

**NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 1999

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Board Members

Northeast Ohio Areawide Coordinating Agency
Cuyahoga County
1299 Superior Avenue
Cleveland, Ohio 44114-3204

We have audited the accompanying general-purpose financial statements of the Northeast Ohio Areawide Coordinating Agency, Cuyahoga County, Ohio, (NOACA) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of NOACA's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of NOACA as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

As described in Note 4 to the general-purpose financial statements, in 1999 NOACA changed its method of accounting for certain deferred compensation plans.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2000, on our consideration of NOACA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of NOACA taken as a whole. The combining financial statements for the Special Revenue Funds listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the Fixed Rate Computation Schedules as listed in the table of contents and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", is written over the printed name and title.

Jim Petro
Auditor of State

February 15, 2000

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
 CUYAHOGA COUNTY
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 AS OF JUNE 30, 1999

	GOVERNMENTAL FUND TYPES		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUND	GENERAL FIXED ASSET ACCOUNT GROUP	GENERAL L-T DEBT ACCOUNT GROUP	
ASSETS					
Cash & Cash Equivalents	\$ 1,798,814	\$ 149,421	\$ -	\$ -	\$ 1,948,235
Restricted Cash	395,684	-	-	-	395,684
Grants Receivable:					
Due from Federal Sources	-	237,309	-	-	237,309
Due from State Sources	-	175,523	-	-	175,523
Due from Other Sources	28,714	2,300	-	-	31,014
Interfund Receivable	209,555	-	-	-	209,555
Dues Receivable	6,309	-	-	-	6,309
General Fixed Assets in Service	-	-	483,381	-	483,381
Building	-	-	3,345,000	-	3,345,000
On Deposit - Other	670	-	-	-	670
Lease Deposit	890	-	-	-	890
Amount to be provided - Capital Lease	-	-	-	2,940,983	2,940,983
Amount to be provided - Vacation	-	-	-	181,466	181,466
Amount to be provided - Sick	-	-	-	97,875	97,875
Amount provided in General Fund	-	-	-	395,684	395,684
TOTAL ASSETS	\$ 2,438,436	\$ 564,553	\$ 3,828,381	\$ 3,616,008	\$ 10,447,378
LIABILITIES AND EQUITY					
LIABILITIES					
Accounts Payable - Trade	\$ 25,171	\$ 149,400	\$ -	\$ -	\$ 174,571
Accounts Payable - 10% W/H	704	-	-	-	704
Accounts Payable - Misc.	2,190	-	-	-	2,190
Salaries Payable	7,566	66,188	-	-	73,754
Accrued S-T Vacation Payable	48,374	-	-	-	48,374
Accrued S-T Sick Payable	9,778	-	-	-	9,778
Interfund Payable	-	209,555	-	-	209,555
Deferred Revenue	112,729	139,410	-	-	252,139
Accrued Vacation Leave	-	-	-	181,466	181,466
Accrued Sick Leave	-	-	-	97,875	97,875
Capital Lease Payable	-	-	-	3,336,667	3,336,667
TOTAL LIABILITIES	\$ 206,512	\$ 564,553	\$ -	\$ 3,616,008	\$ 4,387,073
EQUITY					
Investment in General Fixed Assets - From					
General Fund Revenues	\$ -	\$ -	\$ 3,828,381	\$ -	\$ 3,828,381
Designated Fund Balance	395,684	-	-	-	395,684
Undesignated Fund Balance	1,836,240	-	-	-	1,836,240
TOTAL EQUITY	\$ 2,231,924	\$ -	\$ 3,828,381	\$ -	\$ 6,060,305
TOTAL LIABILITIES AND EQUITY	\$ 2,438,436	\$ 564,553	\$ 3,828,381	\$ 3,616,008	\$ 10,447,378

