

Central Ohio Rural Consortium

Newark, Ohio



General Purpose Financial Statements
For the Fifteen Months
Ended September 30, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board Members
Central Ohio Rural Consortium
Newark, Ohio 43055

We have reviewed the Independent Auditor's Report of the Central Ohio Rural Consortium, Licking County, prepared by Williams Young, LLC, for the audit period July 1, 1999 through September 30, 2000. 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 Central Ohio Rural Consortium is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

December 6, 2000

Central Ohio Rural Consortium
Newark, Ohio

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Central Ohio Rural Consortium
Newark, Ohio

We have audited the accompanying general purpose financial statements of Central Ohio Rural Consortium as of and for the fifteen months ended September 30, 2000, as identified in the accompanying table of contents as Exhibits A, B, and C. These general purpose financial statements are the responsibility of Central Ohio Rural Consortium'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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Central Ohio Rural Consortium as of September 30, 2000, and its operations for the period then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2000 on our consideration of Central Ohio Rural Consortium's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Central Ohio Rural Consortium taken as a whole. The accompanying *Schedule of Expenditures of Federal Awards and Other Financial Assistance*, which includes the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Schedule A, and Schedules A-1 through A-11 and Schedules B through D are presented

for purposes of additional analysis and are not a required part of the basic financial statements of the Consortium. The information in these schedules, 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.

Williams Young, LLC

A handwritten signature in black ink that reads "Williams Young". The letters are cursive and connected, with a prominent loop on the 'Y'.

Madison, Wisconsin
October 25, 2000

Central Ohio Rural Consortium
Newark, Ohio

Exhibit A

Combined Balance Sheet
All Fund Types and Account Groups
September 30, 2000

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
ASSETS			
Equity in pooled cash	\$ 0	\$ 308,223	\$ 308,223
Due from other funds	0	24,188	24,188
Grants receivable	39,032	8,008	47,040
TOTAL ASSETS	<u>\$ 39,032</u>	<u>\$ 340,419</u>	<u>\$ 379,451</u>
LIABILITIES			
Accounts payable	\$ 0	\$ 11,610	\$ 11,610
Wages and benefits payable	6,850	40,637	47,487
Compensated absences payable	0	10,809	10,809
Due to other funds	24,188	0	24,188
Due to funding sources	7,994	277,363	285,357
Total Liabilities	<u>\$ 39,032</u>	<u>\$ 340,419</u>	<u>\$ 379,451</u>
FUND EQUITY			
Fund balance - unreserved	\$ 0	\$ 0	\$ 0
Total Fund Equity	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 39,032</u>	<u>\$ 340,419</u>	<u>\$ 379,451</u>

The accompanying notes are an integral part of the financial statements.

Central Ohio Rural Consortium
Newark, Ohio

Exhibit B

Combined Statement of Revenue, Expenditures and
Changes in Fund Balances -
All Governmental Fund Types
For the Fifteen Months Ended September 30, 2000

	Governmental Fund Types		Totals
	General	Special Revenue	(Memorandum Only)
REVENUE			
JTPA grants	\$ 0	\$ 2,296,312	\$ 2,296,312
Other revenue	100,018	0	100,018
TANF grants	1,169,992	0	1,169,992
Program income	2,278	10,383	12,661
Other income	111	0	111
Total Revenue	\$ 1,272,399	\$ 2,306,695	\$ 3,579,094
EXPENDITURES			
Administration	\$ 282,500	\$ 673,937	\$ 956,437
Program	999,514	1,632,758	2,632,272
Total Expenditures	\$ 1,282,014	\$ 2,306,695	\$ 3,588,709
Excess of Expenditures Over Revenue	(\$ 9,615)	\$ 0	(\$ 9,615)
OTHER FINANCING SOURCES (USES)			
Returned to grantor	(\$ 11,931)	\$ 0	(\$ 11,931)
Total Other Financing (Uses)	(\$ 11,931)	\$ 0	(\$ 11,931)
Excess of Expenditures and Other (Uses) Over Revenue and Other Financing Sources	(\$ 21,546)	\$ 0	(\$ 21,546)
Fund equity at beginning of period	21,546	0	21,546
FUND EQUITY AT END OF PERIOD	\$ 0	\$ 0	\$ 0

The accompanying notes are an integral part of the financial statements.

Central Ohio Rural Consortium

Newark, Ohio

Exhibit C

Combined Statement of Revenue, Expenditures and
Changes in Fund Balances (Budget and Actual) -
All Governmental Fund Types
For the Fifteen Months Ended September 30, 2000

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE						
JTPA grants	\$ 0	\$ 0	\$ 0	\$ 2,754,150	\$ 2,296,312	(\$ 457,838)
Other revenue	50,807	100,018	49,211	0	0	0
TANF grants	1,531,235	1,169,992	(361,243)	0	0	0
Program income	0	2,278	2,278	0	10,383	10,383
Other income	0	111	111	0	0	0
Total Revenue	\$ 1,582,042	\$ 1,272,399	(\$ 309,643)	\$ 2,754,150	\$ 2,306,695	(\$ 447,455)
EXPENDITURES						
Administration	\$ 188,526	\$ 282,500	(\$ 93,974)	\$ 573,462	\$ 673,937	(\$ 100,475)
Program	1,393,516	999,514	394,002	2,180,688	1,632,758	547,930
Total Expenditures	\$ 1,582,042	\$ 1,282,014	\$ 300,028	\$ 2,754,150	\$ 2,306,695	\$ 447,455
Excess of Expenditures Over Revenue	\$ 0	(\$ 9,615)	(\$ 9,615)	\$ 0	\$ 0	\$ 0
OTHER FINANCING SOURCES (USES)						
Returned to grantor	\$ 0	(\$ 11,931)	(\$ 11,931)	\$ 0	\$ 0	\$ 0
Total Other Financing (Uses)	\$ 0	(\$ 11,931)	(\$ 11,931)	\$ 0	\$ 0	\$ 0
Excess of Expenditures and Other (Uses) Over Revenue and Other Financing Sources	\$ 0	(\$ 21,546)	(\$ 21,546)	\$ 0	\$ 0	\$ 0
Fund equity at beginning of period	0	21,546	21,546	0	0	0
FUND EQUITY AT END OF PERIOD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

The accompanying notes are an integral part of the financial statements.

Central Ohio Rural Consortium

Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Central Ohio Rural Consortium (the Consortium) is a Regional Council of Government established under Chapter 167 of the Ohio Revised Code by the County Commissioners of Licking, Muskingum, Coshocton, Delaware, and Morgan Counties for the purpose of providing personal employment skills and support to the residents of these counties. The Consortium receives 62% of its funding from the Ohio Bureau of Employment Services.

The Consortium focuses services in its five-county area on the following:

- ◆ Targeting efforts to young people, working women with families, older and dislocated workers.
- ◆ Offering a highly supportive approach to help individuals gain the personal, educational, and employment skills they need.
- ◆ Assisting employers, especially small businesses, by supporting training activities for their new and existing workers.
- ◆ Continuing to develop more productive relationships with area educational institutions and community agencies so more and better training opportunities for people will result.

