



**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

**REGULAR AUDIT**

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



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

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**STATE OF OHIO**



**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

743 East State Street  
Athens Mall, Suite B  
Athens, Ohio 45701  
Telephone 740-594-3300  
800-441-1389  
Facsimile 740-594-2110  
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Family and Children First Council  
Perry County  
499 North State Street  
New Lexington, Ohio 43764

To the Council:

We have audited the accompanying financial statements of the Family and Children First Council, Perry County, Ohio (the Council), as of and for the years ended December 31, 2000 and 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 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 fund cash balances and reserves for encumbrances of the Family and Children First Council, Perry County, as of December 31, 2000 and 1999, and its 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 June 21, 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 audit.

This report is intended solely for the information and use of 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.

**Jim Petro**  
Auditor of State

June 21, 2001

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**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<b>Governmental Fund Types</b>		<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	
<b>Cash Receipts:</b>			
Intergovernmental	\$ 181,874	\$ 312,512	\$ 494,386
Cluster Monies	13,428		13,428
Other Revenue		20	20
Total Cash Receipts	195,302	312,532	507,834
<b>Cash Disbursements:</b>			
Supplies	1,163	34,198	35,361
Equipment	44	943	987
Travel		866	866
Other Expenses	150	516	666
Wellness Grant	94,971		94,971
Contracted Services	47,209	136,260	183,469
Cluster Creative Options	13,109		13,109
Administrative Fees		9,550	9,550
Total Cash Disbursements	156,646	182,333	338,979
Total Cash Receipts Over/(Under) Cash Disbursements	38,656	130,199	168,855
Fund Cash Balances, January 1	50,159	255,433	305,592
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 88,815</u></b>	<b><u>\$ 385,632</u></b>	<b><u>\$ 474,447</u></b>
Reserve for Encumbrances, December 31	<u>\$ 20,502</u>	<u>\$ 42,168</u>	<u>\$ 62,670</u>

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

**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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

	<b>Governmental Fund Types</b>		<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	
<b>Cash Receipts:</b>			
Intergovernmental	\$ 100,821	\$ 241,045	\$ 341,866
Cluster Monies	102,536		102,536
Other Receipts		1,600	1,600
Total Cash Receipts	203,357	242,645	446,002
<b>Cash Disbursements:</b>			
Supplies	1,568	4,520	6,088
Equipment		4,976	4,976
Travel and Expense	220	7,239	7,459
Wellness Grant	102,511		102,511
Creative Options	85,190		85,190
Contracted Services	12,000	77,198	89,198
Other Expenses	1,798	14,451	16,249
Total Cash Disbursements	203,287	108,384	311,671
Total Cash Receipts Over/(Under) Cash Disbursements	70	134,261	134,331
Fund Cash Balances, January 1	50,089	121,172	171,261
<b>Fund Cash Balances, December 31</b>	<b>\$ 50,159</b>	<b>\$ 255,433</b>	<b>\$ 305,592</b>
Reserve for Encumbrances, December 31	\$ 12,841	\$ 45,445	\$ 58,286

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

**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Ohio Rev. Code Section 121.37 created the Ohio Family and Children First Cabinet Council and permitted the Board of County Commissioners in each County to establish County Family and Children First Councils. A Board of County Commissioners 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 its County Council. Each County Council must include the following individuals:

1. At least three individuals whose families are or have received services from an agency which is represented on the Council or another County's Council. Where possible, the number of members representing families shall be equal to twenty per cent of the Council's membership;
2. The Director of the Board of Alcohol, Drug Addiction, and Mental Health Services (ADAMH) that serves the County, or, in the case of a County that has an ADAMH Board and a Community Mental Health Board, the Directors of both Boards. If the ADAMH Board covers more than one County, the Director may designate a person to participate on the County's Council;
3. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City and General Health District in the County. If the County has more than two health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
4. The Director of the County Department of Job and Family Services;
5. The Executive Director of the County agency responsible for the administration of children's services pursuant to Ohio Rev. Code Section 5153.15;
6. The Superintendent of the County Board of Mental Retardation and Developmental Disabilities;
7. The County's Juvenile Court Judge senior in service or another judge of the Juvenile Court designated by the Administrative Judge or, where there is no Administrative Judge, by the Judge senior in service;
8. The Superintendent of the City, Exempted Village, or Local School District with the largest numbers of pupils residing in the County, as determined by the Ohio Department of Education at least biennially;
9. 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;
10. A representative of the municipal corporation with the largest population in the County;
11. The President of the Board of County Commissioners, or an individual designated by the Board;
12. A representative from the regional office of the Ohio Department of Youth Services;
13. A representative of the County's Head Start Agencies, as defined in Ohio Rev. Code Section 3301.31;
14. 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 of 1986"; and,
15. A representative of a local nonprofit entity that funds, advocates or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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

