

***FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY, OHIO***

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2015 & 2014



Dave Yost • Auditor of State

Members of the Council
Family and Children First Council
1369 E. Front Street
Logan, Ohio 43138

We have reviewed the *Independent Auditor's Report* of the Family and Children First Council, Hocking County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2014 through December 31, 2015. 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.

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 Family and Children First 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

August 29, 2016

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FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY, OHIO
Audit Report
For the Years Ended December 31, 2015 & 2014

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Family and Children First Council
Hocking County
1369 E. Front Street
Logan, Ohio 43138

To Members of the Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Family and Children First Council, Hocking County, Ohio (the Council), as of and for the years ended December 31, 2015 and 2014.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Council's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Council prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Council does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Council as of December 31, 2015 and 2014, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Family and Children First Council, Hocking County, as of December 31, 2015 and 2014, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Emphasis of Matter

We noted an error in previous years caused a prior year adjustment of \$71,921 to increase the General Fund and decrease various Special Revenue Funds. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2016, 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 internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.

June 10, 2016

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES
All Governmental Fund Types
For the Year Ended December 31, 2015**

	<u>Governmental Fund Types</u>		<u>Totals- Memorandum Only</u>
	<u>General</u>	<u>Special Revenue</u>	
Receipts:			
Intergovernmental	\$ 42,540	\$ 86,102	\$ 128,642
Cluster Monies	144,714	-	144,714
Other Revenue	1,348	-	1,348
Total Receipts	188,602	86,102	274,704
Disbursements:			
Personal Services	43,089	14,944	58,033
Utilities	1,229	-	1,229
Contractual Services	119,198	80,845	200,043
Supplies and Materials	407	-	407
Family Funds	23,865	-	23,865
Miscellaneous	3,936	-	3,936
Total Disbursements	191,724	95,789	287,513
Total Receipts Over/(Under) Disbursements	(3,122)	(9,687)	(12,809)
Fund Cash Balance, January 1, 2015	242,244	27,846	270,090
Fund Balances:			
Restricted	-	18,159	18,159
Assigned	5,040	-	5,040
Unassigned	234,082	-	234,082
Fund Cash Balance, December 31, 2015	\$ 239,122	\$ 18,159	\$ 257,281

See Accompanying Notes to the Financial Statements.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES
All Governmental Fund Types
For the Year Ended December 31, 2014**

	<u>Governmental Fund Types</u>		<u>Totals- Memorandum Only</u>
	<u>General</u>	<u>Special Revenue</u>	
Receipts:			
Intergovernmental	\$ 41,135	\$ 90,429	\$ 131,564
Cluster Monies	136,357	-	136,357
Other Revenue	721	-	721
	<hr/>	<hr/>	<hr/>
Total Receipts	178,213	90,429	268,642
Disbursements:			
Personal Services	41,894	9,431	51,325
Utilities	1,318	-	1,318
Contractual Services	84,238	75,825	160,063
Supplies and Materials	476	-	476
Family Funds	17,214	-	17,214
Miscellaneous	1,483	-	1,483
	<hr/>	<hr/>	<hr/>
Total Disbursements	146,623	85,256	231,879
Total Receipts Over/(Under) Disbursements	31,590	5,173	36,763
Fund Cash Balance, January 1, 2014-Restated	210,654	22,673	233,327
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Fund Balances:			
Restricted	-	27,846	27,846
Assigned	43,076	-	43,076
Unassigned	199,168	-	199,168
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Fund Cash Balance, December 31, 2014	\$ 242,244	\$ 27,846	\$ 270,090
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See Accompanying Notes to the Financial Statements.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

Ohio Revised Code Section 121.37 created the Ohio Family and Children First Cabinet Council and required each Board of County Commissioners to establish a County Family and Children First Council. Statutory membership of County Council consists of the following individuals:

- a. 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;
- b. 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. If a Board of Alcohol, Drug Addition, and Mental Health Services covers more than one County, the Director may designate a person to participate on the County's Council;
- c. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City or General Health District in the County. If the County has two or more health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
- d. The Director of the County Department of Job and Family Services;
- e. The Executive Director of the public children services agency or the County agency responsible for the administration of children services pursuant to the Ohio Revised Code Section 5153.15;
- f. The Superintendent of the County Board of Developmental Disabilities or if the Superintendent serves as Superintendent as more than one County Board of Developmental Disabilities, the Superintendent's designee;
- 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 Ohio 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;

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

A. DESCRIPTION OF THE ENTITY – (Continued)

- i. A representative of the municipal corporation with the largest population in the County;
- j. The President of the Board of County Commissioners or an individual designated by the Board;
- k. A representative of the regional office of the Ohio Department of Youth Services;
- l. A representative of the County’s Head Start agencies, as defined in Ohio Revised Code Section 3301.32;
- m. A representative of the County’s Early Intervention collaborative established pursuant to the federal early intervention program operated under the “Individuals with Disabilities Education Act of 2004”; and
- n. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

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.

The purpose of the County Council is to streamline and coordinate existing government services for families seeking services for their children. In seeking to fulfill its purpose, a County Council shall provide for the following:

- a. Referrals to the Cabinet Council of those children for whom the County Council cannot provide adequate services;
- b. Development and implementation of 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;
- c. Participation 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 “Individuals with Disabilities Education Act of 2004”;

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

A. DESCRIPTION OF THE ENTITY – (Continued)

- d. Maintenance of an accountability system to monitor the County Council's progress in achieving results for families and children; and
- e. Establishment of a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the County system.

B. REPORTING ENTITY

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the Council consists of all funds, departments, and activities that are not legally separate from the Council. They comprise the Council's legal entity which provides services including human, social, health and education to families and children.

Component units are legally separate organizations for which the Council is financially accountable. The Council is financially accountable for an organization if the Council appoints a voting majority of the organization's governing board and (1) the Council is able to significantly influence the programs or services performed or provided by the organization; or (2) the Council is legally entitled to or can otherwise access the organization's resources; the Council is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Council is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Council in that the Council approves the budget, the issuance of debt, or the levying of taxes. The Council has no component units.

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

C. BASIS OF ACCOUNTING

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Council recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. BASIS OF ACCOUNTING-(Continued)

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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

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

D. FUND ACCOUNTING

The Council uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Council classifies its funds into the following types:

Governmental Fund Types:

General Fund: The general operating fund of the Council. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Special Revenue Funds: These funds are used to account for proceeds from special sources that are restricted to expenditures for specific purposes. The Council has the following significant Special Revenue fund:

- Help Me Grow Fund- This fund receives federal monies to provide families with services and support such as prenatal visits, newborn visits, ongoing home visits and support from other parents.

E. ADMINISTRATIVE FISCAL AGENT

Ohio Revised Code Section 121.37(B)(5)(a) requires the Council to select an administrative agent to provide fiscal and administrative services to the Council. The Council has selected the Hocking County Auditor. The Council authorizes the Hocking County Auditor, as fiscal agent and administrative agent, to subcontract with, designate, and/or seek assistance from any agencies and/or organizations that it deems necessary in order to complete the obligations set forth in the agreement.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. ADMINISTRATIVE/FISCAL AGENT – (Continued)

The Hocking County Auditor agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

F. BUDGETARY PROCESS

A Family and Children First Council established under Ohio Revised Code Section 121.37 is not a taxing authority and is not subject to Ohio Revised Code Chapter 5705. As of October 1, 1997, all Family and Children First Councils are required to file an annual budget with its administrative agent.

The Council files an annual estimate of expenditures and revenue with the Hocking County Auditor, as required by Ohio law.

This estimate is adopted by the Council and the Hocking County Commissioners. The Council and 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.

G. FUND BALANCE

Fund balance is divided into five classifications based primarily on the extent to which the Council must observe constraints imposed upon the use of its governmental-fund resources.

1. Nonspendable- The Council classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.
2. Restricted- Fund balance is restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.
3. Committed- The Council can commit amounts via formal action (resolution). The Council must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. FUND BALANCE – (Continued)

4. Assigned- Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restrict or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by the Council.