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

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
REVENUES			
Grantor Agency	\$ 73,465	\$ 3,315,985	\$ 3,389,450
Other	1,257	-	1,257
Interest	109,150	-	109,150
Membership Dues	61,300	518,696	579,996
Intergovernmental	104,748	-	104,748
TOTAL REVENUES	<u>349,920</u>	<u>3,834,681</u>	<u>4,184,601</u>
EXPENDITURES			
Direct Salaries	34,006	1,156,962	1,190,968
Fringes	(84,291)	644,658	560,367
Indirect	26,578	1,598,220	1,624,798
Telephone	330	6,968	7,298
Travel	5,341	27,207	32,548
Training	950	8,066	9,016
Supplies	(25)	3,227	3,202
Postage	67	903	970
Hardware/Software	-	77,275	77,275
Meeting Costs	5,302	1,189	6,491
Private Consultants	145,894	229,894	375,788
Outside Reproduction	199	37,465	37,664
Advertising/Meeting Ads	2,195	37,832	40,027
Maint & Repair	-	101	101
Publications	17	2,120	2,137
Legislative Liaison	46,000	-	46,000
Memberships	-	2,594	2,594
Moving Expenses	70,790	-	70,790
Other Miscellaneous	1,041	-	1,041
Capital Outlay	3,437,225	-	3,437,225
TOTAL EXPENDITURES	<u>3,691,619</u>	<u>3,834,681</u>	<u>7,526,300</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(3,341,699)</u>	<u>-</u>	<u>(3,341,699)</u>
OTHER FINANCING SOURCES - INCEPTION OF CAPITAL LEASE	3,345,000	-	3,345,000
FUND BALANCE July 1, 1998	<u>2,228,623</u>	<u>-</u>	<u>2,228,623</u>
FUND BALANCE June 30, 1999	<u>\$ 2,231,924</u>	<u>\$ -</u>	<u>\$ 2,231,924</u>

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

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE REPORTING ENTITY AND BASIS OF PRESENTATION

The Northeast Ohio Areawide Coordinating Agency (NOACA) is a comprehensive planning and transportation agency formed for the purpose of coordinating and reviewing federal and state funded planning activities and proposals in northeast Ohio. NOACA was created under Section 307.14, Revised Code. Members of NOACA include the counties of Cuyahoga, Geauga, Lake, Lorain and Medina and is open to all cities, villages, and townships located in those counties. The Governing Board is made up of representatives, who hold public office, from the various member counties. There are approximately 37 voting representatives on the NOACA Board which fluctuates according to population.

Governmental accounting standards require disclosure of any organizations for which NOACA is financially accountable. NOACA's combined financial statements (General Purpose Financial Statements) consist of all funds, departments, commissions and boards that are not legally separate from NOACA. NOACA is financially accountable for an organization if NOACA appoints a voting majority of the organization's governing board and (1) NOACA is able to significantly influence the programs or services performed or provided by the organization; or (2) NOACA is legally entitled to or can otherwise access the organization's resources; NOACA is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or NOACA is obligated for the debt of the organization. The criteria for including entities and funds in NOACA's financial statements are in agreement with the Governmental Accounting Standards Board (GASB) Statement 14, Sec. 2100, Authoritative Status of Pronouncements. There are no other governments for which NOACA is financially accountable that require inclusion in this presentation.

The accounts of NOACA are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the general purpose financial statements.

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **DESCRIPTION OF THE REPORTING ENTITY AND BASIS OF PRESENTATION**
(Continued)

NOACA uses the following fund types and account groups:

GOVERNMENTAL FUND TYPES:

Governmental funds are those through which most governmental functions of NOACA are financed. The acquisition, use and balances of NOACA's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following are NOACA's governmental fund types:

General Fund. The general fund is the operating fund of NOACA and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to NOACA for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

ACCOUNT GROUPS:

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group. This account group is established to account for general fixed assets of NOACA.

General Long-Term Obligations Account Group. This account group is established to account for all long-term obligations of NOACA. NOACA's long-term debt at year-end consists of accrued vacation, accrued sick leave, and the capital lease obligation.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING

The accompanying financial statements of NOACA are prepared in conformity with general accepted accounting principles for local government units as prescribed in statements and interpretations issued by the Governmental Accounting Standards Board (GASB).

All financial transactions for Governmental and Fiduciary funds are reported on the modified accrual basis of accounting. Under this accounting method, revenues are recognized when they become susceptible to accrual, that is, when they are measurable and available to finance NOACA's operations. Revenues accrued at the end of the year consist of reimbursements from other governments for grant expenditures and membership dues received within sixty days after year-end. Governmental fund expenditures are accrued when the related fund liability is incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

BUDGETARY AND ACCOUNTING CONTROL: In May/June of each year, management submits an estimate of operating expenditures for the current calendar year to the NOACA Board for their approval. In addition, a fiscal year budget prepared by project is submitted to the Ohio Department of Transportation as a basis for NOACA's overall work program. NOACA is not subject to Ohio Revised Code (ORC) budgetary requirements.

