

Stark County Family Council

Financial Condition

As of

June 30, 2011

Together with Auditor's Report



Dave Yost • Auditor of State

Members of the Council
Stark County Family Council
800 Market Avenue N.
Canton, Ohio 44702

We have reviewed the *Independent Auditor's Report* of the Stark County Family Council, Stark County, prepared by Kevin L. Penn, Inc., for the audit period July 1, 2010 through June 30, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Stark County Family Council is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

February 8, 2012

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STARK COUNTY FAMILY COUNCIL

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Independent Auditor's Report

To the Board of Trustee
Board of Stark County Family Council
Stark County, Ohio

I have audited the accompanying financial statements of Stark County Family Council, Stark County (the "Council") as of June 30, 2011 and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note 1, the Council has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America. Although I cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, I presume they are material.

Revisions to GAAP would require the Council to reformat its financial statement presentation and make other changes effective as of June 30, 2011 and for the year then ended. Instead of the combined funds the accompanying financial statements present for 2011, the revision requires presenting entity wide statements and also to present larger (i.e. major) funds separately for 2011. While the Council does not follow GAAP, generally accepted auditing standards require me to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Council has elected not to reformat its statements. Since the Council does not use GAAP to measure its financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. My opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In my opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Council as of June 30, 2011, or its changes in financial position for the year ended.

Also, in my opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Stark County Family Council as of June 30, 2011, and its combined cash receipts and disbursements for the year then ended, on the basis of accounting described in Note 1.

The aforementioned revision to generally accepted accounting principles also requires the Council to include Management's Discussion and Analysis for the year ended June 30, 2011. The Council has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of the financial statements.

In accordance with Government Auditing Standards, I have also issued my report dated November 30, 2011, on my consideration of the Council's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of my testing of internal controls over financial reporting and compliance and the results of 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 Governmental Auditing Standards. You should read it in conjunction with this report in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Stark County Family Council taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. This schedule is the responsibility of management of Stark County Family Council, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Kevin L. Penn, Inc.

November 30, 2011

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Stark County Family Council
 Stark County
 Combined Statement of Cash Receipts, Disbursements and
 Changes in Fund Cash Balances - Governmental Fund Types
 For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Total
Cash Receipts:			
Intergovernmental	\$ 107,500	\$ 2,133,165	\$ 2,240,665
Other Revenue	277	5,813	6,090
Total Cash Receipts	107,777	2,138,978	2,246,755
Cash Disbursements:			
Salaries and Benefits	57,186	1,498,228	1,555,414
Supplies and Materials	1,262	16,747	18,009
Purchased Services	12,329	356,887	369,216
Capital Outlay	892	5,412	6,304
Other	5,406	52,260	57,666
Total Cash Disbursements	77,075	1,929,534	2,006,609
Total Receipts Over/(Under) Disbursements	30,702	209,444	240,146
Fund Cash Balance - July 1	10,113	625,113	635,226
Fund Cash Balance - June 30			
Restricted		91,620	91,620
Assigned		742,937	742,937
Unassigned	40,815		40,815
Fund Cash Balance - June 30	\$ 40,815	\$ 834,557	\$ 875,372
Reserves for Encumbrances, June 30	\$ 2,088	\$ 74,742	\$ 76,830

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

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Organization and Reporting Entity

Ohio Rev. Code Section 121.37 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 Family and Children First 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 Ohio Rev. Code Section 5153.15;
- 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 Council, 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 or county commissioners, or an individual designated by the board;
- k. A representative of the regional office of the department of youth services;
- I. A representative of the county's head start agencies, as defined in Ohio Rev. Code Section 3301.31;
- 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

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Description of the Organization and Reporting Entity (Continued)

- n. At least three individuals representing the interest 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.

In addition, 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 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, multidisciplinary, inter-agency 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; and
- f. Establish a mechanism to ensure ongoing input from a board representation of families who are receiving services within the county system.

The Stark County Family Council (the "Council") was officially created on March 15, 1995 by proclamation of the Governor of the State of Ohio.

The Council's management believes these financial statements present all activities for which the Council is financial accountable.

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14 is the "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the ability of the primary government to impose its will upon the potential component unit. These criteria were considered in determining the reporting entity. The Council has no component units that are presented in the financial statements.

