

313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358



**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY
Regular Audit
For the Years Ended December 31, 2016 and 2015**

www.perrycpas.com

...“bringing more to the table”

Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

- Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •
- Association of Certified Anti - Money Laundering Specialists •



Dave Yost • Auditor of State

Members of Council
Ashtabula County Family and Children First Council
P.O. Box 1175
Ashtabula, Ohio 4405

We have reviewed the *Independent Auditor's Report* of the Ashtabula County Family and Children First Council, Ashtabula County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2015 through December 31, 2016. 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 Ashtabula County Family and Children First Council is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 24, 2017

This page intentionally left blank.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - Governmental and Similar Fiduciary Fund Types - For the Year Ended December 31, 2016	3
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - Governmental and Similar Fiduciary Fund Types - For the Year Ended December 31, 2015	4
Notes to the Financial Statements	5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	13



313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market St., Suite 300
Wheeling, WV 26003
304.232.1358

INDEPENDENT AUDITOR'S REPORT

June 23, 2017

Ashtabula County Family and Children First Council
Ashtabula County
P.O. Box 1175
Ashtabula, Ohio 4405

To the Members of 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 **Ashtabula County Family and Children First Council**, Ashtabula County, (the Council) as of and for the years ended December 31, 2016 and 2015.

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.

www.perrycpas.com
...*"bringing more to the table"*

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

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

As described in Note 2 of the financial statements, the Council prepared these financial statements using the accounting basis permitted by the financial reporting provisions of the 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 (GAAP), to satisfy these requirements.

Although the effects on the financial statement 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 permitted 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, 2016 and 2015, 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 Ashtabula County Family and Children First Council, Ashtabula County, as of December 31, 2016 and 2015, 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 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2017, 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Private Purpose Trust	
Cash Receipts:				
Intergovernmental - Local	\$ 10,231	\$ -	\$ -	\$ 10,231
Intergovernmental - State	15,750	13,456	-	29,206
Intergovernmental - Federal	-	8,869	-	8,869
Fees	190	-	-	190
Contributions	2,000	-	4,500	6,500
	28,171	22,325	4,500	54,996
Total Cash Receipts				
	28,171	22,325	4,500	54,996
Cash Disbursements:				
Salaries and Benefits	30,384	2,078	-	32,462
Contractual Services	852	35,815	1,626	38,293
Travel Reimbursements	1,721	-	-	1,721
Supplies and Materials	57	-	-	57
Utilities and Rentals	1,130	-	-	1,130
	34,144	37,893	1,626	73,663
Total Cash Disbursements				
	34,144	37,893	1,626	73,663
Net Change in Fund Cash Balances	(5,973)	(15,568)	2,874	(18,667)
Fund Cash Balances, January 1	37,143	18,429	14,545	70,117
	37,143	18,429	14,545	70,117
Fund Cash Balances, December 31:				
Restricted	-	2,861	17,419	20,280
Assigned	644	-	-	644
Unassigned	30,526	-	-	30,526
	30,526	-	-	30,526
<i>Fund Cash Balances, December 31</i>	\$ 31,170	\$ 2,861	\$ 17,419	\$ 51,450

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

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Private Purpose Trust</u>	
Cash Receipts:				
Intergovernmental - Local	\$ 18,005	\$ 6,273	\$ -	\$ 24,278
Intergovernmental - State	15,749	45,745	-	61,494
Intergovernmental - Federal	-	9,637	-	9,637
Fees	6,729	-	-	6,729
Contributions	2,000	-	4,500	6,500
Miscellaneous	-	-	35	35
	<u>42,483</u>	<u>61,655</u>	<u>4,535</u>	<u>108,673</u>
Total Cash Receipts				
	<u>42,483</u>	<u>61,655</u>	<u>4,535</u>	<u>108,673</u>
Cash Disbursements:				
Salaries and Benefits	33,579	20,042	-	53,621
Contractual Services	14,199	39,255	-	53,454
Travel Reimbursements	718	-	4,114	4,832
Supplies and Materials	553	-	-	553
Utilities and Rentals	1,479	-	-	1,479
	<u>50,528</u>	<u>59,297</u>	<u>4,114</u>	<u>113,938</u>
Total Cash Disbursements				
	<u>50,528</u>	<u>59,297</u>	<u>4,114</u>	<u>113,938</u>
Net Change in Fund Cash Balancee	(8,045)	2,359	421	(5,265)
Fund Cash Balances, January 1	<u>45,188</u>	<u>16,070</u>	<u>14,124</u>	<u>75,382</u>
Fund Cash Balances, December 31:				
Restricted	-	18,429	14,545	32,974
Assigned	708	-	-	708
Unassigned	<u>36,435</u>	<u>-</u>	<u>-</u>	<u>36,435</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 37,144</u>	<u>\$ 18,429</u>	<u>\$ 14,545</u>	<u>\$ 70,117</u>

