



Mary Taylor, CPA
Auditor of State

PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006.....	5
Notes to the Financial Statement.....	7
Federal Awards Expenditure Schedule	11
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	13
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	15
Schedule of Findings.....	17

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

PRO Muskingum Families and Children First Council
Muskingum County
526 Putnam Avenue
P.O. Box 2475
Zanesville, Ohio 43701

To the Members of the Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statement due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS 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 statement in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statement presents are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statement you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 10, 2007

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

PRO Muskingum Families and Children First Council
Muskingum County
526 Putnam Avenue
P.O. Box 2475
Zanesville, Ohio 43701

To the Members of the Council:

We have audited the accompanying financial statement of the PRO Muskingum Families and Children First Council, Muskingum County, Ohio (the Council), as of and for the year ended December 31, 2006. This financial statement is the responsibility of the Council's management. Our responsibility is to express an opinion on this financial statement 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Council has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statement presents, GAAP require presenting entity wide statements and also presenting the Council's larger (i.e., major) funds separately. While the Council does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statement does not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require family and children first councils to reformat their statements. The Council has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the year ended December 31, 2006 does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Council as of December 31, 2006, or its change in financial position for the year then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the PRO Muskingum Families and Children First Council, Muskingum County, Ohio, as of December 31, 2006, and its combined cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

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 statement.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2007, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. 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.

We conducted our audit to opine on the Council's financial statement. The Schedule of Federal Awards Expenditure is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. We subjected the Schedule of Federal Awards Expenditures to the auditing procedures applied in the audit of the financial statement. In our opinion, this information is fairly stated in all material respects in relation to the financial statement taken as a whole.



Mary Taylor, CPA
Auditor of State

December 10, 2007

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Federal awards		\$1,034,777	\$1,034,777
Intergovernmental	\$39,681	142,207	181,888
Administrative Fees	60,723	3,934	64,657
Donations	95,170	31,330	126,500
Reimbursements	17,405	61,020	78,425
Rent		6,650	6,650
Other receipts	21,289	1,783	23,072
Total Cash Receipts	<u>234,268</u>	<u>1,281,701</u>	<u>1,515,969</u>
Cash Disbursements:			
Salaries	102,561	152,225	254,786
Supplies and equipment	11,517	32,688	44,205
Contract services	33,490	817,579	851,069
Rentals	1,200	1,200	2,400
Training	12,503	12,257	24,760
Travel	5,357	14,999	20,356
Advertising and printing	3,233	5,195	8,428
Administrative Fees		59,722	59,722
Maintenance	650	13,789	14,439
Utilities	2,947	18,445	21,392
Other	16,817	2,050	18,867
Public Assistance		17,525	17,525
Total Cash Disbursements	<u>190,275</u>	<u>1,147,674</u>	<u>1,337,949</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>43,993</u>	<u>134,027</u>	<u>178,020</u>
Other Financing Receipts/(Disbursements):			
Transfers-In	1,308	136,228	137,536
Advances-In	58,520	31,238	89,758
Transfers-Out		(137,536)	(137,536)
Advances-Out	(31,238)	(58,520)	(89,758)
Total Other Financing Receipts/(Disbursements)	<u>28,590</u>	<u>(28,590)</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>72,583</u>	<u>105,437</u>	<u>178,020</u>
Fund Cash Balances, January 1	<u>50,176</u>	<u>256,291</u>	<u>306,467</u>
Fund Cash Balances, December 31	<u><u>\$122,759</u></u>	<u><u>\$361,728</u></u>	<u><u>\$484,487</u></u>
Reserves for Encumbrances, December 31	<u><u>\$815</u></u>	<u><u>\$19,923</u></u>	<u><u>\$20,738</u></u>

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

This page intentionally left blank.

