



STATE OF INDIANA
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June 29, 2009

Board of Directors
Putnam County Family
Support Services, Inc.
24 W. Washington St.
Greencastle, IN 46135

We have reviewed the audit report prepared by Bray & Associates, CPA's, LLC, Independent Public Accountants, for the period January 1, 2007 to December 31, 2007. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Putnam County Family Support Services, Inc., as of December 31, 2007, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

Putnam County Family Support Services, Inc.
Financial Statements
December 31, 2007

PUTNAM COUNTY FAMILY SUPPORT SERVICES, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Putnam County Family Support Services, Inc.

We have audited the accompanying statement of financial position of Putnam County Family Support Services, Inc. (a non-profit organization) as of December 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government auditing standards. 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 as well as testing on compliance with laws, regulations, contracts and internal controls over financial reporting. 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.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Putnam County Family Support Services, Inc. as of December 31, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The auditor expresses an opinion on the organization's financial position, changes in net assets, and cash flows. Since the objective of the statement of activities is to show changes in net assets rather than to present a measure of operating results, the auditor's opinion should refer to changes in net assets rather than results of operations. If a separate statement of unrestricted activities is presented, it need not be reported on separately in the opinion because such activities are part of the presentation of the changes in net assets.

In accordance with Government Audit Standards, we have also issued a report dated July 10, 2008, on our consideration of Putnam County Family Support Services, Inc. internal control structure and on its compliance with laws and regulations.

Bray & Associates CPA's
Bray & Associates CPA's, LLC
Greencastle, Indiana 46135
July 10, 2008

Putnam County Family Support Services, Inc.

Statement of Financial Position

December 31, 2007

ASSETS

ASSETS:

Cash	\$	61,529
Accounts Receivable		99,716
Investments		<u>43,599</u>
Total Current Assets	\$	204,844
Other Assets		
Deposits	\$	2,500
Endowment		<u>10,000</u>
Total Other Assets	\$	12,500
Total Assets	\$	<u>217,344</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$	1,358
Accrued Payroll		18,684
Accrued Vacation		9,051
Other Liabilities		<u>3,097</u>
Total Liabilities	\$	32,190

NET ASSETS

Unrestricted Net Assets		<u>185,154</u>
Total Net Assets		185,154
Total Liabilities and Net Assets	\$	<u>217,344</u>

See accompanying notes to financial statements

Putnam County Family Support Services, Inc.

Statement of Activities

For the Year Ended December 31, 2007

REVENUES

CARE Initiative Grant	\$	8,561
Domestic Violence		114,236
Fundraising and Contributions		41,189
Indiana Criminal Justice		59,919
Healthy Families Indiana		444,612
Putnam County Commission		2,000
Moving Beyond Abuse		6,930
United Way		21,734
Miscellaneous		<u>3,274</u>
Total Revenues	\$	702,455

PROGRAM EXPENSE

Domestic Violence	\$	170,428
Healthy Families		396,891
Moving Beyond Abuse		9,175
Tot's Time		12,257
Bound By A Book		4,114
Star		511
Other		<u>3,400</u>
Total Program Expense	\$	596,776

MANAGEMENT EXPENSE

Accounting	\$	8,615
Cleaning/Maintenance		2,176
Conference		2,195
Dues		1,400
Office Supplies		8,602
Other		3,578
Salaries & Taxes		65,723
Public Relations		362
Rent		1,500
Telephone		<u>4,339</u>
Total Management Expense	\$	98,490

FUND RAISING 6,275

Total Expenses \$ 701,541

See accompanying notes to financial statements

Putnam County Family Support Services, Inc.

Statement of Activities

For the Year Ended December 31, 2007

Net Increase in Net Assets before other activity		914
OTHER ACTIVITIES		
Interest /Dividend Income		2,326
Unrealized Gain on Investments		<u>1,034</u>
Net Other Activity	\$	<u>3,360</u>
Increase in Net Assets	\$	4,274
Unrestricted Net Assets at Beginning of Year		<u>180,880</u>
Unrestricted Net Assets at End of Year	\$	185,154

See accompanying notes to financial statements

Putnam County Family Support Services, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2007

Cash Flows from Operating Activities	
Change in Net Assets	\$ 4,274
Adjustments to reconcile Increase in Net Assets to Cash Provided by Operating Activities	
Increase in Accounts Receivable	(17,752)
Increase (Decrease) in Operating Liabilities	
Accounts Payable	(130)
Accrued Payroll	2,362
Accrued Vacation	1,199
Other Liabilities	<u>213</u>
Net Cash Provided by Operating Activities	\$ (9,834)
Investing	
Investment in Endowment	\$ <u>(10,000)</u>
Net Cash Used In Investing	(10,000)
Net Decrease in Cash	(19,834)
Cash and Cash Equivalents at Beginning of Period	<u>124,962</u>
Cash and Cash Equivalents at End of Period	\$ <u>105,128</u>

