



**FAMILY AND CHILDREN FIRST COUNCIL
WYANDOT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**FAMILY AND CHILDREN FIRST COUNCIL
WYANDOT COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

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, 2000 and December 31, 1999. 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 generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Council prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Council, as of December 31, 2000 and December 31, 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

As described in Note 7, effective in 1999, the Council reclassified certain cash from the General Fund classification to the Special Revenue Fund classification.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2001 on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of 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.

JIM PETRO
Auditor of State

May 11, 2001

**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, 2000**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Grants | \$71,014 | \$87,435 | \$158,449 |
| Other Receipts | 1,821 | 0 | 1,821 |
| Total Cash Receipts | <u>72,835</u> | <u>87,435</u> | <u>160,270</u> |
| Cash Disbursements: | | | |
| Salaries | 23,400 | 0 | 23,400 |
| Travel and Expenses | 1,530 | 1,600 | 3,130 |
| Retirement | 1,831 | 0 | 1,831 |
| Medicare | 315 | 0 | 315 |
| Insurance | 6,136 | 0 | 6,136 |
| Advertising | 189 | 3,487 | 3,676 |
| Parent Involvement | 3,170 | 450 | 3,620 |
| Purchased Services | 50,131 | 82,975 | 133,106 |
| Supplies | 9,696 | 16,182 | 25,878 |
| Equipment | 2,594 | 0 | 2,594 |
| Dues/Fees | 0 | 2,345 | 2,345 |
| Other Disbursements | 1,279 | 117 | 1,396 |
| Total Cash Disbursements | <u>100,271</u> | <u>107,156</u> | <u>207,427</u> |
| Total Cash Receipts (Under) Cash Disbursements | (27,436) | (19,721) | (47,157) |
| Fund Cash Balances, January 1 | <u>41,760</u> | <u>33,514</u> | <u>75,274</u> |
| Fund Cash Balances, December 31 | <u>\$14,324</u> | <u>\$13,793</u> | <u>\$28,117</u> |

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, 1999**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Grants | \$46,816 | \$79,754 | \$126,570 |
| Other Receipts | 428 | 0 | 428 |
| Total Cash Receipts | <u>47,244</u> | <u>79,754</u> | <u>126,998</u> |
| Cash Disbursements: | | | |
| Salaries | 23,868 | 0 | 23,868 |
| Travel and Expenses | 1,249 | 3,608 | 4,857 |
| Advertising | 0 | 7,031 | 7,031 |
| Parent Involvement | 2,160 | 750 | 2,910 |
| Purchased Services | 9,485 | 25,617 | 35,102 |
| Supplies | 3,376 | 6,819 | 10,195 |
| Equipment | 1,116 | 5,616 | 6,732 |
| Dues/Fees | 0 | 125 | 125 |
| Other Disbursements | 3,416 | 342 | 3,758 |
| Total Cash Disbursements | <u>44,670</u> | <u>49,908</u> | <u>94,578</u> |
| Total Cash Receipts Over Cash Disbursements | 2,574 | 29,846 | 32,420 |
| Fund Cash Balances, January 1 | <u>39,186</u> | <u>3,668</u> | <u>42,854</u> |
| Fund Cash Balances, December 31 | <u>\$41,760</u> | <u>\$33,514</u> | <u>\$75,274</u> |
| Reserve for Encumbrances, December 31 | <u>\$0</u> | <u>\$2,076</u> | <u>\$2,076</u> |

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, 2000 AND 1999**

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, 2000 AND 1999
(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.

**FAMILY AND CHILDREN FIRST COUNCIL
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

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:

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 a budget annually to its administrative agent, the county auditor, and the board of county commissioners. The Council adopted a budget at the object level.

The Council follows the same encumbrance method of accounting as its administrative agent.

A summary of 2000 and 1999 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, 2000 was \$28,117 and \$75,274 at December 31, 1999. 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.

**FAMILY AND CHILDREN FIRST COUNCIL
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Receipts

| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
|-----------------|----------------------|--------------------|-----------------|
| General | \$47,245 | \$72,835 | \$25,590 |
| Special Revenue | 79,798 | 87,435 | 7,637 |
| Total | <u>\$127,043</u> | <u>\$160,270</u> | <u>\$33,227</u> |

2000 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
|-----------------|----------------------------|---------------------------|-----------------|
| General | \$116,241 | \$100,271 | \$15,970 |
| Special Revenue | 162,076 | 107,156 | 54,920 |
| Total | <u>\$278,317</u> | <u>\$207,427</u> | <u>\$70,890</u> |

1999 Budgeted vs. Actual Receipts

| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
|-----------------|----------------------|--------------------|-----------------|
| General | \$30,000 | \$47,244 | \$17,244 |
| Special Revenue | 79,754 | 79,754 | 0 |
| Total | <u>\$109,754</u> | <u>\$126,998</u> | <u>\$17,244</u> |

1999 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
|-----------------|----------------------------|---------------------------|-----------------|
| General | \$61,550 | \$44,670 | \$16,880 |
| Special Revenue | 66,000 | 51,984 | 14,016 |
| Total | <u>\$127,550</u> | <u>\$96,654</u> | <u>\$30,896</u> |

**FAMILY AND CHILDREN FIRST COUNCIL
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. RETIREMENT SYSTEMS

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. Beginning January 1, 2000, the Council's Coordinator was a member of PERS and contributed 8.5% of her gross salary in 2000. The Council contributed an amount equal to 13.55% of the Coordinator's gross salary from January 1, 2000 - June 30, 2000. Due to a rollback in employer contribution rates, this amount was reduced to 8.13% from July 1, 2000 - December 31, 2000. The Council has paid all contributions required through December 31, 2000.

5. IN-KIND CONTRIBUTIONS

Wyandot County donated free rent to the Council in 1999 and 2000. 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.

7. FUND RECLASSIFICATION

A fund reclassification is required for the Council's Wellness Block Grant Fund to properly reflect its intended purpose. The fund should be reported as a special revenue fund. The effect of this fund reclassification on beginning fund cash balances reported as of January 1, 1999 is as follows:

| | General Fund | Special Revenue |
|--|--------------|-----------------|
| Cash fund balances as previously reported | \$42,854 | \$0 |
| Fund reclassification | (3,668) | 3,668 |
| Restated fund cash balances at January 1, 1999 | \$39,186 | \$3,668 |

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**REPORT OF INDEPENDENT ACCOUNTANTS 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, 2000 and December 31, 1999, and have issued our report thereon dated May 11, 2001 wherein we noted that the Council reclassified certain assets from the General Fund to the Special Revenue Fund classification. We conducted our audit in accordance with generally accepted auditing standards 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 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 May 11, 2001.

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.

Family and Children First Council
Wyandot County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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.

JIM PETRO
Auditor of State

May 11, 2001



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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
JULY 3, 2001**