The Consortium was formed to act as a Service Delivery Area in these five counties under Title I, Part A, Section 101 of the U.S. Job Training Partnership Act. Section 102 of the ACT establishes a “Private Industry Council” in each Service Delivery Area. The Consortium is governed by a 31-member Joint Policy Board consisting of a 7-member Commissioners Executive Board and a 24-member Private Industry Council Executive Board.

Significant Policies

The financial statements of the Consortium have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Consortium’s accounting policies are described below.

Central Ohio Rural Consortium

Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units presented, although legally separate entities, are in substance, part of the government's operation and, therefore, data from such a unit is combined with data of the primary government.

The blended component unit included herein is CORC Private Industry Council, Inc. (also known as PIC, Inc.). PIC, Inc. was established in 1991 as a corporation, not for profit, under Section 501 (c)(3) of the Internal Revenue Code. While legally there is no relation between PIC, Inc. and the Private Industry Council established under Section 102 of the Job Training Partnership Act or the Consortium itself, the PIC Executive Board of the Consortium also serves as the legislative board of PIC, Inc. The Consortium has assumed the role of fiduciary and operator to support PIC, Inc.'s activities and record keeping. PIC, Inc. has been blended into the primary government as a General Revenue Fund.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accounts of the Consortium are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and management requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The Consortium has the following fund types:

Governmental Funds

Governmental funds are used to account for the government's general government activities. Governmental fund types use the flow of current financial resource's measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. The government considers all revenue to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is

Central Ohio Rural Consortium

Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Basis of Presentation (continued)

Governmental Funds (continued)

incurred, except for unmatured interest on a general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Entitlements and shared revenue on federal grants are recorded at the time of receipt or as grants receivable if the susceptible to accrual criteria is met. Interest earnings are also susceptible to accrual. TANF and other grants in the general fund recognize revenue at the time the related expenditure is incurred.

Deferred revenue is reported on the balance sheet when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred also arises when resources are received by CORC before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability on the balance sheet is removed and revenue is recognized.

Governmental funds include the following fund types:

General Funds – The general fund is the general operating fund of the Consortium 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 the Consortium for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to the expenditures for specified purposes, including grants.

Equity in Pooled Cash

The Consortium’s cash is considered to be cash on hand, demand deposits, and bank accounts. Cash received by the Consortium is deposited in a central bank account with individual fund balance integrity maintained.

State statutes authorize the Consortium to invest in obligations of U.S. Treasury, commercial paper and repurchase agreements. However, the Consortium does not currently invest any of its excess funds.

Central Ohio Rural Consortium
Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intergovernmental Revenue

In governmental funds, entitlements and non-reimbursable grants are recorded as receivables and revenue when measurable and available. Reimbursement type grants are recorded as receivables and revenue when the related expenditures are incurred. The Consortium participates in various federal programs primarily grants from the U.S. Department of Labor, Job Training Partnership Act.

Compensated Absences

Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered. It is probable that the employer will compensate employees for the benefits through time off or some other means such as cash payment at termination or retirement. While there is a liability for personal leave at the fiscal year end, this earned but unused balance must be liquidated at the calendar year end. There is no minimum length of service required for severance benefits to vest and as such employees are paid for such leave time accrued upon reduction in labor force (layoffs) and funds are available. Sick leave accrued is paid at the rate of 20% of all earned but unused time. The total liability for vacation, personal leave, and termination payments has been calculated using pay rates in effect at the balance sheet date.

The Consortium follows the policy of almost fully funding the compensated absences earned by its employees. Since the liability for compensated absences is expected to be "liquidated with expendable available financial resources," almost the entire liability has been recorded as a current liability of the general and special revenue fund types that were the source of the funding.

Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned as "Memorandum Only" to indicate that they do not represent consolidated financial information and are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Cost Allocation

The Consortium uses an approved Job Training Partnership Act (JTPA) Cost Allocation Plan to allocate its indirect costs to program funds. The basis of allocation, employee hours, is determined separately for each county office and is recalculated monthly.

Central Ohio Rural Consortium

Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Consortium files a budget for each of its JTPA federal grants with the Ohio Bureau of Employment Services by the end of April before the ensuing program year. These budgets include the actual allocation plus the estimated carry-in from the preceding program year. The budgets are adjusted whenever additional funds are added to the grant or reduced. A budget is filed for all other federal grants; they are modified if warranted by changing program activities. Budgets are not prepared for the non-JTPA funds (non-federal monies).

Actual revenue and expenditures in the budgetary statements were prepared on the modified accrual basis of accounting. Revenue is reported when susceptible to accrual and expenditures are reported when the liability is incurred.

NOTE C – EQUITY IN POOLED CASH

The Consortium maintains a cash pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash."

Statutes require the classification of monies held by the Consortium into three categories:

Active Monies

Those monies required to be kept in a "cash" or "near-cash" status for immediate use by the Consortium. Such monies must, by law, be maintained either as cash in the Consortium treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies

Those monies not required for use within the current two-year period of designation of depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies

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. Ohio law permits interim monies to be invested or deposited in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.

Central Ohio Rural Consortium
Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE C – EQUITY IN POOLED CASH (continued)

Interim Monies (continued)

2. Bonds, notes, debentures, or other obligations of securities issued by any federal government agency, or the Export Import Bank of Washington.
3. Repurchase agreements in the securities enumerated above.
4. Interim deposits in the eligible institutions applying for interim monies to 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, but not limited to, passbook accounts.
5. Bonds and other obligations of the State of Ohio.
6. The State Treasurer's Investment pool.

Deposits

At period end, the carrying amount of the Consortium's deposits was \$308,223 and the bank balance was \$311,090. Of the bank balance, \$100,000 was covered by federal depository insurance. The remaining balance of \$211,090 was uncollateralized as defined by Statement No. 3 of the Governmental Accounting Standards Board (GASB). However, these uncollateralized deposits are covered by securities held by third-party trustees pursuant to Section 135.081 of the Ohio Revised Code in single institution collateral pools securing all public funds on deposit with specific depository institutions. The code specifies that the total value of securities pledged as collateral must be at least equal to 110% of the total amounts of the insured deposits, including the portion covered by federal deposit insurance.

NOTE D – GRANTS RECEIVABLE

Grants receivable at September 30, 2000 consisted of intergovernmental entitlements. All receivables are considered collectible in full due to the current period guarantee of federal funds. Grants receivable from federal programs, at September 30, 2000 were \$47,040.

