



Rea & associates a *brighter* way

Washington Park Community School Cuyahoga County, Ohio

Audited Financial Statements

For the Fiscal Years Ended
June 30, 2014 and June 30, 2013



Dave Yost • Auditor of State

Board of Trustees
Washington Park Community School
4000 Washington Park Boulevard
Newburgh Heights, Ohio 44106

We have reviewed the *Independent Auditor's Report* of the Washington Park Community School, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period July 1, 2013 through June 30, 2014. 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 Washington Park Community School is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

March 19, 2015

Washington Park Community School
Cuyahoga County, Ohio
For the Fiscal Years Ended June 30, 2014 and 2013
Table of Contents

	<i>Page</i>
Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	4
Basic Financial Statements:	
Statements of Net Position	8
Statements of Revenues, Expenses and Changes in Net Position	9
Statements of Cash Flows	10
Notes to the Basic Financial Statements	11
Independent Auditor's 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.....	23

December 31, 2014

The Board of Trustees
Washington Park Community School
Cuyahoga County, Ohio
4000 Washington Park Boulevard
Newburgh Heights, Ohio 44106

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of Washington Park Community School, Cuyahoga County, Ohio (the School) as of and for the years ended June 30, 2014 and June 30, 2013, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Washington Park Community School, Cuyahoga County, Ohio, as of June 30, 2014 and June 30, 2013, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2014 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion 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 School's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Medina, Ohio

This page intentionally left blank.

Washington Park Community School
Cuyahoga County, Ohio
Management's Discussion and Analysis
For Fiscal Years Ended June 30, 2014 and 2013

The discussion and analysis of Washington Park Community School's (the "School") financial performance provides an overall review of the School's financial activities for the fiscal years ended June 30, 2014 and 2013. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the Notes to the Basic Financial Statements and the Basic Financial Statements to enhance their understanding of the School's financial performance.

Certain comparative information between the current fiscal year and the prior fiscal year is required to be presented in the MD&A. Due to the comparative presentation within the basic financial statements, a comparison analysis between fiscal year 2013 and fiscal year 2012 is also required.

Financial Highlights

Key financial highlights for 2014 are as follows:

- In total, net position increased \$151,389, which represents an 11 percent increase from 2013. This increase is primarily from a reduction in purchased services for no longer paying rent for use of a building.
- Capital assets increased \$437,888 during fiscal year 2014 from acquiring a building.

Using this Annual Financial Report

This annual report consists of three parts, the Management's Discussion and Analysis, the Basic Financial Statements and the Notes to the Basic Financial Statements. The Basic Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position answer the question, "How did we do financially during fiscal year 2014 and 2013?" The Statement of Net Position includes all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most companies in the private sector. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

Washington Park Community School
Cuyahoga County, Ohio
Management's Discussion and Analysis
For Fiscal Years Ended June 30, 2014 and 2013

Statement of Net Position

The following schedule provides a summary of the School's Statement of Net Position for fiscal years ended June 30, 2014, 2013 and 2012:

	2014	2013	2012
Assets			
<i>Current assets:</i>			
Equity in pooled cash and cash equivalents	\$ 1,000,492	\$ 1,279,109	\$ 1,180,552
Due from other governments	81,396	67,477	111,414
<i>Total current assets</i>	1,081,888	1,346,586	1,291,966
<i>Noncurrent assets:</i>			
Capital assets, not depreciated	90,929	0	0
Depreciable capital assets, net	522,763	175,804	189,522
<i>Total noncurrent assets</i>	613,692	175,804	189,522
<i>Total assets</i>	1,695,580	1,522,390	1,481,488
Liabilities			
<i>Current liabilities:</i>			
Accounts payable	765	1,600	6,120
Accrued wages and benefits	179,885	153,551	171,457
Due within one year	4,022	3,698	5,685
<i>Total current liabilities</i>	184,672	158,849	183,262
<i>Noncurrent liabilities:</i>			
Due in more than one year	11,233	15,255	7,812
<i>Total liabilities</i>	195,905	174,104	191,074
Net position			
Net investment in capital assets	598,437	156,851	176,025
Unrestricted	901,238	1,191,435	1,114,389
<i>Total net position</i>	\$ 1,499,675	\$ 1,348,286	\$ 1,290,414

In 2014, net position increased \$151,389 and \$57,872 in 2013. The increase in 2014 was primarily from a reduction in purchased services for no longer paying rent for use of a building, while the increase in 2013 was primarily from the increase in federal and State subsidies. Cash decreased \$278,617 in 2014 and capital assets increased \$437,888 in 2014 because the School purchased a building. The increase in net investment in capital assets and decrease in unrestricted net position is also a result of the School's purchase of a building. Due from other governments decreased \$43,937 in 2013 due to the timing of reimbursement from federal and State lunch subsidies.