CASH AND SHORT TERM INVESTMENTS: Cash and short term investments consist of bank balances, investments in the State Treasurer's Investment Pool, and overnight sweep account.

RESTRICTED CASH:

NOACA is required to maintain a cash balance with Huntington Banks equal to 10% of the Bond proceeds related to the capital lease with the Cleveland Cuyahoga County Port Authority for the building located at 1299 Superior Avenue, Cleveland, Ohio. Also included is an amount designated for contingencies related to the renovation of the leased property.

The carrying amount of \$395,684 with Huntington Banks consists of \$327,308 for the 10% reserve requirement and \$68,376 for the contingencies related to the renovation costs.

This cash is therefore restricted and identified as such in the assets and equity sections of the balance sheet.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **BASIS OF ACCOUNTING** (Continued)

FIXED ASSETS: Fixed assets in service are stated on the basis of historical cost or, if contributed, at fair market value at the date received. Depreciation is not provided for in the General Fixed Asset Account Group. Interest incurred during construction is not capitalized on General Fixed Assets.

ACCRUED VACATION LEAVE: NOACA records accumulated unpaid vacation and sick leave when earned by employees. For Governmental funds, the portion of the liability which is not currently due and payable is recorded in the General Long-Term Debt Account Group. For Governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded (in the account "Accrued S-T Vacation Payable" and "Accrued S-T Sick Payable") in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the General Long-Term Debt Account Group. Payments made more than sixty days after year end are generally considered not to have been paid with current available resources.

FEDERAL AND STATE AGENCY GRANT FUNDS: Project funds authorized under federal and state agency grants are requisitioned from such agencies either on an advance basis or for reimbursement of eligible costs incurred up to amounts contracted for under each grant. These funds are accounted for at the time eligible costs are incurred.

LOCAL CONTRIBUTIONS: Member units of government are assessed membership dues to generate local operating funds and to provide the local matching requirements of federal and state grants.

A local matching contribution is required in most federal and state grants. The exact amount of each matching contribution will depend on the federal or state contribution level.

The membership dues are assessed in May/June for the current fiscal year and are accounted for at the time the dues are invoiced. The assessment is made on the basis of the relationship of population in each area as a percentage of the total population served by NOACA.

INDIRECT COSTS: To facilitate equitable distribution of common purpose costs benefiting more than one indirect cost objective, NOACA has negotiated an agency-wide indirect cost allocation plan with its cognizant federal agency, the Federal Highway Administration through the Ohio Department of Transportation (ODOT). Rates are based upon a percentage of direct wages and applicable fringe benefits to include sick time, holiday pay, vacation pay, personal days, employer and employee portion of retirement, workers compensation insurance, hospitalization and unemployment insurance. A fixed indirect cost rate is approved annually by ODOT for use during the fiscal year based upon the previous year's actual experience. Differences between the fixed and actual rate will be adjusted in the subsequent year. Negative expenditures may result.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (INCLUDING REPURCHASE AGREEMENTS)

CASH AND INVESTMENTS:

NOACA maintains cash and cash equivalents at local depository institutions. These amounts are displayed on the balance sheet.

LEGAL REQUIREMENTS:

Statutes require the classification of deposits held by NOACA into three categories. Category 1 consists of "active" monies needed for immediate use by NOACA. Such monies must be maintained either as cash in NOACA treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" deposits, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested only as certificates of deposit maturing not later than the end of the period of designation of depositories.

Category 3 consists of "interim" deposits, 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 may be invested or deposited in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities 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 two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (INCLUDING REPURCHASE AGREEMENTS) (Continued)

LEGAL REQUIREMENTS: (Continued)

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

DEPOSITS:

As of June 30, 1999, the carrying amount of NOACA's deposits was \$109,650 and the bank balance was \$209,180. Of the bank balance \$100,000 was covered by the federal depository insurance or by collateral held by a qualified third party trustee in the name of NOACA and \$109,180 was uninsured and uncollateralized. Although the balance was covered by collateral held by third party trustees pursuant to Section 135.181, Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions.

INVESTMENTS:

NOACA's investments are categorized to give an indication of the level of risk assumed by NOACA at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by NOACA. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in NOACA's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or by its trust department but not in NOACA's name.