Central Ohio Rural Consortium
Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE E – EQUIPMENT

A summary of the changes in the General Fixed Asset Account Group for the fifteen months ended September 30, 2000 are as follows:

	<u>Balance</u> <u>July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Sept. 30, 2000</u>
Equipment	<u>\$ 663,510</u>	<u>\$ 45,012</u>	<u>\$ 708,522</u>	<u>\$ 0</u>

As a result of the JTPA ending and the Consortium not receiving Workforce Investment Act (WIA) funding (see Note L for more detail), the Consortium transferred ownership of its grant funded equipment to the five counties who were a part of the Consortium and are now receiving WIA funding. This transfer was done in accordance with JTPA closeout regulations. Equipment transferred and/or disposed are as follows:

Coshocton County	\$ 99,818
Deleware County	76,175
Licking County	257,852
Morgan County	85,693
Muskingum County	<u>172,133</u>
Subtotal	\$ 691,671
Cost basis of unusable disposed property	<u>16,851</u>
TOTAL	<u>\$ 708,522</u>

**NOTE F – CONVERSION OF OPERATIONS FROM
BUDGET BASIS TO GAAP BASIS**

The budget basis financial statements are presented in accordance with the modified accrual basis of accounting. As such, no adjustments are necessary to convert the results of operations at the end of the fifteen months ended September 30, 2000 from the budget basis to the GAAP basis.

Central Ohio Rural Consortium

Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE G – EMPLOYEE RETIREMENT PLAN

The Consortium contributes to the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Board. PERS provides basic retirement benefits, disability, survivor, and health care benefits based upon eligible service credit to members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215.

All regular employees of the Consortium are required to contribute 8.5% of their annual covered salary to fund pension obligations and the Consortium is required to contribute 13.55%. A temporary decrease was implemented effective July 1, 2000, lowering the contribution to 8.13% until January 1, 2001. Contributions are authorized by state statute. The contribution rates are determined actuarially. The Consortium's contribution to PERS for the years ended June 30, 1997 and 1998, and for the fifteen months ended September 30, 2000 were \$174,683, \$194,226, and \$194,262, respectively.

Benefits are advance financed using the entry age normal method. This actuarial cost method of valuation is used in determining the present value of benefit liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. Significant actuarial assumptions include: (based upon PERS's latest actuarial review performed as of December 31, 1998—the latest information available) an investment assumption rate of 7.75% for 1998; the base portion of the individual pay increase assumption is an annual increase of 4.75% compounded annually assuming no change in the number of employees; annual pay increases over and above the 4.75% base rate increase were assumed to range from .54% to 5.1%; and health care premiums were assumed to increase 4.2% annually.

Short-term securities consisting of commercial paper and U.S. Treasury obligations are carried at cost, which approximates market value. Equity securities, fixed income investments, and investments in real estate are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

Central Ohio Rural Consortium
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Notes to General Purpose Financial Statements
September 30, 2000

NOTE G – EMPLOYEE RETIREMENT PLAN (continued)

The number of contributing participants was 383,286. Based upon the portion of each employer's contribution to PERS set aside for funding post-retirement benefits, as described above, the Consortium's contribution for fifteen months ending September 30, 2000 was approximately \$194,262. The actual contribution and the actuarially required contribution were the same. Net assets available for payment of benefits at December 31, 1999 were \$9,870,000. The actuarially accrued liability and the unfunded actuarial accrued liability, based upon the actuarial cost method, was \$37,714,000 and \$646,000,000 (valuation assets were in excess of actuarial accrued liabilities), respectively.

Other Post-Employment Benefits

The Public Employees Retirement System of Ohio (PERS) provides post-retirement health care coverage to age and service retirants of the Consortium with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The Ohio Revised Code provides statutory authority for employer contributions. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care. That portion was 4.2% for 1999, 1998, and 1997.

NOTE H – EMPLOYEE BENEFITS

The Consortium has a deferred compensation plan that is available to all employees of the organization. The plan is a voluntary contribution plan, which was formed under Section 457 of the Internal Revenue Code. The Consortium adopted GASB Statement 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, a rescission of GASB Statement No. 2 and an amendment of GASB Statement No. 31*. GASB 32 specifies that the plan assets are to be held in trust for the exclusive benefit of participating employees and are not available to creditors.

The assets are the property of the employees who have made the contributions into the plan and, therefore, are not included in these financial statements.

Central Ohio Rural Consortium
Newark, Ohio

Notes to General Purpose Financial Statements
September 30, 2000

NOTE I – RISK MANAGEMENT

The Consortium 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. The Consortium maintains comprehensive commercial insurance coverage including liability coverage for building contents, and any hired or borrowed vehicles. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

NOTE J – OPERATING LEASES

The Consortium leases various facilities for operation of their programs under cancelable leases. Rent expense for the fifteen months ended September 30, 2000 was \$135,328.

NOTE K – CONTINGENCIES

The Consortium receives significant financial assistance under numerous federal, state, and local grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is 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, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Consortium at September 30, 2000.

There is no pending litigation outstanding against the Consortium.

NOTE L – OTHER MATTERS

As of June 30, 2000, the Consortium received significant amounts of grant funding under the Job Training Partnership Act (JTPA) program. Effective July 1, 2000, JTPA was rescinded and the Workforce Investment Act (WIA) was enacted to provide funding for employment and training programs. The final JTPA grants end no later than September 30, 2000. The Consortium was not approved for WIA funding, but will remain in existence, providing program services, as a vendor for other WIA funded organizations.