Washington Park Community School
Cuyahoga County, Ohio
Management's Discussion and Analysis
For Fiscal Years Ended June 30, 2014 and 2013

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position report operating and non-operating activities for the fiscal years ended June 30, 2014 and 2013.

The following schedule provides a summary of the School's Statement of Revenues, Expenses and Changes in Net Position for fiscal years ended June 30, 2014, 2013 and 2012:

	2014	2013	2012
Operating revenues			
Foundation payments	\$ 1,666,428	\$ 1,673,815	\$ 1,672,638
State distributed casino revenue	11,429	4,852	0
Charges for services	3,847	0	0
Other operating revenues	9,586	6,471	9,971
<i>Total operating revenues</i>	1,691,290	1,685,138	1,682,609
Operating expenses			
Salaries	1,069,863	1,072,859	1,140,005
Fringe benefits	300,946	310,030	320,617
Purchased services	250,413	372,543	302,907
Materials and supplies	192,647	169,832	175,068
Depreciation	33,317	24,833	26,519
Other operating expenses	55,743	66,402	57,114
<i>Total operating expenses</i>	1,902,929	2,016,499	2,022,230
<i>Operating income (loss)</i>	(211,639)	(331,361)	(339,621)
Non-operating revenues (expenses)			
Federal and State subsidies	345,291	387,294	368,783
Rent	17,646	0	0
Gain on disposal of capital assets	0	1,798	0
Investment income	91	141	430
<i>Total non-operating revenues (expenses)</i>	363,028	389,233	369,213
<i>Change in net position</i>	151,389	57,872	29,592
<i>Net position at beginning of year</i>	1,348,286	1,290,414	1,260,822
<i>Net position at end of year</i>	\$ 1,499,675	\$ 1,348,286	\$ 1,290,414

Net position increased in fiscal years ended June 30, 2014, 2013 and 2012. Federal and state grants decreased \$42,003 in 2014 due to reduced allocations of the School's current federal grants. Purchased services decreased \$122,130 in 2014 since the School purchased a building and no longer paid rent for use of one.

Washington Park Community School
Cuyahoga County, Ohio
Management's Discussion and Analysis
For Fiscal Years Ended June 30, 2014 and 2013

Capital Assets

As of June 30, 2014, the School had capital assets of \$613,692 invested in land, buildings and improvements, furniture and equipment and leasehold improvements. This is a \$437,888 increase from fiscal year 2013.

The following schedule provides a summary of the School's capital assets as of June 30, 2014, 2013 and 2012:

	Governmental Activities		
	2014	2013	2012
Land	\$ 90,929	\$ 0	\$ 0
Buildings and improvements, net	371,338	0	0
Furniture and equipment, net	40,138	60,237	69,675
Leasehold improvements, net	111,287	115,567	119,847
Total capital assets, net	\$ 613,692	\$ 175,804	\$ 189,522

For more information on capital assets, see Note 4 of the Notes to the Basic Financial Statements.

Current Financial Issues

Washington Park Community School is proud of the strong educational services provided to its students. The School serves approximately 225 diverse students across nine grade levels. The School is successful with its students as evidenced by strong performance on state assessments, including a 100 percent passage rate with its students in achieving the third grade reading guarantee.

In July 2013, Washington Park Community School purchased the present building without financing. Many building improvements have already been made, including a new parking lot and roof. The School places the safety and comfort of its staff and students at a high premium.

The School continues to remain a fiscally solvent and responsible guardian of public funds, repeatedly earning awards from the State for clean audits. Washington Park Community School will continue to serve the area for years to come.

Contacting the School's Financial Management

This financial report is designed to provide our constituents with a general overview of the School's finances and to show the School's accountability for the monies it receives. If you have any questions about this report or need additional information, please contact Ms. Beth Hargreaves, Treasurer, Washington Park Community School, 4000 Washington Park Boulevard, Newburgh Heights, Ohio 44106.

