  | <u>3,981</u>               | <u>34,885</u>                           |
| <b>Fund Cash Balances, December 31</b> | <b><u>\$66,072</u></b>         | <b><u>\$65,915</u></b>     | <b><u>\$131,987</u></b>                 |

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

**CARROLL FAMILY & CHILDRENS FIRST COUNCIL  
CARROLL 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**

|   | <u>Governmental Fund Types</u> |                            | <b>Totals</b>                |
|---|--------------------------------|----------------------------|------------------------------|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> | <u>(Memorandum<br/>Only)</u> |
| <b>Cash Receipts:</b>                     |                                |                            |                              |
| Intergovernmental                         | \$36,872                       | \$173,576                  | \$210,448                    |
| Miscellaneous                             |                                |                            |                              |
| Total Cash Receipts                       | <u>36,872</u>                  | <u>173,576</u>             | <u>210,448</u>               |
| <b>Cash Disbursements:</b>                |                                |                            |                              |
| Current:                                  |                                |                            |                              |
| Personnel                                 | 16,306                         | 35,604                     | 51,910                       |
| Supplies                                  | 4,598                          | 21,879                     | 26,477                       |
| Administration                            |                                | 18,532                     | 18,532                       |
| Contracts - Services                      | 187                            | 80,745                     | 80,932                       |
| Utilities                                 | 1,140                          |                            | 1,140                        |
| Miscellaneous                             | 2,706                          | 36,735                     | 39,441                       |
| Capital Outlay                            |                                | 3,825                      | 3,825                        |
| Total Disbursements                       | <u>24,937</u>                  | <u>197,320</u>             | <u>222,257</u>               |
| Total Receipts Over/(Under) Disbursements | <u>11,935</u>                  | <u>(23,744)</u>            | <u>(11,809)</u>              |
| Fund Cash Balances January 1              | <u>18,969</u>                  | <u>27,725</u>              | <u>46,694</u>                |
| <b>Fund Cash Balances, December 31</b>    | <b><u>\$30,904</u></b>         | <b><u>\$3,981</u></b>      | <b><u>\$34,885</u></b>       |

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

**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL 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 Council and permitted counties to establish county family and children first councils. Statutory membership of 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 job 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 district 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 interest 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.

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.

**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 county wide, comprehensive, coordinated, multidisciplinary, 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 Columbiana County Family and Children First Council was organized with the statutory membership on October 1, 1996. The Council's management believes these financial statements present all activities for which the Council is financially accountable.

**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. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

No investments were held by the Family and Children First Council during the current audit period.

**D. 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:

**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**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. The Ohio Family and Children First Administration Grant is used as the general fund by the Council.

**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 had the following significant Special Revenue Funds:

*Wellness Block Grant* - funds distributed to Ohio counties to encourage the development of skills and abilities of children.

*Early Start Grant* - funds distributed to Ohio counties to encourage the development of children 3 years and under.

**E. Budgetary Process**

The Ohio Revised Code requires that Council to file an annual budget with its administrative agent, with copies filed with the county auditor and with the board of county commissioners, unless the board is serving as the Council's administrative agent. The Council's administrative agent is to ensure that all expenditures are handled in accordance with policies, procedures, and activities prescribed by State departments in rules or interagency agreements that are applicable to the Council's functions.

**F. 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.

**G. Unpaid Vacation and Sick Leave**

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.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Council maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

|  | <u>2000</u> | <u>1999</u> |
|--|-------------|-------------|
| Deposits with Carroll County Treasurer | \$ 131,987  | \$ 34,885   |

**Deposits:** Deposits are either insured by the Federal Depository Insurance Corporation, collateralized by financial institution's public entity deposit pool.

**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

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

**3. BUDGETARY ACTIVITY**

The Council adopts budgets that are therefore a restriction on spending, but are not required to comply with budgetary regulations. Council does not budget by General or Special Revenue Funds, but by total dollars available. Budgetary activity for the years ending 2000 and 1999 was as follows:

2000 Budgeted vs. Actual Receipts

| Fund Type       | Budgeted<br>Receipts | Actual<br>Receipts | Variance         |
|-----------------|----------------------|--------------------|------------------|
| General         | \$ 61,711            | \$ 61,584          | \$ (127)         |
| Special Revenue | 303,352              | 402,634            | 99,282           |
| Total           | <u>\$ 365,063</u>    | <u>\$ 464,218</u>  | <u>\$ 99,155</u> |

2000 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type       | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance          |
|-----------------|----------------------------|---------------------------|-------------------|
| General         | \$ 61,711                  | \$ 26,416                 | \$ 35,295         |
| Special Revenue | 303,434                    | 340,700                   | (37,266)          |
| Total           | <u>\$ 365,145</u>          | <u>\$ 367,116</u>         | <u>\$ (1,971)</u> |

1999 Budgeted vs. Actual Receipts

| Fund Type       | Budgeted<br>Receipts | Actual<br>Receipts | Variance           |
|-----------------|----------------------|--------------------|--------------------|
| General         | \$ 52,176            | \$ 36,872          | \$ (15,304)        |
| Special Revenue | 197,591              | 173,576            | (24,015)           |
| Total           | <u>\$ 249,767</u>    | <u>\$ 210,448</u>  | <u>\$ (39,319)</u> |

1999 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type       | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance           |
|-----------------|----------------------------|---------------------------|--------------------|
| General         | \$ 52,176                  | \$ 24,937                 | \$ 27,239          |
| Special Revenue | 119,658                    | 197,320                   | (77,662)           |
| Total           | <u>\$ 171,834</u>          | <u>\$ 222,257</u>         | <u>\$ (50,423)</u> |

**4. RETIREMENT SYSTEMS**

The Council's employee belongs 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.

**CARROLL FAMILY AND CHILDREN FIRST COUNCIL  
CARROLL COUNTY**

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

**4. RETIREMENT SYSTEMS (Continued)**

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 participant's gross salary for 1999 and 10.84% for 2000. 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***

Carroll Family and Children First Council  
Carroll County  
55 East Main Street  
Carrollton, Ohio 44615

To the Council:

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

Carroll Family and Children First Council  
Carroll County  
Report of Independent Accountants 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.

**Jim Petro**  
Auditor of State

May 21, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**FAMILY AND CHILDREN FIRST COUNCIL**

**CARROLL 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  
JULY 10, 2001**