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

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

NOTE 1 – REPORTING ENTITY

Ohio Rev. 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;
- 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;
- 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.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 1 – REPORTING ENTITY (Continued)

A County Family and Children First Council may invite any other local public or private agency or group that funds, advocates, or provides services to children to have a representative become a permanent or temporary member of the Council.

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”;
- 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.

To assist in fulfilling the Council’s statutory responsibilities, the following committees have been established through its By-Laws:

1. **Early Childhood Coordinating Committee** – This committee functions as a collaborative, information sharing forum focused on the coordination of service delivery for children ages birth to five years of age, a resource for Council on trends, gaps in service and other salient early childhood issues, and as a support mechanism for any entity contracting with Council for early childhood programming by enhancing impact through feedback and collaboration.
2. **Finance Committee** – This committee reviews matters related to the financial well-being of Council; recommends financial actions; reviews financial procedures; presents annual budgets, with estimated revenues and expenditures; monitors revenues and expenditures on regular basis; reports audit results to Council. At least one Council member serving on the Program Committee must simultaneously serve on the Finance Committee to facilitate program oversight and monitoring activities. A representative of Council’s Administrative/Fiscal Agent must be appointed to this Committee.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 1 – REPORTING ENTITY (Continued)

3. **Membership Committee** – This committee develops procedures for and recommendations regarding member roles and responsibilities; facilitates nomination of Council officers and appointment of Chairpersons to Standing Committees; reviews applications for membership and makes recommendations based on composition of Council, Planning Collaborative and Standing Committees.
4. **Program Committee** – This committee reviews all Requests For Proposals published and submitted by the Council; makes recommendations to Council and provides oversight and monitoring for in-house and contracted programs and services, including Service Coordination and administration of the Laura H. Miller Trust Fund.
5. **Public Information Committee** – This committee provides cross training activities based on community needs; coordinates public awareness activities.

The Council has also established a Planning Collaborative, consisting of representatives from mandated member organizations as well as non-member community stakeholder, responsible for identification of service gaps and recommendations to Council regarding strategic planning and development of Council initiatives.

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

The Council participates in a public entity risk pool and is associated with the Ashtabula County Children Services Board and Ashtabula County Commissioners. Note 5 to the financial statements provide additional information for these entities. The Council's management believes these financials statements present all activities for which the Council is financially accountable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Council's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

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 funds of the Council are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Council for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Council had the following significant Special Revenue Funds:

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Ohio Children's Trust Fund – This fund receives grant monies restricted for preventing or reducing the prevalence of child abuse and neglect.

Family-Centered Services and Supports Fund (FCSS) – This fund receives federal and state monies restricted for maintaining children and youth in their homes and communities by meeting the multi-systematic needs of children receiving service coordination.

Fiduciary Fund – Private Purpose Trust This fund accounts for resources restricted by a legally binding Trust Agreement. The Council has one Private Purpose Trust, the Laura H. Miller Trust Fund, which is to be used at the discretion of Council in accordance with the parameters set forth in the Trust Agreement.

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 Ashtabula County Children Services Board. The Council authorizes the Ashtabula County Children Services Board, 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. The Ashtabula County Children Services Board agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

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

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 filed an estimate of financial resources and an appropriation measure with the Ashtabula County Auditor as required by Ohio law.

A summary of 2016 and 2015 budgetary activity appears in Note 3.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments

The Council designated the Ashtabula County Children Services Board as the fiscal agent for all funds received in the name of the Council. Deposits of monies are made with the Ashtabula County Treasurer and fund expenditures and balances are reported through the Ashtabula County Auditor. Deposits and investments are made in accordance with the Ohio Revised Code and are valued at the fiscal agent's carrying amount.

Capital Assets

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

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.