Washington Park Community School
Cuyahoga County, Ohio
Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
<i>Current assets:</i>		
Equity in pooled cash and cash equivalents	\$ 1,000,492	\$ 1,279,109
Due from other governments	81,396	67,477
<i>Total current assets</i>	<u>1,081,888</u>	<u>1,346,586</u>
<i>Noncurrent assets:</i>		
Capital assets, not depreciated	90,929	0
Depreciable capital assets, net	522,763	175,804
<i>Total noncurrent assets</i>	<u>613,692</u>	<u>175,804</u>
<i>Total assets</i>	<u>1,695,580</u>	<u>1,522,390</u>
Liabilities		
<i>Current liabilities:</i>		
Accounts payable	765	1,600
Accrued wages and benefits	179,885	153,551
Due within one year	4,022	3,698
<i>Total current liabilities</i>	<u>184,672</u>	<u>158,849</u>
<i>Noncurrent liabilities:</i>		
Due in more than one year	11,233	15,255
<i>Total liabilities</i>	<u>195,905</u>	<u>174,104</u>
Net position		
Net investment in capital assets	598,437	156,851
Unrestricted	901,238	1,191,435
<i>Total net position</i>	<u>\$ 1,499,675</u>	<u>\$ 1,348,286</u>

See accompanying notes to the basic financial statements.

Washington Park Community School
Cuyahoga County, Ohio
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Operating revenues		
Foundation payments	\$ 1,666,428	\$ 1,673,815
State distributed casino revenue	11,429	4,852
Charges for services	3,847	0
Other operating revenues	9,586	6,471
<i>Total operating revenues</i>	1,691,290	1,685,138
Operating expenses		
Salaries	1,069,863	1,072,859
Fringe benefits	300,946	310,030
Purchased services	250,413	372,543
Materials and supplies	192,647	169,832
Depreciation	33,317	24,833
Other operating expenses	55,743	66,402
<i>Total operating expenses</i>	1,902,929	2,016,499
<i>Operating income (loss)</i>	(211,639)	(331,361)
Non operating revenues (expenses)		
Federal and State subsidies	345,291	387,294
Rent	17,646	0
Gain on disposal of capital assets	0	1,798
Investment income	91	141
<i>Total non-operating revenues (expenses)</i>	363,028	389,233
<i>Change in net position</i>	151,389	57,872
<i>Net position at beginning of year</i>	1,348,286	1,290,414
<i>Net position at end of year</i>	\$ 1,499,675	\$ 1,348,286

See accompanying notes to the basic financial statements.

Washington Park Community School
Cuyahoga County, Ohio
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Increase (decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from State of Ohio	\$ 1,666,428	\$ 1,673,815
Cash received from casino revenue	11,429	4,852
Cash received from customers	3,847	0
Cash payments to suppliers for goods and services	(443,895)	(546,895)
Cash payments to employees for services	(1,335,836)	(1,406,752)
Other operating revenues	9,586	6,471
Other operating expenses	(55,743)	(66,402)
<i>Net cash provided by (used for) operating activities</i>	<u>(144,184)</u>	<u>(334,911)</u>
Cash flows from non-capital financing activities:		
Federal and State grants received	322,733	437,188
Rent received	17,646	0
<i>Net cash provided by (used for) non-capital activities</i>	<u>340,379</u>	<u>437,188</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(471,205)	0
Principal payments on capital lease	(3,698)	(3,861)
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(474,903)</u>	<u>(3,861)</u>
Cash flows from investing activities:		
Investment earnings	91	141
<i>Net increase (decrease) in cash and cash equivalents</i>	(278,617)	98,557
<i>Cash and cash equivalents at beginning of year</i>	<u>1,279,109</u>	<u>1,180,552</u>
<i>Cash and cash equivalents at end of year</i>	<u>\$ 1,000,492</u>	<u>\$ 1,279,109</u>
Reconciliation of operating income (loss) to net cash Provided By (Used For) Operating Activities:		
Operating income (loss)	\$ (211,639)	\$ (331,361)
Adjustments to reconcile operating income to Net cash provided by (used for) operating activities:		
Depreciation	33,317	24,833
(Increase) decrease in assets:		
Due from other governments	8,639	(5,957)
Increase (decrease) in liabilities:		
Accounts payable	(835)	(4,520)
Accrued wages and benefits	26,334	(17,906)
<i>Total adjustments</i>	<u>67,455</u>	<u>(3,550)</u>
<i>Net cash provided by (used for) operating activities</i>	<u>\$ (144,184)</u>	<u>\$ (334,911)</u>
Non-cash financing and investing activities		
Borrowing under a capital lease purchase	\$ 0	\$ 20,971

