



**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
GEAUGA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 & 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
GEAUGA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Geauga Family and Children First Council
Geauga County
12480 Ravenwood Drive
Chardon, Ohio 44024

To the Board of Trustees:

We have audited the financial statements of the Geauga Family and Children First Council, Geauga County, Ohio, (the Council) and for the years ended December 31, 2000 and December 31, 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 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 Geauga Family and Children First Council, Geauga County, Ohio, 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 16, 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 management and Board of Trustees 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 16, 2001

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**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
 GEAUGA COUNTY
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND CASH BALANCES - THE GOVERNMENTAL FUND TYPE -
 FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

	<u>GENERAL FUND</u>	<u>GENERAL FUND</u>
	<u>2000</u>	<u>1999</u>
Cash Receipts:		
Intergovernmental Revenue	\$390,802	\$370,320
Local Agency Contributions	812,388	819,350
	<u>1,203,190</u>	<u>1,189,670</u>
Cash Disbursements:		
Salaries - Employees	53,612	51,714
Office Supplies/Postage	126	780
Purchased Services	1,092,297	891,627
Other Expenses	5,322	5,741
Travel	2,779	0
	<u>1,154,136</u>	<u>949,862</u>
Excess of Cash Receipts Over/(Under) Cash Disb	49,054	239,808
Beginning Fund Cash Balances	<u>489,239</u>	<u>249,431</u>
Ending Fund Cash Balances	<u>\$538,293</u>	<u>\$489,239</u>

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

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**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
GEAUGA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. DESCRIPTION OF THE ENTITY

Section 121.37, Ohio 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 Ohio 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 Ohio 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.

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:

**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
GEAUGA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. DESCRIPTION OF THE ENTITY (Continued)

- 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.

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.

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

Intergovernmental Receipts - Funds received from the Administration Grant, Wellness Block Grant, IV-E Grant, Intersystems Collaborative for Youth Funds, Family Stability Grant, Welcome Home Grant and Reclaim Ohio Funds.

Local Agency Contributions - Local monies contributed by Geauga County Agencies including: Board of Mental Health, Alcohol and Drug Addiction Services; Children Services Board; Geauga County Juvenile Court; Human Services; Board of MR/DD and Board of Commissioners. The amount provided by each agency is based on the Council's annual budget and the amount of funding needed to fulfill Council obligations.

**GEAUGA FAMILY AND CHILDREN FIRST COUNCIL
GEAUGA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fiscal Agent

The Geauga County Auditors serve as the fiscal agent for the Council. Council funds are maintained in a separate county agency fund, County Cluster Fund.

D. Contracted Services

The Case Coordinator is an employee of Geauga County Human Services. The funds used to reimburse his services are derived from the Administrative Grant and Local Agency Contributions received by the Council and maintained in the Council's general fund.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid and are not reflected as assets on the accompanying financial statements. During the audit period, the Council did not purchase such assets.

F. Finance Committee

The Council's Finance Committee consists of five (5) members of the Council who meet in the fall.

G. Budgetary Process

The Council is not subject to Ohio Budgetary law as it is not a taxing subdivision.

3. EQUITY IN POOLED CASH

As required by the Ohio Revised Code, the Council's cash is held and invested by the Geauga County Treasurer, who acts as custodian for the Council's monies. The Council's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. The Council's carrying amount of cash on deposit with the County at December 31, 2000 was \$538,293 and \$489,239 at December 31, 1999.

4. RETIREMENT SYSTEM

Employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. The Council's PERS members contributed 8.5% of their gross salaries. The Council contributed an amount equal to 13.55% of participants' gross salaries for 1999 and 10.84% for 2000. The Council has paid all contributions required through December 31, 2000.

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

Geauga Family and Children First Council
Geauga County
12480 Ravenwood Drive
Chardon, Ohio 44024

To the Board of Trustees:

We have audited the financial statements of the Geauga Family and Children First Council, Geauga 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 16, 2001. 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.

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 audits 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 audits, 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 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 May 16, 2001.

This report is intended for the information and use of management and Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

May 16, 2001



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FAMILY AND CHILDREN FIRST COUNCIL

GEAUGA 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 26, 2001**