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

**A. Description of the Entity (Continued)**

A County Council's statutory responsibilities include the following:

1. Refer to the Cabinet Council those children for whom the Council cannot provide adequate services;
2. Develop and implement a process that annually evaluates and prioritizes services, fills service gaps where possible, and invents new approaches to achieve better results for families and children;
3. 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";
4. Maintain an accountability system to monitor the Council's progress in achieving results for families and children; and,
5. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the County system.

The Perry County Family and Children First Council was organized with the statutory membership on April 1, 1993.

**B. Basis of Accounting**

The 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. 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 to be accounted for in another fund.

**2. Special Revenue Fund**

This fund is used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Council had the following Special Revenue Fund:

**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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

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

**C. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

*Early Start Grant Fund* - This fund is used to account for federal and state grant funds to be used for families with children ages birth to three years and pregnant women who are at risk for abuse, neglect or developmental delay.

**D. Fiscal Agent**

The Council designated the Perry County Commissioners as its fiscal agent for the Wellness Block Grant received in the name of the Council and the Perry County Board of Mental Retardation and Developmental Disabilities as its fiscal agent for the Ohio Early Start Program received in the name of the Council. The Perry County Auditor is the designated fiscal agent for each of these departments. These Council funds are maintained by the County in a separate Agency Fund.

**E. Equity in Pooled Cash and Investments**

The Council's cash and investments are maintained by Perry County Commissioners, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits and investments and the County is responsible for compliance. As of December 31, 2000 and 1999, the Council's share of the County's cash and investment pool was as follows:

	<u>2000</u>	<u>1999</u>
Demand Deposits	\$ <u>474,447</u>	\$ <u>305,592</u>

All risks associated with such deposits are the responsibility of Perry County.

**F. Budgetary Activity**

The Council files an annual estimate of expenditures and revenue with Perry County, as required by law. This estimate is adopted by the Council and the Board of Mental Retardation and Developmental Disabilities. The County Commissioners approve any changes made to this estimate during the year. The County Commissioners ensure that the Council's expenditures do not exceed appropriations.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2000 and 1999, follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 249,333	\$ 195,302	\$ (54,031)
Special Revenue	<u>241,000</u>	<u>312,532</u>	<u>71,532</u>
Total	<u>\$ 490,333</u>	<u>\$ 507,834</u>	<u>\$ 17,501</u>

**FAMILY AND CHILDREN FIRST COUNCIL  
PERRY COUNTY**

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

**2. BUDGETARY ACTIVITY (Continued)**

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 363,691	\$ 177,148	\$ 186,543
Special Revenue	402,139	224,501	177,638
Total	<u>\$ 765,830</u>	<u>\$ 401,649</u>	<u>\$ 364,181</u>

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 205,397	\$ 203,357	\$ (2,040)
Special Revenue	186,800	242,645	55,845
Total	<u>\$ 392,197</u>	<u>\$ 446,002</u>	<u>\$ 53,805</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 254,113	\$ 216,128	\$ 37,985
Special Revenue	255,125	153,829	101,296
Total	<u>\$ 509,238</u>	<u>\$ 369,957</u>	<u>\$ 139,281</u>



**STATE OF OHIO  
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JIM PETRO, AUDITOR OF STATE

743 East State Street  
Athens Mall, Suite B  
Athens, Ohio 45701  
Telephone 740-594-3300  
800-441-1389  
Facsimile 740-594-2110  
www.auditor.state.oh.us

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

Family and Children First Council  
Perry County  
499 North State Street  
New Lexington, Ohio 43764

To the Council:

We have audited the accompanying financial statements of the Family and Children First Council, Perry County, Ohio (the Council), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 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 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*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Council in a separate letter dated June 21, 2001.

**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 statement 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 other 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 June 21, 2001.

Family and Children First Council  
Perry County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
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This report is intended for the information and use of 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

June 21, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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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

**FAMILY AND CHILDREN FIRST COUNCIL**

**PERRY 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 3, 2001**