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The Council recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Cash and Investments

The Stark County Treasurer maintains a cash and investment pool used by all of the County's funds, including those of the Council. Deposits and investments are made in accordance with Ohio Revised Code.

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

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditures for specific purposes. The Council had the following significant special revenue funds:

Early Intervention Part C — This fund receives federal grant money for the purpose of providing services to families with young children who have disabilities from birth to 3 years of age.

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Help Me Grow Grant Fund— This fund receives federal grant money for the purpose of providing services to families with young children at greater risk.

GRF Fund— This fund receives state grant money for the purpose of providing services to families with young children at greater risk.

E. Budgetary Process

Ohio Revised Code Section 121.37(B)(4) requires the Council to file an annual budget with its administrative agent (Stark County Educational Service Center), the county auditor, and the board of county commissioners. This budget includes estimated resources and appropriations.

1. Appropriations

As Stark County Educational Service Center (County) serves as the fiscal agent for the Council, the Council is required to adopt annual appropriations. The County maintains all of the Council's financial activity in one fund and annual appropriations are adopted on the object level for that fund.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of July 1.

3. Encumbrances

The Council reserves (encumbers) appropriations when commitments are made, in accordance with the procedures of its fiscal agent (Stark County Educational Service Center). Encumbrances outstanding at year-end are carried over and are not re-appropriated.

A summary of the year ended June 30, 2011 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

The Council records disbursements for acquisitions of property, plant and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 2: EQUITY IN POOLED CASH AND INVESTMENTS

Stark County, the fiscal agent for the Council, maintains a cash and investment pool used by all funds, including the Council. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at June 30, 2011 was as follows:

Deposits with Stark County Educational Service Center \$ 875,372

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

NOTE 3: BUDGETARY ACTIVITY

The Family Council's budget and actual information is maintained by the County in one fund which does not break down information by the Council's general and special revenue funds.

Budgetary activity for the fiscal period ended June 30, 2011 follows:

<u>2011 Budgeted vs. Actual Receipts</u>			
	Budgeted	Actual	Over/(Under)
<u>Fund Type</u>	<u>Receipts</u>	<u>Receipts</u>	<u>Variance</u>
Council	\$ 2,875,900	\$ 2,246,755	\$ (629,145)

<u>2011 Budgeted vs. Actual Budgetary Basis Expenditures</u>			
	Appropriation	Budgetary	Over/(Under)
<u>Fund Type</u>	<u>Council</u>	<u>Expenditures</u>	<u>Variance</u>
Council	\$ 2,448,941	\$ 2,083,439	\$(365,502)

NOTE 4: RETIREMENT SYSTEM

The Council's employees belong to the School Employees Retirement System (SERS). SERS is a 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. Members of SERS contributed 10 percent of their gross salaries from July 1 to June 30 of 2011. The Council contributed an amount equaling 14 percent of participants' gross salaries from July 1 to June 30 of 2011. The Council has paid all contributions required through June 30, 2011.

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 5: LEASE AGREEMENTS

The Council entered into a lease agreement for the use of Suite 1600 at 800 Market Avenue North, Canton, Ohio 44702, for the term July 1, 2010 through June 30, 2011 with an annual payment of \$16,000.

Total rental expense for the premises was \$16,000 for the twelve month period ended June 30, 2011. The minimum future lease payments are \$0.

NOTE 6: RISK MANAGEMENT

Commercial Insurance

The Council has obtained commercial insurance for the following risks:

- General liability — \$1,000,000 each occurrence, \$2,000,000 aggregate — Ohio Casualty
- Umbrella liability - \$1,000,000 each occurrence, — Ohio Casualty

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in this coverage from the prior year.

The Council is a member of the Stark County Schools Council of Government which is a shared risk pool for health insurance provided to its member employees.

The pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of June 30:

	<u>2010</u>	<u>2011</u>
Cash and investments	\$ 69,203,189	\$ 89,702,252
Actuarial liabilities	12,937,000	13,719,000

NOTE 7: CONTINGENT LIABILITIES

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor, principally the state and federal governments. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts, if any, grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

STARK COUNTY FAMILY COUNCIL
STARK COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 8: CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2011, the Council implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

The implementation of GASB Statements No. 54 resulted in the following fund balance classifications:

Unassigned Fund Balance

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Unassigned Fund Balance as of June 30, 2011 is \$40,815.