	<u>Carrying Value</u>	<u>Market Value</u>
<u>Uncategorized:</u>		
Huntington Bank Sweep Account	\$395,684	\$395,684
STAR Ohio	<u>1,836,385</u>	<u>1,836,385</u>
TOTAL	<u>\$2,232,069</u>	<u>\$2,232,069</u>

STAR Ohio and Huntington Bank are not classified by degree of credit risk since they are not evidenced by securities that exist in physical or book entry form.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

3. PUBLIC EMPLOYEES RETIREMENT SYSTEM

PENSION BENEFITS

NOACA contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple employer public employee defined benefit pension plan. PERS provides retirement, disability, health care coverage and death benefits based on eligible service credit to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy from PERS by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085.

The funding policy for the above plan is as follows:

The Ohio Revised Code provides statutory authority for employee and employer contributions. During fiscal year 1999, PERS employees contributed 8.5% of their salary to the plan and NOACA contributed 13.55% of covered payrolls to the plan. The contributions to PERS for the years ending June 30, 1997, 1998 and 1999 were \$449,750, \$471,980 and \$463,044 respectively, equal to 100% of the required contributions for each year.

Other Post-employment Benefits (OPEB)

The Public Employees Retirement System of Ohio (PERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1998 employer contribution rate was 13.55% of covered payroll for all employees; 4.2% was the portion that was used to fund health care for the year 1998.

Benefits are funded on a pay-as-you go basis. Other Post-employment Benefits are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for other post-employment benefits during 1998 were \$440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future other post-employment benefits were \$9,447,325,318. The number of benefit recipients eligible for other post-employment benefits at December 31, 1998 was 115,579. NOACA's actual contributions for 1998, which were used to fund post-employment benefits, were \$19,448.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

4. CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FIXED ASSETS

GASB 32 Deferred Compensation: The Internal Revenue Code previously required that Section 457 deferred compensation plan assets remain the property of the employer government, until available to the employee or beneficiary. Under these regulations, plan assets are recorded in NOACA's agency funds.

Recent changes to the Internal Revenue Code require Section 457 plan assets to be held in trust for the exclusive benefit of employees. These plans must establish trust agreements prior to January 1, 1999. Governmental Accounting Standard No. 32 requires that such assets held in trust not be reflected on the employee government's financial statements.

During 1998, the Public Employees Deferred Compensation Program and Hartford Deferred Compensation Plan adopted a trust agreement. Accordingly, agency fund assets as of June 30, 1999 have been reduced by \$796,208 and \$217,327, respectively.

As of July 1, 1998 the beginning balance was restated from \$417,787 to \$399,489 to account for the removal of fixed assets that were obsolete or no longer in service. This change resulted in a decrease in the beginning balance of fixed assets in the amount of \$18,298.

5. CHANGE IN GENERAL FIXED ASSETS

Changes in general fixed assets during the year ended June 30, 1999 were as follows:

	<u>July 1, 1998</u> <u>(As restated)</u>	<u>Additions</u> <u>(Reductions)</u>	<u>June 30, 1999</u>
Furniture/Equipment	\$399,489	\$ 83,892	\$ 483,381
Building	<u>-0-</u>	<u>3,345,000</u>	<u>3,345,000</u>
TOTAL	<u>\$399,489</u>	<u>\$3,428,892</u>	<u>\$3,828,381</u>

6. COMPENSATED ABSENCES

In conformity with Government Accounting Standards Board (GASB) Statement No. 16, NOACA accrues all types of leave benefits as earned by its employees.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

6. COMPENSATED ABSENCES (Continued)

Employees of NOACA earn vacation leave, sick leave, and personal leave at various rates. Generally, employees accrue vacation leave at a rate of 3.1 hours every two weeks for the first five years of employment, up to a maximum rate of 7.4 hours every two weeks after 15 years of employment. Employees may accrue a maximum of four years vacation leave credit. Any amounts that exceed a four-year accrual are paid to the employee through the annual conversion program at 100 percent of the employees hourly rate. At termination or upon other separation from NOACA, employees are paid at their full rate for 100 percent of unused vacation leave.

