



**Auditor of State  
Betty Montgomery**



**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Family and Children First Council  
Wyandot County  
127-D South Sandusky Avenue  
Upper Sandusky, Ohio 43351

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Wyandot 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 accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Council, as of December 31, 2002, and December 31, 2001, 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 June 26, 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.

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This report is intended solely for the information and use of management, the finance committee, the 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 black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**BETTY MONTGOMERY**  
Auditor of State

June 26, 2003

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts:</b>			
Grants	\$52,000	\$76,474	\$128,474
Other Receipts	5,848	0	5,848
	57,848	76,474	134,322
<b>Cash Disbursements:</b>			
Salaries	24,141	0	24,141
Travel and Expenses	1,096	0	1,096
Retirement	0	3,271	3,271
Workers' Compensation	0	141	141
Medicare	0	322	322
Insurance	0	7,863	7,863
Advertising	272	2,003	2,275
Parent Involvement	12,269	47,994	60,263
Purchased Services	3,967	29,155	33,122
Supplies	3,308	0	3,308
	45,053	90,749	135,802
Total Cash Receipts Over/(Under) Cash Disbursements	12,795	(14,275)	(1,480)
Fund Cash Balances, January 1, 2002	7,454	29,036	36,490
<b>Fund Cash Balances, December 31, 2002</b>	<b>\$20,249</b>	<b>\$14,761</b>	<b>\$35,010</b>

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

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Grants	\$73,518	\$111,564	\$185,082
Other Receipts	7,395	0	7,395
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	80,913	111,564	192,477
<b>Cash Disbursements:</b>			
Salaries	24,721	0	24,721
Travel and Expenses	1,361	0	1,361
Retirement	0	3,532	3,532
Workers' Compensation	0	132	132
Medicare	0	331	331
Insurance	0	7,610	7,610
Advertising	198	3,360	3,558
Parent Involvement	29,831	17,007	46,838
Purchased Services	6,159	63,759	69,918
Supplies	6,249	590	6,839
Equipment	13,417	0	13,417
Dues/Fees	1,154	0	1,154
Other Disbursements	4,693	0	4,693
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	87,783	96,321	184,104
Total Cash Receipts Over Cash Disbursements	(6,870)	15,243	8,373
Fund Cash Balances, January 1, 2001	14,324	13,793	28,117
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31, 2001</b>	<b>\$7,454</b>	<b>\$29,036</b>	<b>\$36,490</b>
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*The notes to the financial statements are an integral part of this statement.*

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Section 121.37 of the 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 director 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 municipal corporation with the largest population in the county;
- j. The chair of the board of county commissioners or an individual designated by the board;
- k. A representative from the regional office of the Ohio 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;
- o. A representative of the local nonprofit entity that funds, advocates or provide services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT 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 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.

**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. Fund Accounting**

The Council uses fund accounting to segregate cash that is 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 Funds**

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Council had the following significant Special Revenue Fund:

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

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

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

**C. Fund Accounting (Continued)**

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

Wellness Block Grant Fund - This fund receives state grant money to provide community based programs of prevention services to reduce the rate of births to teens, and to develop programs for child abuse and neglect prevention.

**D. Fiscal Agent**

The Wyandot County Board of Commissioners is the Council's fiscal agent. Council funds are maintained in a separate agency fund at the county.

**E. Budgetary Process**

Ohio Revised Code requires the Council to submit an expenditure budget annually to its administrative agent, the county auditor, and the board of county commissioners. The Council adopted a budget at the object level.

A summary of 2002 and 2001 expenditure budgetary activity appears in Note 3.

**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.

**2. EQUITY IN POOLED CASH**

The Wyandot County Treasurer maintains a cash pool used by all of the county's funds, including those of the Council. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with the county at December 31, 2002, and 2001, was \$35,010 and \$36,490, respectively. The Wyandot County Treasurer, as fiscal agent for the Council, is responsible for maintaining adequate depository collateral for all funds in the county's pooled and deposit accounts.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2002, and December 31, 2001 follows:

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$80,355	\$45,053	\$35,302
Special Revenue	158,492	90,749	67,743
Total	<u>\$238,847</u>	<u>\$135,802</u>	<u>\$103,045</u>

**FAMILY AND CHILDREN FIRST COUNCIL  
WYANDOT COUNTY**

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

**3. BUDGETARY ACTIVITY (Continued)**

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$103,602	\$87,783	\$15,819
Special Revenue	158,139	96,321	61,818
Total	\$261,741	\$184,104	\$77,637

**4. RETIREMENT SYSTEM**

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, the Coordinator contributed 8.5% of her gross salary. The Council contributed an amount equal to 13.55% of the Coordinator's gross salary. The Council has paid all contributions required through December 31, 2002.

**5. IN-KIND CONTRIBUTIONS**

Wyandot County donated free rent to the Council in 2002 and 2001. The value of this service is estimated to be \$750 per year.

**6. RISK MANAGEMENT**

Insurance for comprehensive property and general liability is provided by Wyandot County.



**Auditor of State  
Betty Montgomery**

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

Family and Children First Council  
Wyandot County  
127-D South Sandusky Avenue  
Upper Sandusky, Ohio 43351

To the Family and Children First Council:

We have audited the accompanying financial statements of the Family and Children First Council, Wyandot County, Ohio, (the Council), as of and for the years ended December 31, 2002, and December 31, 2001, and have issued our report thereon dated June 26, 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*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Council in a separate letter dated June 26, 2003.

**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.

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Family and Children First Council  
Wyandot County  
Independent Accountants' Report 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, the finance committee, and the 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

June 26, 2003



**Auditor of State  
Betty Montgomery**

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**WYANDOT COUNTY FAMILY AND CHILDREN FIRST COUNCIL**

**WYANDOT 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  
SEPTEMBER 4, 2003**