See accompanying notes to the basic financial statements.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Note 1 – Description of the School and Reporting Entity

Washington Park Community School (the “School”) is a non-profit 501(c)(3) corporation established pursuant to Ohio Revised Code Chapters 3314 and 3314.03 to establish a new start-up school in Cleveland Municipal School that provides education to students in kindergarten through the eighth grade. The School, which is part of the State’s education program, is independent of any School and is nonsectarian in its programs, admission policies, employment practices and all other operations. The School may sue and be sued, acquire facilities as needed and contract for any services necessary for the operation of the School. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School’s tax-exempt status.

The School was reassigned for operation under a contract with the Ohio Department of Education to the Educational Service Center of Lake Erie West (the Sponsor) for a period of five years commencing in the 2006 academic year. In fiscal year 2009, the School and the Sponsor entered into an agreement to extend the contract through fiscal year ending June 30, 2012. In fiscal year 2012, the School and the Sponsor entered into an agreement to extend the contract through fiscal year ending June 30, 2015. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The School operates under the direction of a self-appointing, five-member Board of Trustees (the “Board”). The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following are the most significant of the School’s accounting policies.

A. Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources are included on the Statement of Net Position. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Basis of accounting refers to when revenues and expenses are recognized in the financial records and reported in the financial statements. The School's financial statements are prepared using the accrual basis of accounting. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded when the exchange takes place. Revenues resulting from nonexchange transactions, in which the School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Expenses are recognized at the time they are incurred.

C. Cash and Cash Equivalents

Cash held by the School is reflected as "Equity in pooled cash and cash equivalents" on the Statement of Net Position. Investments with an original maturity of three months or less at the time they are purchased are presented on the financial statements as cash equivalents.

D. Budgetary Process

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Chapter 5705, except section 5705.391 which requires the School to prepare a five year projection of operational revenues and expenditures.

E. Due From Other Governments

Monies due the School for the year ended June 30, 2014 and 2013 are recorded as "Due from other governments." A current asset for the receivable is recorded at the time of the event causing the monies to be due.

F. Capital Assets and Depreciation

Capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the dates received. The School does not possess any infrastructure.

Leasehold improvements are also capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over their estimated lives. All items with a useful life of one year or greater and a value of \$1,000 or more are capitalized. The School will also capitalize any purchases that are considered a "controlled" type asset per School policy, although it may be valued at less than \$1,500.

<u>Capital Asset Classification</u>	<u>Years</u>
Buildings and Improvements	5 - 39
Furniture and Equipment	5 - 10
Leasehold Improvements	5 - 39

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

G. Intergovernmental Revenues

In fiscal years 2013 and 2014, the School participated in the State Foundation program. Revenue received from this program is recognized as operating revenue in the accounting period in which all eligibility requirements have been met. The School also participated in the State Meals Program, the Food Service federal grant program, the Special Education Part B-IDEA, Title I, and Improving Teacher Quality Title II-A programs. Grants and entitlements from these programs are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met.

H. Compensated Absences

Vacation is taken in a manner which corresponds with the School calendar; therefore, the School does not accrue vacation time as a liability.

Sick leave benefits are earned at the rate of one day per month and cannot be carried into the subsequent year. No accrual for sick time is made since unused sick time is not paid to employees upon employment termination.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

J. Implementation of New Accounting Policies

For the fiscal year ended June 30, 2014, the School has implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the School's fiscal year 2014 financial statements; however, there was no effect on beginning net position.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the School.

GASB Statement No. 70 improves comparability of financial statements by requiring consistent reporting and specifying information required to be disclosed for extending and receiving nonexchange financial guarantees. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the School.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Note 3 – Deposits and Investments

State statutes classify monies held by the School into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits the Board of Education has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio and STAR Plus);
7. Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in the amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits At fiscal years ended June 30, 2014 and 2013, the carrying amount of the School's deposits totaled \$790,716 and \$1,069,354, respectively and its bank balances were \$840,122 and \$1,124,237, respectively. Of the bank balances:

1. \$646,962 was covered by the Federal Depository Insurance Corporation (FDIC) for fiscal year ended June 30, 2014 and \$646,905 for fiscal year ended June 30, 2013. The Ohio Depository Act stipulates that FirstMerit Bank pledge collateral for the deposits of the School in a pool of securities under Section 135.181 of the Ohio Revised Code.
2. \$193,160 was uninsured and uncollateralized for fiscal year ended June 30, 2014 and \$477,332 for fiscal year ended June 30, 2013. Although the securities serving as collateral were held by the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School to a successful claim by the FDIC.