SICK LEAVE: Sick leave for all full-time employees is accumulated at a rate of 4.6 hours every two weeks. Sick leave is cumulative. NOACA implemented an annual conversion program during fiscal year 1998 for accrued sick leave hours. This represents a change in NOACA's policies and the effect of which is noted below. All employees must keep 240 hours (6 weeks) sick leave as a minimum balance to participate in the program. Between 240 and 960 hours, or 720 hours, employees may annually choose to cash in some or all of their sick time at one hour for every four, or 25 percent pay out at current salary levels. (E.g., if employees choose, they can cash in the full 720 hours, and will receive payment for 180 hours of work). If employees have a balance beyond 960 hours they will not lose it; it remains in their pool. At termination, retirement or death, employees may convert sick leave to cash at one hour for every four (25%) up to a maximum of 960 hours. (E.g., if you cash in the full 960 hours you will receive payment for 240 hours of work).

PERSONAL LEAVE: All full-time employees receive two personal leave days per fiscal year. The personal leave time of sixteen hours per fiscal year must be used by the end of the year or it is lost. Unused personal leave is not paid at termination and is not cumulative. Therefore, these benefits are not accrued, but rather recorded as an expenditure/expense when employees are paid for hours not worked due to personal time.

The change in accrued vacation and sick leave is itemized below:

	<u>July 1, 1998</u>	<u>Additions</u> <u>(Reductions)</u>	<u>June 30, 1999</u>
Vacation	\$194,436	\$35,404	\$229,840
Sick	<u>96,039</u>	<u>11,614</u>	<u>107,653</u>
Total Change in Accrual Leave	<u>\$290,475</u>	<u>\$ 47,018</u>	<u>\$337,493</u>

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

7. INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivables and payables as of June 30, 1999, are as follows:

	<u>INTERFUND RECEIVABLES</u>	<u>INTEFUND PAYABLES</u>
General Fund	\$209,555	
Special Revenue Funds:		
FTA OH-03-0122		\$ 5,074
OEPA 604(B)		26,874
Public Access to Monitored A.Q.		8,389
CAC MIS		79
OCPG- FHWA/FTA		128,458
Rideshare		35,774
TMP		<u>4,907</u>
TOTAL	<u>\$209,555</u>	<u>\$209,555</u>

8. RISK MANAGEMENT

NOACA is exposed to various risks of loss related to theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 1999 NOACA contracted with General Accident Insurance Company for property insurance. Public Officials Liability coverage is provided by Repath & Associates with a \$1.0 million aggregate limit.

Public Employee Dishonesty coverage is provided by the Fidelity and Deposit Insurance Company with \$500,000 limit per loss.

NOACA pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOACA provides health insurance to its full-time employees. Health insurance is provided through one of three plans: Kaiser, Cigna or Anthem Blue Cross/Blue Shield. Cigna, Kaiser and Anthem Blue Cross/Blue Shield claims are the responsibility of and paid for by the respective carriers.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

9. CAPITAL LEASE

NOACA entered into a capital lease with the Cleveland-Cuyahoga County Port Authority (CCCPA) on March 1, 1998. The lease term is for a period of 20 years commencing on January 1, 1999, with an option to purchase the building at the completion of the lease on May 15, 2018, for \$1.00.

The lease provides that CCCPA will hold title to the building and leave it to NOACA under a financing lease structure. The bonds will be a series of bonds of the CCCPA Bond Fund Program. The bond fund is currently rated "BBB+" by Fitch Investor Service.

Assets under capital lease totaled \$3,345,000 at June 30, 1999. The following is a schedule of the future minimum lease payments under capital lease, together with the net present value of the minimum lease payments as of June 30, 1999.

Year Ending	Building
2000	\$289,608
2001	287,785
2002	287,490
2003	285,946
2004	288,269
2005-2009	1,437,891
2010-2014	1,437,709
2015-2018	<u>1,113,706</u>
Total minimum lease payments	5,428,404
Less: amount representing interest	<u>2,091,736</u>
Present value of minimum lease payments	\$3,336,668

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NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999