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Ohio Rev. Code Section 121.37 created the Ohio Family and Children First Cabinet Council and permitted the Board of County Commissioners in each County to establish County Family and Children First Councils. A Board of County Commissioners 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 its County Council. Each County Council must include the following individuals:

1. At least three individuals whose families are or have received services from an agency which is represented on the Council or another County's Council. Where possible, the number of members representing families shall be equal to twenty per cent of the Council's membership;
2. The Director of the Board of Alcohol, Drug Addiction, and Mental Health Services (ADAMH) that serves the County, or, in the case of a County that has an ADAMH Board and a Community Mental Health Board, the Directors of both Boards. If the ADAMH Board covers more than one County, the Director may designate a person to participate on the County's Council;
3. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City and General Health District in the County. If the County has more than two health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
4. The Director of the County Department of Job and Family Services;
5. The Executive Director of the County agency responsible for the administration of children's services pursuant to Ohio Rev. Code Section 5153.15;
6. The Superintendent of the County Board of Mental Retardation and Developmental Disabilities;
7. The County's Juvenile Court Judge senior in service or another judge of the Juvenile Court designated by the Administrative Judge or, where there is no Administrative Judge, by the Judge senior in service;
8. The Superintendent of the City, Exempted Village, or Local School District with the largest numbers of pupils residing in the County, as determined by the Ohio Department of Education at least biennially;
9. 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;
10. A representative of the municipal corporation with the largest population in the County;
11. The President of the Board of County Commissioners, or an individual designated by the Board;

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Description of the Entity (Continued)

12. A representative from the regional office of the Ohio Department of Youth Services;
13. A representative of the County's Head Start Agencies, as defined in Ohio Rev. Code Section 3301.31;
14. 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
15. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

A County Council's statutory responsibilities include the following:

1. Refer to the Cabinet Council those children for whom the Council cannot provide adequate services;
2. Develop and implement 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;
3. 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 "Individuals with Disabilities Education Act of 2004";
4. Maintain an accountability system to monitor the Council's progress in achieving results for families and children; and
5. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the County system.

The Council's management believes this financial statement presents all activities for which the Council is financially responsible.

B. Basis of Accounting

This financial statement follows the basis of accounting the Auditor of State prescribes or permits. 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.

This statement adequately discloses material matters the Auditor of State's accounting basis requires.

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. 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 accounts for all financial resources except those restricted by law or contract.

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 Subsidy Grant Fund - This fund receives state grant funds to be used for families with children ages birth to three years and pregnant women who are at risk for abuse, neglect, or developmental delay.

Help Me Grow Expansion Grant Fund - This fund receives federal grant funds from the Muskingum County Department of Job and Family Services to be used for income eligible families with children ages birth to three years and pregnant women who are at risk for abuse, neglect, or developmental delay.

Help Me Grow Part C Grant Fund - This fund receives federal grant funds to be used for families with disabled children ages birth to three years.

D. Fiscal and Administrative Agent

The Zanesville – Muskingum County General Health District serves as fiscal agent and the administrative agent for the Council.

E. Budgetary

The Council is required by Ohio Rev. Code Section 121.37(B)(4) to file an annual budget with its administrative agent. The Council estimates revenues and expenditures for the year and submits these estimates to the Zanesville – Muskingum County General Health District's Board. The Council and the Board approve any changes made to these estimates during the year. In 2006, the Council filed the required budgets with their administrative agent.

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2006
(Continued)**

2. EQUITY IN POOLED CASH

Muskingum County serves as the fiscal agent for the Zanesville – Muskingum County General Health District, the Council's fiscal agent. Muskingum County maintains a cash pool for all funds, including those of the Council. The Ohio Revised Code prescribes the County's allowable deposits and investments. The Council's carrying amount of cash on deposit with the County at December 31, 2006 was \$484,487.

3. RETIREMENT SYSTEM

Zanesville – Muskingum County General Health District employees perform certain services for the Council and are reimbursed from Council funds. Zanesville – Muskingum County General Health District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which includes post retirement health care, and survivor and disability benefits to participants.

The Ohio Revised Code also prescribes contribution rates. For 2006, OPERS members contributed 9 percent of their gross salaries. The Council contributed an amount equal to 13.7 percent of participants' gross salaries. The Council has paid all contributions required through December 31, 2006.

4. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF JUSTICE</u>			
<i>Passed Through Ohio Department of Youth Services and Muskingum County Commissioners:</i>			
Title V Delinquency Prevention Program	2005-JV-T50-5106	16.548	<u>\$35,023</u>
Total U.S. Department of Justice			35,023
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Passed through Ohio Department of Health:</i>			
Special Education: Grants for Infants and Families with Disabilities (Help Me Grow)	60-1-001-1-EG-07 60-1-001-1-EG-06	84.181	52,447 <u>84,757</u>
Total Special Education: Grants for Infants and Families with Disabilities (Help Me Grow)			<u>137,204</u>
Total U.S. Department of Education			<u>137,204</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed through Ohio Department of Mental Health and Muskingum Area Mental Health and Recovery Services Board:</i>			
Promoting Safe and Stable Families	36-CS-06-01 N/A	93.556	24,909 <u>4,026</u>
Total Promoting Safe and Stable Families			<u>28,935</u>
<i>Passed through Ohio Department of Job and Family Services and Muskingum County Department of Job and Family Services:</i>			
Temporary Assistance For Needy Families	N/A	93.558	553,045
Social Services Block Grant	N/A	93.667	<u>197,322</u>
Total U.S. Department of Health and Human Services			<u>779,302</u>
Total Federal Awards Expenditures			<u><u>\$951,529</u></u>

The Notes to the Schedule of Federal Awards Expenditures are an intergral part of this Schedule.

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
DECEMBER 31, 2006**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the PRO Muskingum Families and Children First Council's federal awards programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B – TITLE V EXPENDITURES

The total expenditures reported for Title V were \$35,023; however, only \$31,469 of those expenditures were actually made during 2006. The remaining \$3,554 in expenditures were made in fiscal year 2005; however, they were not reported in the 2005 Schedule of Federal Awards Expenditures.

NOTE C – COMMINGLED ASSISTANCE

The amounts reported in the Promoting Safe and Stable Families Program (CFDA No. 93.556) include both federal and state monies which were commingled at the state level and not separately identified to the Council during the period. Therefore the accompanying Schedule includes the total awards expended under this program regardless of source.



Mary Taylor, CPA

Auditor of State

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

PRO Muskingum Families and Children First Council
Muskingum County
526 Putnam Avenue
PO Box 2475
Zanesville, Ohio 43701

To the Members of the Council:

We have audited the financial statement of the PRO Muskingum Families and Children First Council, Muskingum County, Ohio (the Council), as of and for the year ended December 31, 2006, and have issued our report thereon dated December 10, 2007, wherein we noted the Council followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 as a basis for designing our audit procedures for expressing our opinions on the financial statement, but not to opine on the effectiveness of the Council's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Council's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Council's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Council's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Council's internal control will not prevent or detect a material financial statement misstatement.

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

We noted a certain matter that we reported to the Council's management in a separate letter dated December 10, 2007.

Compliance and Other Matters

As part of reasonably assuring whether the Council's financial statement is 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, 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*.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 10, 2007



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

PRO Muskingum Families and Children First Council
Muskingum County
526 Putnam Avenue
PO Box 2475
Zanesville, Ohio 43701

To the Members of the Council:

Compliance

We have audited the compliance of the PRO Muskingum Families and Children First Council, Muskingum County, Ohio (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 apply to its major federal program for the year ended December 31, 2006. The Summary of Auditor's Results section of the accompanying Schedule of Findings identifies the Council's major federal program. The Council's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of 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 those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the PRO Muskingum Families and Children First Council, Muskingum County, complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2006.

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 our audit, we considered the Council's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701-2157
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110
www.auditor.state.oh.us

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Council's ability to administer a federal program such that there is more than a remote likelihood that the Council's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the Council's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our 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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the Council's management in a separate letter dated December 10, 2007.

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



Mary Taylor, CPA
Auditor of State

December 10, 2007

**PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL
MUSKINGUM COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2006**

1. SUMMARY OF AUDITOR'S RESULTS
--

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Temporary Assistance For Needy Families, CFDA No. 93.558
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

No findings to report.

3. FINDINGS FOR FEDERAL AWARDS

No findings to report.



Mary Taylor, CPA
Auditor of State

PRO MUSKINGUM FAMILIES AND CHILDREN FIRST COUNCIL

MUSKINGUM 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
DECEMBER 27, 2007**