Central Ohio Rural Consortium
Newark, Ohio

S U P P L E M E N T A R Y
I N F O R M A T I O N

Central Ohio Rural Consortium

Newark, Ohio

Schedule of Expenditures of Federal Awards and Other Financial Assistance For the Fifteen Months Ended September 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program Title	Program Period	Federal CFDA Number	Pass-Through Grantor's Program Number	Current Year Allocation	Repaid and Transfers	Receipts	Expenditures ⁽¹⁾	Unexpended Allocation
U.S. DEPARTMENT OF LABOR								
Passed Through Ohio Bureau of Employment Services - Job Training Partnership Act								
One Stop	11/01/97 - 06/30/99	17.207	COST/295-PROJ/3853	\$ 7,639	(\$ 7,639)	\$ 0	\$ 0	\$ 0
Passed Through Ohio Bureau of Employment Services - Job Training Partnership Act								
Title III EDWAA	07/01/98 - 06/30/01	17.246	A-98-15-01	\$ 3,047	\$ 0	\$ 15,296	\$ 3,047	\$ 0
Title III EDWAA	07/01/99 - 06/30/02	17.246	A-99-15-01	622,560	0	583,560	533,312	89,248
Title III EDWAA NAFB DD	10/01/94 - 06/30/99	17.246	G-93-15-05	3,645	(3,645)	0	0	0
Title III EDWAA GOV Reserve-PY98	07/01/98 - 06/30/00	17.246	B-98-15-01	12,911	0	15,152	12,911	0
Title III EDWAA GOV Reserve-PY99	07/01/99 - 06/30/00	17.246	B-99-15-01	141,096	0	125,062	125,062	16,034
Title III EDWAA COC II	04/22/96 - 06/30/99	17.246	F-95-15-04	12,937	(12,937)	11,904	0	0
Total CFDA #17.246				\$ 796,196	(\$ 16,582)	\$ 750,974	\$ 674,332	\$ 105,282
Passed Through Ohio Bureau of Employment Services - Job Training Partnership Act								
Title IIA 5% Incentive	07/01/99 - 06/30/01	17.250	3-98-15-00	\$ 84,899	\$ 0	\$ 84,899	\$ 84,899	\$ 0
Title IIA 77%	07/01/98 - 06/30/01	17.250	0-98-15-01	132,633	0	33,305	132,633	0
Title IIA 77%	07/01/99 - 06/30/00	17.250	0-99-15-01	770,856	0	759,095	657,948	112,908
Title IIA 5%	07/01/98 - 06/30/01	17.250	1-98-15-01	6,844	0	5,152	6,844	0
Title IIA 5%	07/01/99 - 06/30/00	17.250	1-99-15-01	50,969	0	30,079	25,484	25,485
Title IIC	07/01/98 - 06/30/01	17.250	Y-98-15-01	2,849	1	13,377	2,849	1
Title IIC	07/01/99 - 06/30/00	17.250	Y-99-15-01	111,575	191,298	264,387	143,014	159,859
Title IIB	07/01/99 - 06/30/00	17.250	5-99-15-01	693,032	(191,298)	610,420	501,734	0
Passed Through Ohio Department of Education								
Title IIA 8%	07/01/98 - 06/30/01	17.250	4-98-15-02	3,567	0	12,348	3,567	0
Title IIA 8%	07/01/99 - 06/30/02	17.250	4-99-15-01	66,477	0	55,000	63,008	3,469
Total CFDA #17.250				\$ 1,923,701	\$ 1	\$ 1,868,062	\$ 1,621,980	\$ 301,722
Subtotal JTPA Cluster CFDA #17.246 and #17.250				\$ 2,719,897	(\$ 16,581)	\$ 2,619,036	\$ 2,296,312	\$ 407,004
TOTAL U.S. DEPARTMENT OF LABOR				\$ 2,727,536	(\$ 24,220)	\$ 2,619,036	\$ 2,296,312	\$ 407,004

⁽¹⁾ Expenditures do not include program income; for information on those revenue and expenditures, see Schedule D.

See Independent Auditors' Report

Central Ohio Rural Consortium

Newark, Ohio

Schedule A
(continued)

Schedule of Expenditures of Federal Awards and Other Financial Assistance
For the Fifteen Months Ended September 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program Title	Program Period	Federal CFDA Number	Pass-Through Grantor's Program Number	Current Year Allocation	Repaid and Transfers	Receipts	Expenditures ⁽¹⁾	Unexpended Allocation	Supporting Schedule
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Passed through Ohio DHS, then to Licking, Muskingum, Coshocton, Delaware, and Morgan County Auditors									
JOBS	07/01/99 - 06/30/00	93.558		\$ 1,531,235	\$ 0	\$ 924,620	\$ 825,399	\$ 705,836	
JOBS	07/01/99 - 06/30/00	93.560		0	0	344,593	344,593	0	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>\$ 1,531,235</u>	<u>\$ 0</u>	<u>\$ 1,269,213</u>	<u>\$ 1,169,992</u>	<u>\$ 705,836</u>	
PI, INC. FUNDS									
U.S. Department of Education									
Passed Through Ohio Department of Education Adult Education - State Administered Grants									
ABLE/AJEP	07/01/99 - 06/30/00	84.002	106310-AB-S1	\$ 50,807	\$ 0	\$ 58,334	\$ 50,807	\$ 0	
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>\$ 50,807</u>	<u>\$ 0</u>	<u>\$ 58,334</u>	<u>\$ 50,807</u>	<u>\$ 0</u>	
TOTAL FEDERAL FUNDS				<u>\$ 4,309,578</u>	<u>(\$ 24,220)</u>	<u>\$ 3,946,583</u>	<u>\$ 3,517,111</u>	<u>\$ 1,112,840</u>	
Expenditures per Exhibit B				\$ 3,588,709					
Less:									
Program income expenditures				(10,383)					
Other expenditures				(61,215)					
TOTAL EXPENDITURES PER SCHEDULE A				<u>\$ 3,517,111</u>					

⁽¹⁾ Expenditures do not include program income; for information on those revenue and expenditures, see Schedule D.

See Independent Auditors' Report

Central Ohio Rural Consortium

Newark, Ohio

Schedule A-1

Analysis of Cost Limitations and Budget to Actual, Title IIA 5% Incentive
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
3-97 (Year Before Prior Year)			
Allocation amount	\$ 50,282	\$ 50,282	\$ 0
Transfers	0	0	0
Total Allocation	<u>\$ 50,282</u>	<u>\$ 50,282</u>	<u>\$ 0</u>
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 0	\$ 0	\$ 0
Expenditures 07/01/98-06/30/99	50,282	50,282	0
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	<u>\$ 50,282</u>	<u>\$ 50,282</u>	<u>\$ 0</u>
UNEXPENDED FUNDS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Percentage of Allocation	100.00%	100.00%	0.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
3-98 (Prior Year)			
Allocation amount	\$ 84,899	\$ 84,899	\$ 0
Transfers	0	0	0
Total Allocation	<u>\$ 84,899</u>	<u>\$ 84,899</u>	<u>\$ 0</u>
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 0	\$ 0	\$ 0
Expenditures 07/01/99-06/30/00	84,899	84,899	0
Total Expenditures	<u>\$ 84,899</u>	<u>\$ 84,899</u>	<u>\$ 0</u>
UNEXPENDED FUNDS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Percentage of Allocation	100.00%	100.00%	0.00%
Budget			
PY99 budget	\$ 84,899	\$ 84,899	\$ 0
Percentage Achieved	100.00%	100.00%	0.00%
3-99 (Current Year)			
Allocation amount	\$ 0	\$ 0	\$ 0
Transfers	0	0	0
Total Allocation	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
UNEXPENDED FUNDS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Percentage of Allocation	0.00%	0.00%	0.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
85% Analysis			
Expenditures	\$ 84,899	\$ 0	
Obligations	0	0	
TOTAL	<u>\$ 84,899</u>	<u>\$ 0</u>	
Percentage Achieved	100.00%		

