

# ***The Edison Foundation, Inc.***

*Financial Statements as of June 30, 2001 and 2000  
and for the Years then Ended and Supplemental  
Schedules for the Year Ended June 30, 2001 and  
Independent Auditors' Report*





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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To the Board of Directors  
The Edison Foundation, Inc.

We have reviewed the independent auditor's report of The Edison Foundation, Inc., Miami County, prepared by Deloitte & Touche LLP, for the audit period July 1, 2000 through June 30, 2001. 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 Edison Foundation, Inc. is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

December 20, 2001

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# THE EDISON FOUNDATION, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Edison Foundation, Inc.

We have audited the accompanying financial statements of The Edison Foundation, Inc. (the "Foundation") as of June 30, 2001 and 2000, and for the years then ended, listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Foundation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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 audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2001 and 2000, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our 2001 audit was conducted for the purpose of forming an opinion on the 2001 basic financial statements taken as a whole. The accompanying financial information, listed as supplemental schedules in the foregoing table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. This additional information is the responsibility of the Foundation's management. Such information has been subjected to the auditing procedures applied in our audit of the 2001 basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have issued a report dated October 17, 2001 on our consideration of The Edison Foundation, Inc.'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 audits.

DELOITTE & TOUCHE LLP

October 17, 2001

# THE EDISON FOUNDATION, INC.

## STATEMENTS OF FINANCIAL POSITION JUNE 30, 2001 AND 2000

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	2001	2000
<b>ASSETS</b>		
CASH AND CASH EQUIVALENTS	\$ 513,998	\$ 369,288
ACCOUNTS RECEIVABLE:		
Pledges	1,589	1,146
Interest and dividends	11,347	12,644
INVESTMENTS (Note E)	<u>1,382,728</u>	<u>1,656,741</u>
TOTAL ASSETS	<u>\$1,909,662</u>	<u>\$2,039,819</u>
 <b>LIABILITIES AND NET ASSETS</b>		
ACCOUNTS PAYABLE:		
To Edison State Community College	\$	\$ 15,425
Other payables	176	108
NET ASSETS (Note D):		
Unrestricted	662,176	739,047
Temporarily restricted	1,197,310	1,235,239
Permanently restricted	<u>50,000</u>	<u>50,000</u>
Total net assets	<u>1,909,486</u>	<u>2,024,286</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,909,662</u>	<u>\$2,039,819</u>

See notes to financial statements.



# THE EDISON FOUNDATION, INC.

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2001

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	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND OTHER SUPPORT:				
Gifts and grants (Note C)	\$ 22,629	\$ 124,859	\$	\$ 147,488
Investment earnings:				
Interest and dividends	47,062	14,153		61,215
Net realized and unrealized losses	(132,948)	(44,856)		(177,804)
Net assets released from restrictions	<u>118,059</u>	<u>(118,059)</u>	<u>          </u>	<u>          </u>
Total revenues and other support	<u>54,802</u>	<u>(23,903)</u>	<u>          </u>	<u>30,899</u>
EXPENSES:				
College scholarships awarded	57,613			57,613
Legal and professional	7,640			7,640
Investment advisory fee	14,304			14,304
Miscellaneous	<u>66,142</u>	<u>          </u>	<u>          </u>	<u>66,142</u>
Total expenses	<u>145,699</u>	<u>          </u>	<u>          </u>	<u>145,699</u>
CHANGE IN NET ASSETS	(90,897)	(23,903)		(114,800)
NET ASSETS:				
Beginning of year	<u>739,047</u>	<u>1,235,239</u>	<u>50,000</u>	<u>2,024,286</u>
End of year	<u>\$ 662,176</u>	<u>\$ 1,197,310</u>	<u>\$ 50,000</u>	<u>\$ 1,909,486</u>

See notes to financial statements.

