



**Auditor of State  
Betty Montgomery**



FEDERAL HOCKING LOCAL SCHOOL DISTRICT  
ATHENS COUNTY

TABLE OF CONTENTS

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report on Applying Agreed-Upon Procedures.....	1
Comments and Recommendations.....	3
Fund Balances and Cash Reconciliations – As Of May 31, 2006 and June 30, 2006 .....	4

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Education and  
James R. Patsey, Superintendent, and  
Steven C. Garris, Treasurer  
Federal Hocking Local School District  
Athens County  
P.O. Box 117  
Stewart, Ohio 45778

To the Board of Education, Superintendent and Treasurer:

We have performed the procedures enumerated and for the months ending June 30, 2006 and May 31, 2006, which were agreed to by the addressees, solely to assist the Board of Education, Superintendent and Treasurer of Federal Hocking Local School District, Athens County, Ohio (the School District), in evaluating if cash balances and accounts were properly recorded and reported. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements. The sufficiency of the procedures is solely the responsibility of the School District. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures were as follows:

1. We compared the sum of the cash balances recorded for all funds that were recorded on the School District's accounting records with cash balances recorded on the bank reconciliations prepared by the Treasurer's Office as of June 30, 2006 and May 31, 2006.

There were no exceptions noted.

2. We recomputed the mathematical accuracy of the reconciliations.

There were no exceptions noted.

3. We agreed the bank balances on the reconciliations to the bank statements and confirmations as of June 30, 2006 and May 31, 2006.

There were no exceptions noted.

4. We agreed reconciling items on the reconciliations to supporting documentation, such as cancelled checks or check images, deposit slips, or other supporting documentation. We determined if the dates recorded on the supporting documentation support that those items were proper reconciling items as of June 30, 2006 and May 31, 2006.

4. There were no exceptions noted. However, there were several old outstanding checks that should be paid into unclaimed monies, in both the general operating account and the payroll account.
5. We observed the counting of cash held as change funds or petty cash, if any.

There was no cash on hand as of June 30, 2006. Cash on hand as of May 31, 2006 was deposited into the School District's bank account on June 1, 2006.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on these transactions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the addressee listed above and is not intended to be, and should not be used by anyone else.



**Betty Montgomery**  
Auditor of State

August 8, 2006

## **COMMENTS AND RECOMMENDATIONS**

### **Outstanding Checks**

The School District carried several outstanding checks on the operating and payroll bank reconciliations that were greater than six months to one year old. Although not significant in dollar values or numbers, the accumulation of stale or stagnant items on the outstanding check list that are six months to one year or more old can create a cumbersome reconciliation process.

We recommend the School District review the operating and payroll bank reconciliations for old, outstanding checks that are at least six months to one year old. These items should be paid in to the Unclaimed Monies Fund and removed from the outstanding checklist.

**FEDERAL HOCKING LOCAL SCHOOL DISTRICT  
ATHENS COUNTY**

**FUND BALANCES AND CASH RECONCILIATIONS  
AS OF MAY 31, 2006 AND JUNE 30, 2006**

	<b>May 31, 2006</b>	<b>June 30, 2006</b>
<b>Governmental Funds</b>		
General	\$ (154,923)	\$ 126,066
Special Revenue:		
Lunchroom	21,149	(18,907)
Uniform School Supplies	41,319	41,182
Principal Support	53,152	46,645
UST Surety	11,000	11,000
Classroom Facilities Maintenance	30,776	33,717
Athletic and Music	3,270	3,160
State Grants	152,739	132,283
Title VI-B	23,638	(46,994)
Title I	54,402	(8,752)
Title V	542	(469)
Drug Free Schools	2,474	1,488
Preschool Handicap	1,315	494
Title II-A	4,020	(16,570)
Miscellaneous Federal Grants	56,151	31,916
Total Special Revenue	455,947	210,193
Debt Service:		
Bond Retirement	760,229	794,730
Total Governmental Funds	1,061,253	1,130,989
<b>Fiduciary Funds</b>		
Private Purpose Trust:		
Scholarship	265,129	265,129
Agency:		
Student Activity	35,112	29,513
Total Fiduciary Funds	300,241	294,642
<b>Total All Funds</b>	<b>\$ 1,361,494</b>	<b>\$ 1,425,631</b>
<b>Cash Reconciliation:</b>		
Operating	\$ 821,706	\$ 700,893
Petty Cash/Change Fund	340	0
Investments:		
Certificate of Deposit	500,000	500,000
Christman Scholarship	268,204	268,204
Hess Scholarship	3,411	3,411
Wartinger Scholarship	307	307
Total Investments	771,922	771,922
Total Cash in Bank	1,593,968	1,472,815
Less:		
Outstanding Checks	(239,733)	(47,184)
Add:		
Deposits in Transit	7,259	0
<b>Total Cash</b>	<b>\$ 1,361,494</b>	<b>\$ 1,425,631</b>





**Auditor of State  
Betty Montgomery**

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**FEDERAL HOCKING LOCAL SCHOOL DISTRICT**

**ATHENS COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 26, 2006**