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-2

Analysis of Cost Limitations and Budget to Actual, Title IIA 77%
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
0-97 (Year Before Prior Year)			
Allocation amount	\$ 815,225	\$ 163,045	\$ 652,180
Transfers	15,021	0	15,021
Total Allocation	<u>\$ 830,246</u>	<u>\$ 163,045</u>	<u>\$ 667,201</u>
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 784,356	\$ 123,523	\$ 660,833
Expenditures 07/01/98-06/30/99	45,890	12,177	33,713
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	<u>\$ 830,246</u>	<u>\$ 135,700</u>	<u>\$ 694,546</u>
UNEXPENDED FUNDS	<u>\$ 0</u>	<u>\$ 27,345</u>	<u>(\$ 27,345)</u>
Percentage of Allocation	100.00%	16.34%	83.66%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
0-98 (Prior Year)			
Allocation amount	\$ 818,305	\$ 163,661	\$ 654,644
Transfers	0	0	0
Total Allocation	<u>\$ 818,305</u>	<u>\$ 163,661</u>	<u>\$ 654,644</u>
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 685,672	\$ 172,750	\$ 512,922
Expenditures 07/01/99-06/30/00	132,633	477	132,156
Total Expenditures	<u>\$ 818,305</u>	<u>\$ 173,227</u>	<u>\$ 645,078</u>
UNEXPENDED FUNDS	<u>\$ 0</u>	<u>(\$ 9,566)</u>	<u>\$ 9,566</u>
Percentage of Allocation	100.00%	21.17%	78.83%
Budget			
PY99 budget	\$ 132,633	(\$ 9,089)	\$ 141,722
Percentage Achieved	100.00%	-6.85%	106.85%
0-99 (Current Year)			
Allocation amount	\$ 770,856	\$ 154,171	\$ 616,685
Transfers	0	0	0
Total Allocation	<u>\$ 770,856</u>	<u>\$ 154,171</u>	<u>\$ 616,685</u>
Expenditures 07/01/99-06/30/00	\$ 657,948	\$ 257,147	\$ 400,801
Total Expenditures	<u>\$ 657,948</u>	<u>\$ 257,147</u>	<u>\$ 400,801</u>
UNEXPENDED FUNDS	<u>\$ 112,908</u>	<u>(\$ 102,976)</u>	<u>\$ 215,884</u>
Percentage of Allocation	85.35%	33.36%	51.99%
Budget			
PY99 budget	\$ 770,856	\$ 154,171	\$ 616,685
Percentage Achieved	85.35%	166.79%	64.99%
85% Analysis			
Expenditures	\$ 657,948		
Obligations	0		
TOTAL	<u>\$ 657,948</u>		
Percentage Achieved	85.35%		

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-3

Analysis of Cost Limitations and Budget to Actual, Title IIA 5%
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
1-97 (Year Before Prior Year)			
Allocation amount	\$ 53,863	\$ 10,773	\$ 43,090
Transfers	0	0	0
Total Allocation	\$ 53,863	\$ 10,773	\$ 43,090
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 43,492	\$ 6,837	\$ 36,655
Expenditures 07/01/98-06/30/99	10,371	3,936	6,435
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 53,863	\$ 10,773	\$ 43,090
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
1-98 (Prior Year)			
Allocation amount	\$ 54,152	\$ 10,830	\$ 43,322
Transfers	0	0	0
Total Allocation	\$ 54,152	\$ 10,830	\$ 43,322
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 47,308	\$ 10,988	\$ 36,320
Expenditures 07/01/99-06/30/00	6,844	11	6,833
Total Expenditures	\$ 54,152	\$ 10,999	\$ 43,153
UNEXPENDED FUNDS	\$ 0	(\$ 169)	\$ 169
Percentage of Allocation	100.00%	20.31%	79.69%
Budget			
PY99 budget	\$ 6,844	(\$ 158)	\$ 7,002
Percentage Achieved	100.00%	-6.96%	97.59%
1-99 (Current Year)			
Allocation amount	\$ 50,969	\$ 10,193	\$ 40,776
Transfers	0	0	0
Total Allocation	\$ 50,969	\$ 10,193	\$ 40,776
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 25,484	\$ 10,460	\$ 15,024
Total Expenditures	\$ 25,484	\$ 10,460	\$ 15,024
UNEXPENDED FUNDS	\$ 25,485	(\$ 267)	\$ 25,752
Percentage of Allocation	50.00%	20.52%	29.48%
Budget			
PY99 budget	\$ 50,969	\$ 10,193	\$ 40,776
Percentage Achieved	50.00%	102.62%	36.85%
85% Analysis			
Expenditures	\$ 25,484		
Obligations	0		
TOTAL	\$ 25,484		
Percentage Achieved	50.00%		

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-4

Analysis of Cost Limitations and Budget to Actual, Title IIC
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
Y-97 (Year Before Prior Year)			
Allocation amount	\$ 122,719	\$ 24,544	\$ 98,175
Transfers from IIB	125,798	4,680	121,118
Transfers to IIA	(15,021)	0	(15,021)
Total Allocation	\$ 233,496	\$ 29,224	\$ 204,272
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 233,496	\$ 11,022	\$ 222,474
Expenditures 07/01/98-06/30/99	0	0	0
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 233,496	\$ 11,022	\$ 222,474
UNEXPENDED FUNDS	\$ 0	\$ 18,202	(\$ 18,202)
Percentage of Allocation	100.00%	4.72%	95.28%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
Y-98 (Prior Year)			
Allocation amount	\$ 118,296	\$ 23,659	\$ 94,637
Transfers from IIB	27,000	0	27,000
Transfers to IIA	0	0	0
Total Allocation	\$ 145,296	\$ 23,659	\$ 121,637
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 142,447	\$ 23,075	\$ 119,372
Expenditures 07/01/99-06/30/00	2,849	584	2,265
Total Expenditures	\$ 145,296	\$ 23,659	\$ 121,637
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	16.28%	83.72%
Budget			
PY99 budget	\$ 2,849	\$ 584	\$ 2,265
Percentage Achieved	100.00%	20.00%	80.00%
Y-99 (Current Year)			
Allocation amount	\$ 111,575	\$ 22,315	\$ 89,260
Transfers from IIB	191,298	43,504	147,794
Transfers to IIA	0	0	0
Total Allocation	\$ 302,873	\$ 65,819	\$ 237,054
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 143,014	\$ 45,124	\$ 97,890
Total Expenditures	\$ 143,014	\$ 45,124	\$ 97,890
UNEXPENDED FUNDS	\$ 159,859	\$ 20,695	\$ 139,164
Percentage of Allocation	47.22%	14.90%	32.32%
Budget			
PY99 budget	\$ 302,873	\$ 65,819	\$ 237,054
Percentage Achieved	47.22%	68.56%	41.29%
85% Analysis			
Expenditures	\$ 143,014		
Obligations	0		
TOTAL	\$ 143,014		
Percentage Achieved	47.22%		

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-5

Analysis of Cost Limitations and Budget to Actual, Title IIB
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
5-98 (Year Before Prior Year)			
Allocation amount	\$ 961,159	\$ 144,174	\$ 816,985
Transfers to IIA	0	0	0
Transfers to IIC	27,000	0	27,000
Total Allocation	\$ 934,159	\$ 144,174	\$ 789,985
Expenditures			
Expenditures 10/01/97-06/30/98	\$ 293,338	\$ 47,015	\$ 246,323
Expenditures 07/01/98-06/30/99	640,821	97,156	543,665
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 934,159	\$ 144,171	\$ 789,988
UNEXPENDED FUNDS	\$ 0	\$ 3	(\$ 3)
Percentage of Allocation	100.00%	15.43%	84.57%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
5-99 (Prior Year)			
Allocation amount	\$ 905,718	\$ 133,988	\$ 771,730
Transfers to IIA	0	0	0
Transfers to IIC	(191,298)	(41,634)	(149,664)
Total Allocation	\$ 714,420	\$ 92,354	\$ 622,066
Expenditures			
Expenditures 10/01/98-06/30/99	\$ 212,686	\$ 14,343	\$ 198,343
Expenditures 07/01/99-06/30/00	501,734	78,011	423,723
Total Expenditures	\$ 714,420	\$ 92,354	\$ 622,066
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	12.93%	87.07%
Budget			
PY99 budget	\$ 693,032	\$ 119,645	\$ 573,387
Percentage Achieved	72.40%	65.20%	73.90%
5-00 (Current Year)			
Allocation amount	\$ 0	\$ 0	\$ 0
Transfers to IIA	0	0	0
Transfers to IIC	0	0	0
Total Allocation	\$ 0	\$ 0	\$ 0
Expenditures			
Expenditures 10/01/99-06/30/00	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%
Budget			
PY98 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
85% Analysis			
Expenditures	\$ 501,734		
Obligations	0		
TOTAL	\$ 501,734		
Percentage Achieved	70.23%		