Custodial credit risk is the risk that in the event of bank failure, the School's deposits may not be returned. Protection of the School's deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Investments Investments are reported at fair value. As of June 30, 2014 and 2013, the School had the following investment and maturity:

	<u>Fair Value</u>	<u>Investment Maturity < 3 months</u>	<u>% Total Investments</u>
Money Market Mutual Fund at June 30, 2014	\$ 209,776	\$ 209,776	100%
Money Market Mutual Fund at June 30, 2013	209,755	209,755	100%

Interest Rate Risk The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The School's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the School.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Credit Risk Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

Concentration of Credit Risk. The School places no limit on the amount that may be invested to any one issuer. The School's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

Note 4 – Capital Assets

A summary of the School's capital assets at June 30, 2014 and 2013 follows:

	Balance 7/1/2013	Additions	Deletions	Balance 6/30/2014
Capital Assets, Not Depreciated				
Land	\$ 0	\$ 90,929	\$ 0	\$ 90,929
Capital Assets, Being Depreciated:				
Buildings and Improvements	0	380,276	0	380,276
Furniture and Equipment	200,489	0	0	200,489
Leasehold Improvements	354,633	0	0	354,633
Total Capital Assets, Being Depreciated	<u>555,122</u>	<u>380,276</u>	<u>0</u>	<u>935,398</u>
Less Accumulated Depreciation:				
Buildings and Improvements	0	(8,938)	0	(8,938)
Furniture and Equipment	(140,252)	(20,099)	0	(160,351)
Leasehold Improvements	(239,066)	(4,280)	0	(243,346)
Total Accumulated Depreciation	<u>(379,318)</u>	<u>(33,317)</u>	<u>0</u>	<u>(412,635)</u>
Total Capital Assets being depreciated, net	<u>175,804</u>	<u>346,959</u>	<u>0</u>	<u>522,763</u>
Total Capital Assets, net	<u>\$ 175,804</u>	<u>\$ 437,888</u>	<u>\$ 0</u>	<u>\$ 613,692</u>
	Balance 7/1/2012	Additions	Deletions	Balance 6/30/2013
Capital Assets, Being Depreciated:				
Furniture and Equipment	\$ 210,158	\$ 20,971	\$ (30,640)	\$ 200,489
Leasehold Improvements	354,633	0	0	354,633
Total Capital Assets, Being Depreciated	<u>564,791</u>	<u>20,971</u>	<u>(30,640)</u>	<u>555,122</u>
Less Accumulated Depreciation:				
Furniture and Equipment	(140,483)	(20,553)	20,784	(140,252)
Leasehold Improvements	(234,786)	(4,280)	0	(239,066)
Total Accumulated Depreciation	<u>(375,269)</u>	<u>(24,833)</u>	<u>20,784</u>	<u>(379,318)</u>
Total Capital Assets, Net	<u>\$ 189,522</u>	<u>\$ (3,862)</u>	<u>\$ (9,856)</u>	<u>\$ 175,804</u>

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Note 5 – Purchased Services

For the following fiscal year ended, purchased services reported on the Statements of Revenues, Expenses, and Changes in Net Position consisted of the following:

	2014	2013
Consulting Fees	\$ 150,714	\$ 159,787
General Services	99,699	212,756
Total	\$ 250,413	\$ 372,543

Note 6 – Risk Management

A. Property and Liability Insurance

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2013, the School contracted with Indiana Insurance Company for property and general liability insurance with a \$2,000,000 aggregate limit. Effective September 1, 2013, the School contracted with Cincinnati Indemnity Company for property insurance with a \$2,000,000 aggregate limit and general liability insurance with a \$3,000,000 aggregate limit.

There has been no significant reduction in insurance coverage from prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Workers' Compensation

The School makes premium payments to the State Workers' Compensation System for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that is calculated by the State.

C. Employee Medical, Dental and Vision Benefits

The School has contracted with a private carrier to provide its full-time salaried employees medical/surgical benefits. The School pays all premiums for this coverage.