Federal Grantor/ Sub-Grantor Program Title	Pass-Through Entity Number	CFDA Number	Grant Number	Receipts	Disbursements
ENVIRONMENTAL PROTECTION AGENCY					
Pass through State of Ohio Environmental Protection Agency					
WATER QUALITY MANAGEMENT PLANNING					
Water Quality Management FFY 1996	N/A	66.454	604 (B) FY 1996	\$ 9,715	\$ 0
Water Quality Management FFY 1998	N/A	66.454	604 (B) FY 1998	41,874	70,044
Water Quality Management FFY 1997	N/A	66.454	319 Big Creek	94,500	61,536
319 Big Creek NPS	N/A		Sec. 103 CAA	<u>24,145</u>	<u>73,788</u>
Public Access to Monitored AQ	N/A	66.454			
Total U.S. Environmental Protection Agency				<u>170,234</u>	<u>205,370</u>
FEDERAL HIGHWAY ADMINISTRATION					
Pass through State of Ohio Department of Transportation					
HIGHWAY PLANNING AND CONSTRUCTION					
FY 1999 - Federal Aid Urban System	N/A	20.205	RIDESHARE - '99	185,140	257,818
FY 1998 - PHWA/FTA Program	N/A	20.205	FY '98 OCPG	528,448	135,877
FY 1999 - PHWA/FTA Program	N/A	20.205	FY '98 OCPG	2,055,823	2,272,387
FY 1997 - PHWA/FTA Program	N/A	20.205	OZONE ACTION DAY	34,280	33,418
FY 1997-FY 1999 - CMAQ	N/A	20.205	'98 TMP	257,616	6,524
FY 1998 - TMP	N/A	20.205	'99 TMP	197,490	206,775
FY 1999 - TMP	N/A	20.205	'99 CAC MIS	<u>4,672</u>	<u>4,581</u>
FY 1999 - CAC MIS	N/A	20.205			
Total Federal Highway Administration				<u>3,263,247</u>	<u>2,919,780</u>
FEDERAL TRANSIT ADMINISTRATION					
FEDERAL TRANSIT CAPITAL IMPROVEMENT GRANT Section 5 - Innovative Techniques	N/A	20.500	OH-03-0122	49,601	49,579
GRAND TOTALS				\$ <u>3,463,082</u>	\$ <u>3,185,729</u>

The accompanying notes to this schedule are an integral part of this schedule.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
JUNE 30, 1999

BASIS OF PRESENTATION

The accompanying schedule of federal awards expenditures is prepared on the cash basis for cash receipts and on the GAAP basis for disbursements.

MATCHING REQUIREMENTS

Certain Federal programs require that the NOACA contribute non-Federal funds (matching funds) to support the Federally-funded programs. NOACA has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
 CUYAHOGA COUNTY
 COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
 AS OF JUNE 30, 1989

ASSETS		FTA 01-03-0122	OEPA '89 604 (B)	EPA Big Creek	200 Plan Update	OCPG	RIDESHARE	TMP	CMAQ	Pub Access Month A.O.	CAC MIS	State Funded W.O.	TOTALS (MEMORANDUM ONLY)
Cash & Cash Equivalents	\$	-	-	\$ 29,817	\$ 2,061	\$ -	\$ -	\$ -	\$ 310	\$ -	\$ -	\$ 117,243	\$ 149,421
Grants Receivable:													
Due from Federal Sources	\$	6,259	-	-	11,396	190,492	-	10,155	14,928	-	109	-	237,309
Due from State Sources	\$	-	28,170	-	-	23,802	72,778	1,130	-	49,643	-	-	175,523
Due from Other Sources	\$	-	-	-	-	2,300	-	-	-	-	-	-	2,300
TOTAL ASSETS	\$	<u>6,259</u>	<u>28,170</u>	<u>29,817</u>	<u>13,447</u>	<u>216,564</u>	<u>72,778</u>	<u>11,285</u>	<u>19,238</u>	<u>49,643</u>	<u>109</u>	<u>117,243</u>	<u>564,553</u>
LIABILITIES AND EQUITY													
LIABILITIES													
Accounts Payable - Trade	\$	883	1,084	\$ 4,721	\$ 10,836	\$ 36,658	\$ 29,978	\$ 5,098	\$ 19,238	\$ 40,437	\$ 30	\$ 240	\$ 149,400
Salaries Payable	\$	302	212	1,461	2,811	50,650	8,025	1,282	-	817	-	1,238	66,188
Interest Payable	\$	5,174	24,874	-	-	128,458	35,774	4,307	-	8,389	79	-	208,555
Deferred Revenue	\$	-	-	23,645	-	-	-	-	-	-	-	115,765	139,410
TOTAL LIABILITIES	\$	<u>6,259</u>	<u>28,170</u>	<u>29,817</u>	<u>13,447</u>	<u>216,564</u>	<u>72,778</u>	<u>11,285</u>	<u>19,238</u>	<u>49,643</u>	<u>109</u>	<u>117,243</u>	<u>564,553</u>
EQUITY													
Investment in General Fixed Assets	\$	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Undesignated Fund Balance	\$	0	-	-	-	-	-	-	-	-	-	-	-
TOTAL EQUITY	\$	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND EQUITY	\$	<u>6,259</u>	<u>28,170</u>	<u>29,817</u>	<u>13,447</u>	<u>216,564</u>	<u>72,778</u>	<u>11,285</u>	<u>19,238</u>	<u>49,643</u>	<u>109</u>	<u>117,243</u>	<u>564,553</u>