5. Unassigned- Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Council applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

H. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment acquisitions are recorded as expenses when paid, rather than being capitalized.

2. EQUITY IN POOLED CASH AND CASH EQUIVALENTS

The Council's cash and investments are maintained by the Hocking County Commissioners. The Ohio Revised Code prescribes allowable deposits and investments and the County is responsible for compliance. The carrying amount of cash at December 31 was as follows:

	<u>2015</u>	<u>2014</u>
Demand Deposits	<u>\$257,281</u>	<u>\$270,090</u>

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

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2015 and 2014 follows:

<u>2015 Budgeted vs Actual Receipts</u>			
<u>Fund:</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General Fund	\$ 309,711	\$ 188,602	\$ (121,109)
Special Revenue Funds	100,949	86,102	(14,847)

<u>2015 Budgeted vs Actual Budgetary Basis Disbursements</u>			
<u>Fund:</u>	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General Fund	\$ 277,437	\$ 196,764	\$ 80,673
Special Revenue Funds	113,301	113,245	56

<u>2014 Budgeted vs Actual Receipts</u>			
<u>Fund:</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General Fund	\$ 309,711	\$ 178,213	(\$ 131,498)
Special Revenue Funds	95,718	90,429	(5,289)

<u>2014 Budgeted vs Actual Budgetary Basis Disbursements</u>			
<u>Fund:</u>	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General Fund	\$ 220,088	\$ 189,699	\$ 30,389
Special Revenue Funds	111,227	85,256	25,971

4. RETIREMENT SYSTEM

The Council's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS are cost-sharing, multiple-employer plans. 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 2015 and 2014, OPERS members contributed 10% of their gross salaries and the Council contributed an amount equaling 14%, respectively, of participants' gross salaries. The Council has paid all contributions required through December 31, 2015.

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

5. RISK MANAGEMENT

The Council is insured through the Hocking County Commissioners for the following risks:

- Comprehensive property and general liability
- Valuable papers and records
- Errors and omissions

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in coverage from the past year.

6. PRIOR PERIOD ADJUSTMENT

An error in previous periods in the allocation of expenses between the general fund and the special revenue funds resulted in a prior period adjustment to the fund balance for 2014. The adjustment is as follows:

	General Fund	Special Revenue Funds
Beginning Fund Balance as previously reported	\$138,733	\$94,594
Adjustment	71,921	(71,921)
Beginning Fund Balance-Restated	\$210,654	\$22,673

7. CONTINGENT LIABILITES/SUBSEQUENT EVENTS

Management believes there are no pending claims or lawsuits.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Family and Children First Council
Hocking County
1369 E. Front Street
Logan, Ohio 43138

To Members of the Council:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Family and Children First Council, Hocking County (the Council), as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 10, 2016, wherein we noted the Council followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted a prior period adjustment for an error in prior years to increase the General Fund balance and decrease the Special Revenue Fund balance.

Internal Controls Over Financial Reporting

As part of our financial statement audit, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Council's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Council's financial statements. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2015-001 described in the accompanying schedule of findings to be a material weakness.

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 grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

June 10, 2016

**FAMILY AND CHILDREN FIRST COUNCIL
HOCKING COUNTY
Schedule of Findings
December 31, 2015 and 2014**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding Number 2015-001 – Material Weakness

Prior Audit Adjustment Not Recorded

Proper internal control provides for the prevention or detection of material misstatement of the financial statements in a timely manner.

However, the Council did not record an audit adjustment from the prior audit related to an allocation error in the cash fund balances. Accordingly, the special revenue beginning fund balance was overstated by \$71,921 and the general fund was understated by a like amount.

The financial statements have been adjusted to reflect the proper presentation and management has agreed with this adjustment and posted it.

Management Response:

We did not receive a management response.

SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report, for the years ended December 31, 2013 and 2012 reported no material citations or recommendations.

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Dave Yost • Auditor of State

HOCKING FAMILY AND CHILDREN FIRST COUNCIL

HOCKING 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 13, 2016**