PUTNAM COUNTY FAMILY SUPPORT SERVICES, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 For the Year December 31, 2007

	Domestic Violence	Healthy Families	Moving Beyond Abuse	Tots Time	Bound by A Book	Star	Other	Total
Assessment								
Bound by A Book	210				4114			1,947
Childrens Group Factor	37							4,114
Childrens Group Supplies	1,699	4,058	12	19				210
Comm/Equip. Cell Phone/Pager	453	834	38	38				37
Community Education	150	2,608						5,788
Conferences	824	723						1,363
Curriculum	629	1,638	81	177				2,758
Employee Recognition	653	1,453	109	109				1,547
Equipment R&R		250						2,525
Family Store		250						2,324
Insurance Liability	2,835	4,789	628	30				250
Health	21,578	38,709	490	490		2		8,282
MBA Facilitator			1,550					61,269
Mileage	3,158	24,853		996		101	33	1,550
New Equipment	8,239	2,845						29,141
Parents Group		1,405	3,843					11,084
Payroll and Taxes	112,200	280,217		8,403		329		5,248
Postage	676	1,990	111	29				401,149
Printing	722	1,388	42	42				2,806
Professional Fees	1,741	2,985	34	34				2,194
Professional Training	3,924							4,794
Program Expenses	1,512	5,698	845	497			3,354	3,924
Rent	8,550	17,100	1,385	1,385		79		11,906
Shaken Baby Material		70						28,499
Staff Training	15	99	2	2				70
Teen Group Supplies	153	294						118
Tiny Step Materials	285							153
Womens Group	185	938	5	5			13	294
Other								285
Program Expenses	\$ 170,428	\$ 396,891	\$ 9,175	\$ 12,257	\$ 4,114	\$ 511	\$ 3,400	\$ 596,776

PUTNAM COUNTY FAMILY SUPPORT SERVICES, INC.

Notes to Financial Statements
December 31, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Putnam County Family Support Services, Inc. (a non-profit Indiana organization) was created to:

- a) establish, maintain, operate and administer one or more separate facilities to provide family support service;
- b) cooperate and consult with agencies concerned with the well being of underprivileged citizens in Putnam and Owen Counties, Indiana.

2. Basis of Accounting

The Organization maintains its records on the accrual basis of accounting, whereby revenues is recognized when earned and expenses recorded when incurred, rather than when paid.

3. Support and Revenue

The Organization receives most of its grants through the Indiana State Board of Health. The organization receives client fees and local contributions.

4. Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

PUTNAM COUNTY FAMILY SUPPORT SERVICES, INC.
Notes to Financial Statements
Continued

December 31, 2007

5. Income Tax

The Putnam County Family Support Services, Inc. is a tax exempt organization under section 501 C (3) of the Internal revenue code and, therefore, no provision for Federal or Indiana income tax is included in these financial statements.

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported income and expenses. Accordingly, actual results could vary from estimates.

7. Donated Goods

No amounts have been reported in the financial statements for donated goods or services because no objective basis is available to measure the value of such services. The value of these services is not material in nature.

8. Net Assets

All donations are used as matching funds and other net assets are considered unrestricted to the purpose of the organization.

9. Property, Plant and Equipment

Assets purchased with grant proceeds remain the property of the grantor agency and are not recorded on the company books. Therefore, no amounts of depreciation is recorded.

10. Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent.

11. Risk

The Organization during the year had over \$ 100,000 in its bank account which exceeded the FDIC insurance limit. The organization receives over 60% of their revenue from one grant source, Healthy Families Indiana. The organization must continue to receive this grant and others or they will have to reduce services.

PUTNAM COUNTY FAMILY SUPPORT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
CONTINUED

December 31, 2007

12. Pension Plan

The organization has instituted an elective employee pension plan. This program allows the employees to make personal contributions to the plan. The Putnam County Family Support Services, Inc. has no liability to fund nor make contributions to the plan, and has not done so.

13. Investments

The organization has adopted SFAS No. 124, Accounting for Certain Investments Held by Not-For-Profit Organizations. Under SFAS No. 124, investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. These investments are not FDIC insured and are considered cash equivalent.

The organization held \$ 43,599 at December 31, 2007, in an account with Vanguard Group. This is considered cash.

14. Leases

The organization entered into a lease for its building. Lease payments of \$2,500.00 per month. Scheduled payments are

2008	\$30,000
2009	\$10,000

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REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Putnam County Family Support Services, Inc.

We have audited the financial statements of Putnam County Family Support Services, Inc. (a nonprofit organization) as of and for the year ended December 31, 2007, and have issued our report thereon dated July 10, 2008. 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 Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Putnam County Family Support Services, Inc. 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 an opinion 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 that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Putnam County Family Support Services, Inc. financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the audit committed, management, Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Bray & Associates CPA's
Bray & Associates CPA's, LLC
July 10, 2008