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

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
 CUYAHOGA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1994

	FIA 01E-02-0122	'99 OEPA 564.18	EPA 319 Bng Credits	206 Plan Licenses	OC2G	RIDE SAVAGE	'99 TIME	CMAD	CAC MIS	STATE V.O.	PUB ACCESS MOBILE	'99 OC2G	'99 TIME	TOTALS (MEMORAN DUM)
REVENUES														
Grantor Agency	\$ 40,578	\$ 70,044	\$ 61,438	\$ 116,821	\$ 2,272,387	\$ 237,918	\$ 206,775	\$ 33,418	\$ 4,681	\$ 34,236	\$ 73,788	\$ 135,877	\$ 6,824	\$ 3,315,965
Other	10,144	52,215	28,511	46,148	303,847	24,858	-	8,348	1,146	10,272	11,506	15,184	-	518,696
Membership Dues														0
Charges for Services														0
TOTAL REVENUES	50,723	122,259	91,049	164,189	2,576,034	206,576	206,775	41,764	5,728	44,507	85,294	150,981	6,824	3,834,681
EXPENDITURES														
Direct Salaries	10,193	40,078	24,082	50,237	846,201	74,650	30,429	225	1,912	15,128	13,798	50,898	-	1,158,962
Fringes	5,879	22,331	13,419	28,003	470,346	41,085	16,865	128	1,066	8,436	7,848	28,416	-	644,658
Indirect	14,080	55,363	33,287	89,428	1,167,568	103,122	42,054	311	2,641	20,913	19,060	70,448	-	1,698,230
Telephone	34	1,127	2	150	878	780	803	3,170	22	4	4	22	-	6,988
Travel	338	1,438	172	1,078	19,055	4,978	38	-	107	-	413	583	-	27,207
Training	-	40	-	85	6,097	1,808	36	-	-	-	-	-	-	8,048
Supplies	-	369	-	-	1,350	1,508	-	-	-	-	-	-	-	3,227
Postage	-	(115)	-	50	365	210	343	-	-	-	50	-	-	903
Hardware/Software	-	-	-	6,148	14,818	11,764	1,155	4,178	-	-	38,418	-	-	77,215
Meeting Costs	-	6	-	597	584	-	-	-	-	-	-	-	-	1,189
Private Consultants	-	-	-	7,908	(10)	34,073	111,948	23,488	-	-	4,251	-	-	229,894
Outside Reproduction	-	1,382	-	538	32,910	1,680	474	474	-	-	-	503	-	37,466
Advertising/Marketing Ads	-	-	-	-	13,444	8,942	5,038	9,784	-	-	614	-	-	37,832
Maint & Repair	-	-	-	-	191	80	-	-	-	20	-	-	-	101
Publications	-	238	-	31	1,751	400	-	-	-	-	-	-	-	2,129
Memberships	-	-	-	-	2,194	-	-	-	-	-	-	-	-	2,594
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	0
TOTAL EXPENDITURES	50,723	122,259	91,049	164,189	2,576,034	206,576	206,775	41,764	5,728	44,507	85,294	150,981	6,824	3,834,681
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	0	-	-	0	-	0	-	-	-	-	0
OTHER FINANCING SOURCES (USES)														
Operating Transfers - In	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Operating Transfers - Out	-	-	-	-	-	-	-	-	-	-	-	-	-	0
TOTAL OTHER SOURCES (USES)	-	-	-	0	-	-	0	-	0	-	-	-	-	0
EXCESS OF EXPENDITURES AND OTHER USES OVER REVENUES AND OTHER SOURCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCE July 1, 1994	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCE June 30, 1995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY
SCHEDULE OF FRINGE BENEFIT COST CHARGES, RATE BASE AND
FIXED RATE COMPUTATION
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

