



**Auditor of State
Betty Montgomery**

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Family and Children First Council
Pickaway County
110 Island Road
Circleville, Ohio 43113

To the Members of Council:

We have audited the accompanying financial statements of the Family and Children First Council, Pickaway County, Ohio, (the Council) as of and for the year ended June 30, 2004 and for the period of January 1, 2003, through June 30, 2003. 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 reasonably assure 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.

As described in Note 3, the Council changed its fiscal year end from December 31 to June 30.

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 June 30, 2004, and June 30, 2003, and its cash receipts and disbursements for the fiscal year ended June 30, 2004 and the six-month period ended June 30, 2003, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2005, 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 grant agreements and other matters. That report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. It does not opine on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

A handwritten signature in black ink that reads "Betty Montgomery". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Betty Montgomery
Auditor of State

March 29, 2005

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$20,000	\$107,730	\$127,730
Total Cash Receipts	20,000	107,730	127,730
Cash Disbursements:			
Purchased Services	4,122	0	4,122
Payroll and Related Expenses	20,920	0	20,920
Supplies and Materials	4,280	0	4,280
Travel and Training	1,994	0	1,994
Help Me Grow - Part C	0	47,660	47,660
Help Me Grow - GRF	0	33,133	33,133
ADAMH Grant	0	6,965	6,965
Children's Trust Grant	0	14,932	14,932
Family Stability Grant	0	9,921	9,921
Other Expenditures	1,531	0	1,531
Total Cash Disbursements	32,847	112,611	145,458
Total Cash Receipts (Under) Cash Disbursements	(12,847)	(4,881)	(17,728)
Fund Cash Balances, July 1	27,424	18,847	46,271
Fund Cash Balances, June 30	<u>\$14,577</u>	<u>\$13,966</u>	<u>\$28,543</u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE PERIOD JANUARY 1, 2003 THROUGH JUNE 30, 2003**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$0	\$93,972	\$93,972
Total Cash Receipts	0	93,972	93,972
Cash Disbursements:			
Current:			
Purchased Services	893	0	893
Payroll and Related Expenses	9,129	0	9,129
Supplies and Materials	20	0	20
Travel and Training	525	0	525
Help Me Grow - Part C	0	21,034	21,034
Help Me Grow - GRF	0	21,843	21,843
ADAMH Grant	0	1,077	1,077
Family Stability Project	0	49,601	49,601
Total Cash Disbursements	10,567	93,555	104,122
Total Cash Receipts Over/(Under) Cash Disbursements	(10,567)	417	(10,150)
Fund Cash Balances, January 1	37,991	18,430	56,421
Fund Cash Balances, June 30	<u>\$27,424</u>	<u>\$18,847</u>	<u>\$46,271</u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Section 121.37, 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 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, 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"; and
- 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.

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003
(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.

Pickaway County Council's statutory responsibilities include the following:

- a. Refer to the council cabinet those children for whom the county council cannot provide adequate services;
- b. Make periodic reports to the council cabinet 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 county council's progress in achieving its purposes;
- e. Establish a mechanism to insure 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. The Council recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

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 reports all financial resources except those required to be accounted for in another fund.

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

2. Special Revenue Funds

These funds 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:

Help me Grow Grant Fund – This fund receives monies for the purpose of the grant provisions.

Family Stability Grant Fund – This fund receives monies for the purpose of the grant provisions.

Children's Trust Grant Fund – This fund receives monies for the purpose of the grant provisions.

D. Administrative Agent

The Council is required by law to submit a budget annually to its administrative agent for all funds received in the name of the Council. The Council designated the Pickaway County Department of Job and Family Services as its administrative agent.

E. Budgetary Process

The Council is required by law to submit a budget annually to its administrative agent, the Job & Family Services, and the Pickaway Board of County Commissioners. The Council adopted a budget at the object level. The Council is not required to follow ORC 5705 budgetary laws.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The fiscal agent maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at June 30 was as follows:

	<u>2004</u>	<u>2003</u>
Demand deposits	\$28,543	\$46,271

Deposits: Deposits are insured by the Federal Depository Insurance Corporation

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003
(Continued)**

3. CHANGE IN FISCAL YEAR END

During 2003, the Pickaway County Family and Children First Council changed its fiscal year end to agree to the fiscal year of the State of Ohio, the source of the majority of its funding. The Council fiscal year changed from January 1 through December 31 to July 1 to June 30.

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending June 30 follows:

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$20,000	\$20,000	\$0
Special Revenue	\$123,967	107,730	(16,237)
Total	<u>\$143,967</u>	<u>\$127,730</u>	<u>(\$16,237)</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$24,564	\$32,848	(\$8,284)
Special Revenue	123,961	112,611	11,350
Total	<u>\$148,525</u>	<u>\$145,459</u>	<u>\$3,066</u>

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$0	\$0
Special Revenue	184,269	93,972	(90,297)
Total	<u>\$184,269</u>	<u>\$93,972</u>	<u>(\$90,297)</u>

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$17,000	\$10,567	\$6,433
Special Revenue	164,269	93,555	70,714
Total	<u>\$181,269</u>	<u>\$104,122</u>	<u>\$77,147</u>

**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003
(Continued)**

5. RETIREMENT SYSTEM

The Council's employee belongs to the Ohio Public Employees Retirement System (OPERS). OPERS is cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2004 and 2003, OPERS members contributed 8.5 percent of their gross salaries. The Council contributed an amount equaling 13.55 percent of the participant's gross salary. The Council has paid all contributions required through June 30, 2004.

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Family and Children First Council
Pickaway County
110 Island Road
Circleville, Ohio 43113

To the Members of Council:

We have audited the financial statements of the Family and Children First Council, Pickaway County, Ohio, (the Council) as of and for the year ended June 30, 2004, and as of and for the period January 1, 2003 through June 30, 2003, and have issued our report thereon dated March 29, 2005, wherein we noted the Council's change in fiscal year. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Council's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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Family and Children First Council
Pickaway County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
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We intend this report solely for the information and use of the audit committee, management, and the Members of Council. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The script is cursive and fluid, with the first name "Betty" and last name "Montgomery" clearly legible.

Betty Montgomery
Auditor of State

March 29, 2005



**Auditor of State
Betty Montgomery**

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800-282-0370
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**FAMILY AND CHILDREN FIRST COUNCIL
PICKAWAY 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 5, 2005**