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule A-6

Analysis of Cost Limitations and Budget to Actual, Title IIA 8%
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
4-97 (Year Before Prior Year)			
Allocation amount	\$ 77,433	\$ 15,486	\$ 61,947
Transfers	13,008	2,600	10,408
Total Allocation	\$ 90,441	\$ 18,086	\$ 72,355
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 77,433	\$ 10,332	\$ 67,101
Expenditures 07/01/98-06/30/99	13,008	2,616	10,392
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 90,441	\$ 12,948	\$ 77,493
UNEXPENDED FUNDS	\$ 0	\$ 5,138	(\$ 5,138)
Percentage of Allocation	100.00%	14.32%	85.68%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
4-98 (Prior Year)			
Allocation amount	\$ 75,348	\$ 15,070	\$ 60,278
Transfers	0	0	0
Total Allocation	\$ 75,348	\$ 15,070	\$ 60,278
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 71,781	\$ 16,459	\$ 55,322
Expenditures 07/01/99-06/30/00	3,567	25	3,542
Total Expenditures	\$ 75,348	\$ 16,484	\$ 58,864
UNEXPENDED FUNDS	\$ 0	(\$ 1,414)	\$ 1,414
Percentage of Allocation	100.00%	21.88%	78.12%
Budget			
PY99 budget	\$ 3,567	(\$ 1,389)	\$ 4,956
Percentage Achieved	100.00%	-39.00%	139.00%
4-99 (Current Year)			
Allocation amount	\$ 66,477	\$ 13,295	\$ 53,182
Transfers	0	0	0
Total Allocation	\$ 66,477	\$ 13,295	\$ 53,182
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 63,008	\$ 26,835	\$ 36,173
Total Expenditures	\$ 63,008	\$ 26,835	\$ 36,173
UNEXPENDED FUNDS	\$ 3,469	(\$ 13,540)	\$ 17,009
Percentage of Allocation	94.78%	40.37%	54.41%
Budget			
PY99 budget	\$ 66,477	\$ 13,295	\$ 53,182
Percentage Achieved	94.78%	201.84%	68.02%
85% Analysis			
Expenditures	\$ 63,008		
Obligations	0		
TOTAL	\$ 63,008		
Percentage Achieved	94.78%		

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule A-7

Analysis of Cost Limitations and Budget to Actual, One Stop
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
96 (Year Before Prior Year)			
Allocation amount	\$ 0	\$ 0	\$ 0
Transfers	0	0	0
Total Allocation	\$ 0	\$ 0	\$ 0
Expenditures			
Expenditures 07/01/96-06/30/97	\$ 0	\$ 0	\$ 0
Expenditures 07/01/97-06/30/98	0	0	0
Expenditures 07/01/98-06/30/99	0	0	0
Total Expenditures	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
97 (Prior Year)			
Allocation amount	\$ 483,000	\$ 483,000	\$ 0
Return to Grantor	(7,639)	(7,639)	
Transfers	(19,729)	(19,729)	0
Total Allocation	\$ 455,632	\$ 455,632	\$ 0
Expenditures			
Expenditures 11/01/97-06/30/98	\$ 9,826	\$ 9,826	\$ 0
Expenditures 07/01/98-06/30/99	445,806	445,806	0
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 455,632	\$ 455,632	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	100.00%	0.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	100.00%	100.00%	0.00%
98 (Current Year)			
Allocation amount	\$ 0	\$ 0	\$ 0
Transfers	0	0	0
Total Allocation	\$ 0	\$ 0	\$ 0
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
85% Analysis			
Expenditures	\$ 455,632		
Obligations	0		
TOTAL	\$ 455,632		
Percentage Achieved	100.00%		

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule A-8

Analysis of Cost Limitations and Budget to Actual, Title III EDWAA
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
A -97 (Year Before Prior Year)			
Allocation amount	\$ 681,563	\$ 136,313	\$ 545,250
Transfers	0	0	0
Total Allocation	\$ 681,563	\$ 136,313	\$ 545,250
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 619,414	\$ 132,087	\$ 487,327
Expenditures 07/01/98-06/30/99	62,149	4,226	57,923
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 681,563	\$ 136,313	\$ 545,250
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
A -98 (Prior Year)			
Allocation amount	\$ 573,296	\$ 114,659	\$ 458,637
Transfers	0	0	0
Total Allocation	\$ 573,296	\$ 114,659	\$ 458,637
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 570,249	\$ 114,144	\$ 456,105
Expenditures 07/01/99-06/30/00	3,047	515	2,532
Total Expenditures	\$ 573,296	\$ 114,659	\$ 458,637
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY99 budget	\$ 3,047	\$ 515	\$ 2,532
Percentage Achieved	100.00%	100.00%	100.00%
A -99 (Current Year)			
Allocation amount	\$ 622,560	\$ 124,512	\$ 498,048
Transfers	0	0	0
Total Allocation	\$ 622,560	\$ 124,512	\$ 498,048
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 533,312	\$ 124,242	\$ 409,070
Total Expenditures	\$ 533,312	\$ 124,242	\$ 409,070
UNEXPENDED FUNDS	\$ 89,248	\$ 270	\$ 88,978
Percentage of Allocation	85.66%	19.96%	65.71%
Budget			
PY99 budget	\$ 622,560	\$ 124,512	\$ 498,048
Percentage Achieved	85.66%	99.78%	82.13%
85% Analysis			
Expenditures	\$ 533,312		
Obligations	0		
TOTAL	\$ 533,312		
Percentage Achieved	85.66%		