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. The classifications are as follows:

Nonspendable The Council classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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.

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.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* 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, which includes giving the administrative/fiscal agent the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance (Continued)

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.

NOTE 3 – BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2016 and 2015 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 35,250	\$ 28,171	\$ (7,079)
Special Revenue	21,873	22,325	452
Fiduciary - Private Purpose Trust	4,500	4,500	0
Total	<u>\$ 61,623</u>	<u>\$ 54,996</u>	<u>\$ (6,627)</u>
2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 70,317	\$ 34,144	\$ 36,173
Special Revenue	38,100	37,893	207
Fiduciary - Private Purpose Trust	4,313	1,626	2,687
Total	<u>\$ 112,730</u>	<u>\$ 73,663</u>	<u>\$ 39,067</u>
2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 35,250	\$ 42,482	\$ 7,232
Special Revenue	49,836	61,655	11,819
Fiduciary - Private Purpose Trust	4,000	4,535	535
Total	<u>\$ 89,086</u>	<u>\$ 108,672</u>	<u>\$ 19,586</u>
2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 55,012	\$ 50,528	\$ 4,484
Special Revenue	69,501	59,297	10,204
Fiduciary - Private Purpose Trust	4,790	4,114	676
Total	<u>\$ 129,303</u>	<u>\$ 113,939</u>	<u>\$ 15,364</u>

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 4 – DEPOSITS AND INVESTMENTS

The Ashtabula County Children Services Board, as fiscal agent for the Council, maintains a cash and investments pool used by all of the Ashtabula County Children Services Board's funds, including those of the Council. The Ohio Revised Code prescribes allowable deposits and investments and the Ashtabula County Children Services Board is responsible for compliance. The Council's carrying amount of deposits with the Ashtabula County Children Services Board at December 31, 2016 and December 31, 2015 was \$51,450 and \$70,117, respectively.

	<u>2016</u>	<u>2015</u>
Demand Deposits	<u>\$51,450</u>	<u>\$70,177</u>
Total Deposits	<u>\$51,450</u>	<u>\$70,177</u>

The fiscal agent is responsible for maintaining adequate depository collateral for all funds in the fiscal agent's pooled and deposit accounts. All risks associated with the above deposits are the responsibility of the fiscal agent.

NOTE 5 – RISK MANAGEMENT

Commercial Insurance

The Council has obtained commercial insurance through the Ashtabula County Children Services Board and Ashtabula County Commissioners with the County Risk Sharing Authority (CORSA) for the following risks:

- Comprehensive property and general liability;
- Errors and omissions.

Settled claims have not exceeded this commercial coverage in any of the last three years.

There has not been a significant reduction in this coverage from the prior year.

Risk Pool Membership

The Council through the Ashtabula County Children Services Board and Ashtabula County Commissioners participates in the County Employee Benefits Consortium of Ohio, Inc. (CEBCO) which is a shared risk pool to provide hospital/medical and prescription benefits for employees.

NOTE 6 – DEFINED BENEFIT PENSION PLANS

The Council Coordinator is a member of the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes retirement benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2016 and 2015, OPERS members contributed 10%, respectively, of their gross salaries, and the Council contributed an amount equal to 14%, respectively, of members' gross salaries. The Council has paid all contributions required through December 31, 2016.

**ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(Continued)**

NOTE 7 – POSTEMPLOYMENT BENEFITS

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits.

NOTE 8 - CONTINGENT LIABILITIES

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



313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market St., Suite 300
Wheeling, WV 26003
304.232.1358

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

June 23, 2017

Ashtabula County Family and Children First Council
Ashtabula County
P.O. Box 1175
Ashtabula, Ohio 44005

To the Members of 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 **Ashtabula County Family and Children First Council**, Ashtabula County, (the Council) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements and have issued our report thereon dated June 23, 2017 wherein we noted the Council followed financial provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code 117-2-03(D) permit.

Internal Control 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 first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

www.perrycpas.com
...*"bringing more to the table"*

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

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*.

We noted a certain matter not requiring inclusion in this report that we reported to the Council's management in a separate report dated June 23, 2017.

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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

This page intentionally left blank.



Dave Yost • Auditor of State

ASHTABULA COUNTY FAMILY AND CHILDREN FIRST COUNCIL

ASHTABULA 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
AUGUST 3, 2017**