



**Auditor of State
Betty Montgomery**

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Family and Children First Council
Jackson County
P.O. Box 184
McArthur, Ohio 45651

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Jackson County, Ohio, (the Council) as of and for the years ended December 31, 2002 and December 31, 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 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 cash balance of the Family and Children First Council, Jackson County, as of December 31, 2002 and December 31, 2001, 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 March 14, 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.

This report is intended solely for the information and use of the audit committee, management, the Family and Children First 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.

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Betty Montgomery
Auditor of State

March 13, 2003

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2002**

Cash Receipts:	
Intergovernmental	\$ 490,635
Total Cash Receipts	490,635
Cash Disbursements:	
Contract Services	442,051
Total Cash Disbursements	442,051
Total Cash Receipts Over/(Under) Cash Disbursements	48,584
Cash Balance, January 1	74,604
Cash Balance, December 31	\$ 123,188

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

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2001**

Cash Receipts:	
Intergovernmental	\$ 309,001
Total Cash Receipts	<u>309,001</u>
Cash Disbursements:	
Contract Services	<u>271,459</u>
Total Cash Disbursements	<u>271,459</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>37,542</u>
Cash Balance, January 1	<u>37,062</u>
Cash Balance, December 31	<u><u>\$ 74,604</u></u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Section 127.37, Revised Code, created the Ohio Family and Children First Cabinet Council permitting counties to establish County Family and Children First Councils. Statutory membership of the Council consists of the following individuals:

- a. At least three individuals whose families are or have received services from an agency which is represented on the Council. If possible, twenty per cent of the Council's membership should consist of members representing families.
- b. The Director of the Community Mental Health Board.
- c. The Director of the County Alcohol, Drug Addiction and Mental Health Services Board. For counties served by a joint Alcohol, Drug Addiction and Mental Health Board, the Joint Board's Director must designate a member to participate on the County's Council.
- d. A representative from each City Board of Health and General Board of Health District in the County. If there are more than two health district, then the membership is limited to the commissioners of the two districts with the largest populations.
- e. The Director of the County Department of Job and Family Services.
- f. The Executive Director of the County Children's Services Board.
- g. The Superintendent for the County Board of Mental Retardation and Developmental Disabilities.
- h. The Superintendent of the City, Exempted Village, or Local School District with the largest numbers of pupils residing in the County.
- i. The School Superintendent representing all other School Districts within the territory in the County, as designated at a biennial meeting of the Superintendents in those districts.
- j. A representative of the Municipal Corporation with the largest population in the County.
- k. The Chair of the Board of County Commissioners or a designee.
- l. A representative from the regional office of the Ohio Department of Youth Services.
- m. A representative of the County's Head Start agencies.
- n. A representative of the County's Early Intervention Collaborative.
- o. A representative of the Local Nonprofit Entity that funds, advocates or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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

C. Administrative and Fiscal Agents

The Jackson County Health Department is the administrative agent for the Council with Jackson County acting as the Council's fiscal agent.

**FAMILY AND CHILDREN FIRST COUNCIL
JACKSON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Equity in Pooled Cash

The Council's cash is maintained by Jackson County, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits, and Jackson County is responsible for compliance. As of December 31, 2002 and 2001, the Council's share of Jackson County's cash pool was as follows:

	<u>2002</u>	<u>2001</u>
Demand deposits	\$ 123,188	\$ 74,604
Total deposits	<u>\$ 123,188</u>	<u>\$ 74,604</u>

E. Budgetary Process

The Council files an annual estimate of expenditures with the Jackson County Health Department and Jackson County as required by state law. This estimate is adopted by Council. The Fiscal Officer of the Health Department inputs these appropriations into the system and ensures that the Council's expenditures do not exceed appropriations.

2. RESTATEMENT OF BEGINNING BALANCE

The January 1, 2001 balance was restated from \$46,368 to \$37,062, a decrease of \$9,306. This was due to disbursements that were made in 2000 but not recorded.

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**Auditor of State
Betty Montgomery**

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

Family and Children First Council
Jackson County
P.O. Box 184
McArthur, Ohio 45651

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Jackson County, Ohio (the Council) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated March 13, 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.

This report is intended solely for the information and use of the audit committee, management and the Family and Children First 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

March 13, 2003



**Auditor of State
Betty Montgomery**

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FAMILY AND CHILDREN FIRST COUNCIL

JACKSON 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
MAY 8, 2003**