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule A-9

Analysis of Cost Limitations and Budget to Actual, Title III NAFB
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Direct Training</u>	<u>Training Related & Supportive Service</u>
G-93 (Year Before Prior Year)				
Allocation amount	\$ 1,518,843	\$ 171,253	\$ 1,237,205	\$ 110,385
Return to grantor	(3,645)	0	(3,645)	0
Transfers	(31,206)	0	(31,206)	0
Total Allocation	\$ 1,483,992	\$ 171,253	\$ 1,202,354	\$ 110,385
Expenditures				
Expenditures 10/01/94-06/30/95	\$ 393,344	\$ 62,050	\$ 313,985	\$ 17,309
Expenditures 07/01/95-06/30/96	666,297	40,717	589,323	36,257
Expenditures 07/01/96-06/30/97	274,232	65,046	170,384	38,802
Expenditures 07/01/97-06/30/98	155,183	6,797	119,655	28,731
Expenditures 07/01/98-06/30/99	(5,064)	(4,851)	(86)	(127)
Expenditures 07/01/99-06/30/00	0	0	0	0
Total Expenditures	\$ 1,483,992	\$ 169,759	\$ 1,193,261	\$ 120,972
UNEXPENDED FUNDS	\$ 0	\$ 1,494	\$ 9,093	(\$ 10,587)
Percentage of Allocation	100.00%	11.44%	80.41%	8.15%
Budget				
PY99 budget	\$ 0	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
G-94 (Prior Year)				
Allocation amount	\$ 0	\$ 0	\$ 0	\$ 0
Total Allocation	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Expenditures 07/01/95-06/30/96	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures 07/01/96-06/30/97	0	0	0	0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%	0.00%
Budget				
PY98 budget	\$ 0	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
G-95 (Current Year)				
Allocation amount	\$ 0	\$ 0	\$ 0	\$ 0
Total Allocation	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Expenditures 07/01/96-06/30/97	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%	0.00%
Budget				
PY98 budget	\$ 0	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
85% Analysis				
Expenditures	\$ 1,483,992			
Obligations	0			
TOTAL	\$ 1,483,992			
Percentage Achieved	100.00%			

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-10

Analysis of Cost Limitations and Budget to Actual
Gov. Reserve 97,98,99
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Program</u>
B-97 (Year Before Prior Year)			
Allocation amount	\$ 253,555	\$ 46,711	\$ 206,844
Transfers	0	0	0
Total Allocation	\$ 253,555	\$ 46,711	\$ 206,844
Expenditures			
Expenditures 07/01/97-06/30/98	\$ 253,555	\$ 46,711	\$ 206,844
Expenditures 07/01/98-06/30/99	0	0	0
Expenditures 07/01/99-06/30/00	0	0	0
Total Expenditures	\$ 253,555	\$ 46,711	\$ 206,844
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	100.00%	100.00%
Budget			
PY99 budget	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%
B-98 (Prior Year)			
Allocation amount	\$ 233,152	\$ 46,630	\$ 186,522
Transfers	0	0	0
Total Allocation	\$ 233,152	\$ 46,630	\$ 186,522
Expenditures			
Expenditures 07/01/98-06/30/99	\$ 220,241	\$ 46,203	\$ 174,038
Expenditures 07/01/99-06/30/00	12,911	427	12,484
Total Expenditures	\$ 233,152	\$ 46,630	\$ 186,522
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY99 budget	\$ 12,911	\$ 427	\$ 12,484
Percentage Achieved	100.00%	3.00%	97.00%
B-99 (Current Year)			
Allocation amount	\$ 141,096	\$ 28,219	\$ 112,877
Transfers	0	0	0
Total Allocation	\$ 141,096	\$ 28,219	\$ 112,877
Expenditures			
Expenditures 07/01/99-06/30/00	\$ 125,062	\$ 35,758	\$ 89,304
Total Expenditures	\$ 125,062	\$ 35,758	\$ 89,304
UNEXPENDED FUNDS	\$ 16,034	(\$ 7,539)	\$ 23,573
Percentage of Allocation	88.64%	25.34%	63.29%
Budget			
PY99 budget	\$ 233,152	\$ 46,630	\$ 186,522
Percentage Achieved	53.64%	76.68%	47.88%
85% Analysis			
Expenditures	\$ 125,062		
Obligations	0		
TOTAL	\$ 125,062		
Percentage Achieved	88.64%		

See Independent Auditors' Report.

Central Ohio Rural Consortium
Newark, Ohio

Schedule A-11

Analysis of Cost Limitations and Budget to Actual
Title III COC II
For the Fifteen Months Ended September 30, 2000

<u>Allocation</u>	<u>Grant Amount</u>	<u>Administration</u>	<u>Direct Training</u>	<u>Training Related & Supportive Service</u>
F-95 (Year Before Prior Year)				
Allocation amount	\$ 458,901	\$ 29,225	\$ 101,642	\$ 328,034
Transfers/Repaid	(12,937)	(419)	2,040	(14,558)
Total Allocation	\$ 445,964	\$ 28,806	\$ 103,682	\$ 313,476
Expenditures				
Expenditures 07/01/95-06/30/96	\$ 38,137	\$ 2,315	\$ 5,282	\$ 30,540
Expenditures 07/01/96-06/30/97	263,241	13,704	57,758	191,779
Expenditures 07/01/97-06/30/98	121,528	12,601	29,009	79,918
Expenditures 07/01/98-06/30/99	23,058	186	11,633	11,239
Expenditures 07/01/99-06/30/00	0	0	0	0
Total Expenditures	\$ 422,906	\$ 28,620	\$ 92,049	\$ 302,237
UNEXPENDED FUNDS	\$ 23,058	\$ 186	\$ 11,633	\$ 11,239
Percentage of Allocation	94.82%	6.42%	20.64%	67.77%
Budget				
PY99 budget	\$ 12,937	\$ 419	(\$ 2,040)	\$ 14,558
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
F-96 (Prior Year)				
Allocation amount	\$ 0	\$ 0	\$ 0	\$ 0
Total Allocation	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Expenditures 07/01/96-06/30/97	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures 07/01/97-06/30/98	0	0	0	0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%	0.00%
Budget				
PY99 budget	\$ 0	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
F-97 (Current Year)				
Allocation amount	\$ 0	\$ 0	\$ 0	\$ 0
Transfers	0	0	0	0
Total Allocation	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Expenditures 07/01/97-06/30/98	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
UNEXPENDED FUNDS	\$ 0	\$ 0	\$ 0	\$ 0
Percentage of Allocation	0.00%	0.00%	0.00%	0.00%
Budget				
PY99 budget	\$ 0	\$ 0	\$ 0	\$ 0
Percentage Achieved	0.00%	0.00%	0.00%	0.00%
85% Analysis				
Expenditures	\$ 422,906			
Obligations	0			
TOTAL	\$ 422,906			
Percentage Achieved	94.83%			