FIXED RATE - FY 1999

LABOR BASE

\$1,765,016

FRINGE BENEFIT CATEGORY

Sick Leave	\$ 75,000
Bereavement	2,500
Holiday	89,000
Vacation	163,000
Personal Days	16,000
Jury/Military Leave	1,500
PERS	289,566
Worker's Compensation	2,000
Unemployment Compensation	2,500
Hospitalization/Health Maintenance	275,600
Transit Subsidy	6,000
Tuition/Reimbursement	4,500
Medicare	17,000
Flexible Spending Accounts	750
FY '98 Fringe Rate Adjustment	<u>38,623</u>

TOTAL FRINGE BENEFIT COSTS

\$983,539

Fringe Benefit Rate used by NOACA

55.72%

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
CUYAHOGA COUNTY
SCHEDULE OF INDIRECT COST CHARGES, RATE BASE AND
FIXED RATE COMPUTATION
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

DIRECT LABOR (SALARY AND FRINGES)

Air Quality	\$ 98,000
Water Quality (604(B) + local)	200,841
Transportation Programs	1,362,791
Rideshare Program	119,992
Local Activities	<u>52,507</u>
 Total FY 1999 Salary/Fringe Cost	 <u>\$1,834,131</u>

INDIRECT COST CATEGORY

Salaries/Fringes	\$ 914,424
Office Rent/Utilities/Repair	375,886
Telephone	15,000
Travel/Training	9,000
Supplies	25,000
Postage	17,500
Consultants	15,500
Software/Hardware	15,000
Meeting Expenses	1,000
NARC Dues	10,000
Audit Fees	20,000
Outside Reproduction	11,500
Depreciation	15,000
Advertising	5,000
Accounting Services	1,000
Insurance	21,000
Equipment Leasing	7,000
Maintenance Repair (Equipment)	60,000
Publications/Memberships	5,500
FY '98 Indirect Rate Adjustment	<u>82,696</u>
 TOTAL	 <u>\$1,627,006</u>

Indirect Cost Rate Used by NOACA

88.71%



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Board Members
Northeast Ohio Areawide Coordinating Agency
Cuyahoga County
1299 Superior Avenue
Cleveland, Ohio 44114-3204

We have audited the financial statements of the Northeast Ohio Areawide Coordinating Agency, Cuyahoga County, Ohio, (NOACA) as of and for the year ended June 30, 1999, and have issued our report thereon dated February 15, 2000, in which report we noted NOACA changed its accounting for certain deferred compensation plans. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether NOACA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered NOACA's 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 assurance 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 over financial reporting that might be material weaknesses. A material weakness is a 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 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. However, we noted other matters involving the internal control over financial reporting, that does not require inclusion in this report, that we have reported to management of NOACA in a separate letter dated February 15, 2000.

This report is intended for the information of management, members of the Board, the Audit Committee, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", is written over a circular stamp or seal that is partially obscured by the signature.

Jim Petro
Auditor of State

February 15, 2000



STATE OF OHIO
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board Members
Northeast Ohio Areawide Coordinating Agency
Cuyahoga County
1299 Superior Avenue
Cleveland, Ohio 44114-3204

Compliance

We have audited the compliance of the Northeast Ohio Areawide Coordinating Agency, Cuyahoga County, Ohio, (NOACA) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 1999. NOACA's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of NOACA's management. Our responsibility is to express an opinion on NOACA's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about NOACA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on NOACA's compliance with those requirements.

In our opinion, NOACA complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

Internal Control Over Compliance

The management of NOACA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered NOACA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Northeast Ohio Areawide Coordinating Agency
Cuyahoga County
Report on Compliance with Requirements Applicable to Each Applicable
to Each Major Federal Program and Internal Control over Compliance in
Accordance with OMB Circular A-133
Page -2-

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of NOACA in a separate letter dated February 15, 2000.

This report is intended for the information of management, members of the Board, the Audit Committee, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Jim Petro
Auditor of State

February 15, 2000

NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
 CUYAHOGA COUNTY
 JUNE 30, 1999

SCHEDULE OF FINDINGS
 OMB CIRCULAR A -133 § .505

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion?	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	<i>Federal Highway Planning and Construction / CFDA # 20.205</i>
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: > All Others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



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OFFICE OF THE AUDITOR

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NORTHEAST OHIO AREAWIDE COORDINATING AGENCY
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.

By: Susan Babbitt

Date: MAR 09 2000