Assigned Fund Balance

Assigned fund balance includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

The Assigned Fund Balance as of June 30, 2011 is \$742,937.

Restricted Fund Balance

Restricted fund balance is used when constraints placed on the use of resource are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The Restricted Fund Balance as of June 30, 2011 is \$91,620.

Stark County Family Council				
Schedule of Expenditures of Federal Awards				
For the Year Ended June 30, 2011				
Federal Grantor		Federal CFDA	Pass Through	
Pass Through Grantor /			Through	
Program Title		Number	Entity Number	Expenditures
U.S. DEPARTMENT OF EDUCATION				
Passed Through Ohio Department of Health:				
Special Education - Grants for Infants and Families		84.181	07650011HG0109	\$ 284,064
Special Education - Grants for Infants and Families, Recovery Act		84.393A	07650011HA0111	\$ 270,511
Subtotal				\$ 554,575
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through Ohio Department of Mental Health:				
Promoting Safe and Stable Families		93.556	5AU-10-100-22-074	\$ 3,697
			5AU-10-100-22-140	\$ 2,918
			5AU-11-100-22-058	\$ 91,997
			5AU-11-100-22-107	\$ 4,603
Subtotal				\$ 103,215
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 657,790

**STARK COUNTY FAMILY COUNCIL
STARK COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2011**

NOTE A— SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the Council's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B — MATCHING REQUIREMENTS

Certain federal programs require that the Council contribute funds (matching funds) to support the federally-funded programs. The Council has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the Schedule.



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards

To the Board of Trustee
Board of Stark County Family Council
Stark County, Ohio

I have audited the financial statements of Stark County Family Council, Stark County, Ohio (the Council) as of June 30, 2011 and for the year then ended, and have issued my report thereon dated November 30, 2011. I conducted my audit in accordance with generally accepted auditing standards 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. Also, as described in Note 1 to the financial statements, the Council prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Stark County Family Council's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Stark County Family Council's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Stark County Family Council's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Stark County Family Council's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Stark County Family Council's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, those charged with governance and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Kevin L. Penn, Inc.

November 30, 2011



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Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance with OMB Circular A-133

To the Board of Trustee
Board of Stark County Family Council
Stark County, Ohio

Compliance

I have audited the compliance of Stark County Family Council (the Council) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that could directly and materially affect each of the Council's major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the Council's major federal programs. The Council's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. My responsibility is to opine on the Council's compliance based on my audit.

My compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' Council Auditing Standards; and OMB Circular A-133, Audits of States, Local Authorities, and Non-Profit Organizations. These standards and OMB Circular A-133 require that I plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Council's compliance with these requirements and performing other procedures I considered necessary in the circumstances. I believe my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Council's compliance with these requirements.

In my opinion, the Council complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The Council's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Council's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine my auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, I have not opined on the effectiveness of the Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

I intend this report solely for the information and use of the management, others within the Council and federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Kevin L. Penn, Inc.

November 30, 2011

STARK COUNTY FAMILY COUNCIL
 STARK COUNTY
 Schedule of Findings
 June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
 Material weakness(es) identified? No
 Significant deficiency(s) identified
 not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over compliance:
 Material weakness(es) identified? No
 Significant deficiency(s) identified
 not considered to be material weaknesses? No

Type of auditor's report issued on compliance
 for major program: Unqualified

Any audit findings disclosed that are required
 to be reported in accordance with
 Circular A-133, Section .510(a)? No

Identification of major programs:
 84.181 and 84.393 Help Me Grow - Special
 Education Grant for
 Infants and Families

Dollar threshold used to distinguish
 between Type A and Type B programs: \$300,000 (Type A)

Auditee qualified as low-risk auditee? No

Stark County Family Council
Stark County

Schedule of Findings
June 30, 2011

Finding Related to the Financial Statements
Required to be Reported in Accordance with GAGAS

There were no audit findings for the 2011 fiscal year.

Stark County Family Council
Stark County

Schedule of Prior Audit Findings
June 30, 2011

There were no audit findings for the audit period of January 1, 2010 to June 30, 2010.



Dave Yost • Auditor of State

STARK COUNTY FAMILY COUNCIL

STARK 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
FEBRUARY 21, 2012**