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule B

Schedule of Variances For the Fifteen Months Ended September 30, 2000

	<u>JTP Ohio</u>	<u>Audit Report</u>	<u>Variance</u>
Title II			
0-97-15-00-01	\$ 0	\$ 0	\$ 0
0-98-15-00-01	132,633	132,633	0
0-99-15-00-01	657,948	657,948	0
1-97-15-00-01	0	0	0
1-98-15-00-01	6,844	6,844	0
1-99-15-00-01	25,484	25,484	0
Y-97-15-00-01	0	0	0
Y-98-15-00-01	2,849	2,849	0
Y-99-15-00-01	143,014	143,014	0
5-98-15-00-01	0	0	0
5-99-15-00-01	501,734	501,734	0
5-00-15-00-00	0	0	0
3-98-15-00-00	84,899	84,899	0
4-97-15-00-01	0	0	0
4-98-15-00-02	3,567	3,567	0
4-99-15-00-01	63,008	63,008	0
TOTAL CFDA #17.250	<u>\$ 1,621,980</u>	<u>\$ 1,621,980</u>	<u>\$ 0</u>
Title III			
A-97-15-00-01	\$ 0	\$ 0	\$ 0
A-98-15-00-01	3,047	3,047	0
A-99-15-00-01	533,312	533,312	0
F-95-15-00-04	0	0	0
G-93-15-00-05	0	0	0
B-98-15-00-01	12,911	12,911	0
B-99-15-00-01	125,062	125,062	0
TOTAL CFDA #17.246	<u>\$ 674,332</u>	<u>\$ 674,332</u>	<u>\$ 0</u>
One Stop			
COST\295-PROJ\3853	\$ 0	\$ 0	\$ 0
TOTAL CFDA #17.207	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule C

Schedule of Stand-In Costs For the Fifteen Months Ended September 30, 2000

	<u>Administration</u>	<u>Program</u>	<u>Total</u>
Title II			
0-97-15-00-01	\$ 0	\$ 42,243	\$ 42,243
0-98-15-00-01	0	13,136	13,136
0-99-15-00-01	0	1,165	1,165
1-97-15-00-01	0	0	0
1-98-15-00-01	0	570	570
1-99-15-00-01	0	0	0
Y-97-15-00-01	0	2,990	2,990
Y-98-15-00-01	0	2,345	2,345
Y-99-15-00-01	0	714	714
5-98-15-00-01	0	0	0
5-99-15-00-01	0	0	0
5-00-15-00-00	0	0	0
3-98-15-00-00	0	0	0
4-97-15-00-01	0	0	0
4-98-15-00-02	0	0	0
4-99-15-00-01	0	0	0
TOTAL CFDA #17.250	<u>\$ 0</u>	<u>\$ 63,163</u>	<u>\$ 63,163</u>
Title III			
A-97-15-00-01	\$ 0	\$ 6,858	6,858
A-98-15-00-01	0	1,358	1,358
A-99-15-00-01	0	560	560
F-95-15-00-04	0	106	106
G-93-15-00-05	0	0	0
B-98-15-00-01	0	0	0
B-99-15-00-01	0	0	0
TOTAL CFDA #17.246	<u>\$ 0</u>	<u>\$ 8,882</u>	<u>\$ 8,882</u>
One Stop			
COST\295-PROJ\3853	\$ 0	\$ 0	\$ 0
TOTAL CFDA #17.207	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report.

Central Ohio Rural Consortium

Newark, Ohio

Schedule D

Schedule of Program Income For the Fifteen Months Ended September 30, 2000

	Balance July 1, 1999	Eamed Current Year	Expended Current Year	Balance June 30, 2000
Title II				
0-97-15-00-01	\$ 0	\$ 0	\$ 0	\$ 0
0-98-15-00-01	764	0	764	0
0-99-15-00-01	0	3,929	3,929	0
1-97-15-00-01	0	0	0	0
1-98-15-00-01	53	0	53	0
1-99-15-00-01	0	105	105	0
Y-97-15-00-01	0	0	0	0
Y-98-15-00-01	162	0	162	0
Y-99-15-00-01	0	735	735	0
5-98-15-00-01	0	0	0	0
5-99-15-00-01	53	866	919	0
5-00-15-00-00	0	0	0	0
3-98-15-00-00	0	0	0	0
4-97-15-00-01	0	0	0	0
4-98-15-00-02	65	0	65	0
4-99-15-00-01	0	219	219	0
TOTAL CFDA #17.250	\$ 1,097	\$ 5,854	\$ 6,951	\$ 0
Title III				
A-97-15-00-01	\$ 0	\$ 0	\$ 0	\$ 0
A-98-15-00-01	352	0	352	0
A-99-15-00-01	0	1,842	1,842	0
F-95-15-00-04	39	0	39	0
G-93-15-00-05	0	0	0	0
B-98-15-00-01	453	0	453	0
B-99-15-00-01	0	746	746	0
TOTAL CFDA #17.246	\$ 844	\$ 2,588	\$ 3,432	\$ 0
One Stop				
COST295-PROJ3853	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL CFDA #17.207	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditors' Report.

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

To the Board of Directors
Central Ohio Rural Consortium
Newark, Ohio

We have audited the financial statements of Central Ohio Rural Consortium (a nonprofit organization) as of and for the fifteen months ended September 30, 2000, and have issued our report thereon dated October 25, 2000. 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

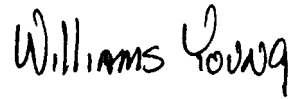
As part of obtaining reasonable assurance about whether Central Ohio Rural Consortium's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material 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 Central Ohio Rural Consortium'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.

This report is intended solely for the information and use of management, 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.

Williams Young, LLC

A handwritten signature in black ink that reads "Williams Young". The letters are cursive and somewhat stylized, with the "W" and "Y" being particularly prominent.

Madison, Wisconsin

October 25, 2000

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

To the Board of Directors
Central Ohio Rural Consortium
Newark, Ohio

Compliance

We have audited the compliance of Central Ohio Rural Consortium (a nonprofit organization) 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 each of its major federal programs for the fifteen months ended September 30, 2000. Central Ohio Rural Consortium's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs are the responsibility of Central Ohio Rural Consortium's management. Our responsibility is to express an opinion on Central Ohio Rural Consortium'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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Ohio Rural Consortium'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 Central Ohio Rural Consortium's compliance with those requirements.

In our opinion, Central Ohio Rural Consortium complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fifteen months ended September 30, 2000.

Internal Control Over Compliance

The management of Central Ohio Rural Consortium 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 Central Ohio Rural Consortium'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.

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.

This report is intended solely for the information and use of management, 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.

Williams Young, LLC

A handwritten signature in black ink that reads "Williams Young". The signature is written in a cursive, slightly slanted style.

Madison, Wisconsin
October 25, 2000

Central Ohio Rural Consortium
Newark, Ohio

Schedule of Findings and Questioned Costs
For the Fifteen Months Ended September 30, 2000

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Central Ohio Rural Consortium.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Central Ohio Rural Consortium were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal award programs as reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditors' report on compliance for the major federal award program for Central Ohio Rural Consortium expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Central Ohio Rural Consortium
7. The programs tested as major programs were; U.S. Department of Labor, JTPA Cluster CFDA #17.250 and #17.246, and U.S. Department of Health and Human Service TANF CFDA # 93.558 and TANF CFDA # 93.560.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Central Ohio Rural Consortium was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Findings: None
Questioned Costs: None



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370
Facsimile 614-466-4490

CENTRAL OHIO RURAL CONSORTIUM

LICKING 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
JANUARY 02, 2001**