Note 7 – Pension Plans

A. School Employees Retirement System

Plan Description - The School contributes to the School Employees Retirement System of Ohio ("SERS"), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2014, 13.05 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School’s required contributions to SERS for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$37,700, \$32,720, and \$33,300, respectively; 92 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

B. State Teachers Retirement System

Plan Description – The School participates in the State Teachers Retirement System of Ohio (“STRS Ohio”), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a publicly-available, stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member’s lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to allocate their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Funding Policy – For the fiscal year 2014, plan members were required to contribute 11 percent of their annual covered salaries. The School was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 11 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

The School's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$111,666, \$110,121, and \$92,118, respectively; 85 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$18,350 made by the School and \$14,418 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2014, certain members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

Note 8 – Postemployment Benefits

A. School Employees Retirement System

Plan Description – The School participates in two cost-sharing, multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug plan is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2014, 0.14 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the actuarially determined amount was \$20,250.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Active members do not contribute to the postemployment benefit plans. The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School's contributions for health care (including surcharge) for the fiscal years ended June 30, 2014, 2013 and 2012 were \$3,973, \$400, and \$1,272, respectively; 92 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation was 0.76 percent of covered payroll. The School's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013 and 2012 were \$2,187, \$1,848, and \$1,735, respectively; 92 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

B. State Teachers Retirement System

Plan Description - The School contributes to the cost sharing, multiple-employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the financial report of STRS. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting www.strsoh.org or by requesting a copy by calling toll-free (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2013, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School's contributions for health care for fiscal years ended June 30, 2014, 2013 and 2012 were \$8,590, \$8,471, and \$8,516, respectively; 85 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

Note 9 – Jointly Governed Organization

The Stark Portage Area Computer Consortium (SPARCC) is a jointly governed organization comprised of 28 Schools. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions for member districts. Each of the governments of these districts supports SPARCC based upon a per pupil charge dependent upon the software package utilized. The SPARCC assembly consists of a superintendent or designated representative from each participating district and a representative from the fiscal agent. SPARCC is governed by a board of directors chosen from the general membership of the SPARCC assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county in which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Stark County Educational Services Center, which serves as fiscal agent, located at 2100 38th Street, NW, Canton, Ohio 44709. During the years ended June 30, 2014 and 2013, the School paid \$1,072 and \$11,572, respectively to SPARCC for basic service charges.

Washington Park Community School
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For Fiscal Years Ended 30, 2014 and 2013

Note 10 – Contingencies

A. Grants

The School received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2014, if applicable, cannot be determined at this time.

B. Litigation

The School is not party to any claims or lawsuits that would, in the School's opinion, have a material effect of the basic financial statements.

C. Enrollment FTE

The Ohio Department of Education conducts reviews of enrollment and full-time equivalency (FTE) calculations made by the Schools. These reviews are conducted to ensure the Schools are reporting accurate student enrollment data to the State, upon which state foundation funding is calculated. The results of this review for fiscal year 2014 are immaterial and are not reflected in the 2014 financial statements but will be included in the financial activity for fiscal year 2015.

Note 11 – Capital Leases

During fiscal year 2013, the School entered into a capitalized lease for copiers. The lease met the criteria of a capital lease as defined by accounting standards, which defines a capital lease generally as one which transfers benefits and risks of ownership of the lessee. Capital assets, consisting of furniture and fixtures, were capitalized in the amount of \$20,971. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments during fiscal year 2014 totaled \$3,698. For fiscal year 2015, \$4,022 of principal payments will be due. The following is a schedule of the future minimum lease payments as of June 30, 2014.

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 5,154
2016	5,154
2017	5,154
2018	<u>2,147</u>
Total Minimum Lease Payments	17,609
Less Amount Representing Interest	<u>(2,354)</u>
Present Value of Minimum Lease Payments	<u>\$ 15,255</u>

Note 12 – Contractual Commitment

At June 30, 2014, the School had a contractual commitment for a roofing project in the amount of \$30,000.

This page intentionally left blank.

December 31, 2014

The Board of Trustees
Washington Park Community School
Cuyahoga County, Ohio
4000 Washington Park Boulevard
Newburgh Heights, Ohio 44106

Independent Auditor's 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*

We have audited, in accordance with the 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, the financial statements of Washington Park Community School, Cuyahoga County, Ohio (the School) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated December 31, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Medina, Ohio



Dave Yost • Auditor of State

WASHINGTON PARK COMMUNITY SCHOOL

CUYAHOGA 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
MARCH 31, 2015