# THE EDISON FOUNDATION, INC.

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2000

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	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND OTHER SUPPORT:				
Gifts and grants (Note C)	\$ 4,673	\$ 194,041	\$	\$ 198,714
Investment earnings:				
Interest and dividends	40,929	10,133		51,062
Net realized and unrealized gains	60,742	20,275		81,017
Net assets released from restrictions	<u>138,538</u>	<u>(138,538)</u>		
Total revenues and other support	<u>244,882</u>	<u>85,911</u>		<u>330,793</u>
EXPENSES:				
College scholarships awarded	60,517			60,517
Legal and professional	7,598			7,598
Investment advisory fee	11,836			11,836
Miscellaneous	<u>95,918</u>			<u>95,918</u>
Total expenses	<u>175,869</u>			<u>175,869</u>
CHANGE IN NET ASSETS	69,013	85,911		154,924
NET ASSETS:				
Beginning of year	<u>670,034</u>	<u>1,149,328</u>	<u>50,000</u>	<u>1,869,362</u>
End of year	<u>\$ 739,047</u>	<u>\$ 1,235,239</u>	<u>\$ 50,000</u>	<u>\$ 2,024,286</u>

See notes to financial statements.

# THE EDISON FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2001 AND 2000

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	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (114,800)	\$ 154,924
Adjustments to reconcile change in net assets to cash used in operating activities:		
(Increase) decrease in pledges receivable	(443)	2,942
Decrease (increase) in interest and dividends receivable	1,297	(3,456)
(Increase) decrease in accounts payable	(15,357)	2,825
Restricted gifts and grants	(124,859)	(194,041)
Net realized and unrealized (gains) losses	<u>177,804</u>	<u>(81,016)</u>
Net cash used in operating activities	<u>(76,358)</u>	<u>(117,822)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for investments	(664,238)	(759,511)
Cash received from sale of investments	<u>760,447</u>	<u>845,637</u>
Net cash provided by investing activities	<u>96,209</u>	<u>86,126</u>
CASH FLOWS FROM FINANCING ACTIVITIES -		
Restricted gifts and grants	<u>124,859</u>	<u>194,041</u>
INCREASE IN CASH AND CASH EQUIVALENTS	144,710	162,345
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>369,288</u>	<u>206,943</u>
End of year	<u>\$ 513,998</u>	<u>\$ 369,288</u>

See notes to financial statements.

# THE EDISON FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2001 AND 2000

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### A. SUMMARY OF OPERATIONS

The Edison Foundation, Inc. (the "Foundation") was established in 1993 as a charitable foundation under Section 501(c) (3) of the Internal Revenue Code whereby it is exempt from federal income tax. Its purpose is to solicit, receive and administer assets exclusively for charitable purposes which would most effectively assist and benefit Edison State Community College, its students and its faculty.

### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** – The Foundation uses the accrual basis of accounting; consequently, revenue and related assets are recognized when earned and expenses are recognized when incurred.

**Cash and Cash Equivalents** – The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Donations** are recorded as revenues in the year received or when a bequest is legally finalized. Unconditional pledges are recorded in the period that the pledges are received. Conditional pledges are recorded in the period in which the conditions have been met. Funds from pledges to be collected in future years are recorded at net present value. All pledges are net of an allowance for doubtful collections.

**Net assets** are classified into three categories: (1) unrestricted net assets, which have no donor-imposed restrictions, (2) temporarily restricted net assets, which have donor-imposed restrictions that will expire or be satisfied in the future, and (3) permanently restricted net assets, which have donor-imposed restrictions that neither expire by passage of time nor can be fulfilled by actions of the Foundation.

**Expiration of Donor-Imposed Restrictions** – When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Contributions** – Donations are recorded as revenues in the year received or a bequest legally finalized. Unconditional pledges are recorded in the period that the pledges are received. Conditional pledges are recorded in the period in which the conditions have been met. Funds from pledges to be collected in future years are recorded at net present value. All pledges are net of an allowance for doubtful collections.

**Investments** are stated at fair value and realized and unrealized gains and losses are reflected in the statement of activities. Fair value is determined by market quotes. Donated investments are recorded at the fair market value at the time received. Realized gains or losses are determined based on the average cost method.

**Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### C. BUSINESS AND CONCENTRATIONS OF CREDIT RISK

Seven and ten donors accounted for a total of 33% and 39% of gifts and grants for the years ended June 30, 2001 and 2000, respectively.

The Foundation's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and investments. The Foundation places its cash in federally insured banks. Cash is generally in excess of the Federal Deposit Insurance Corporation's insurance limit.

Investments are managed by a professional investment manager. The investment manager is subject to the Foundation's investment policies which contain objectives, guidelines, and restrictions designed to provide for preservation of capital with emphasis on providing current income and achieving long-term growth of the funds.

### D. CLASSIFICATION OF NET ASSETS

	June 30, 2001			June 30, 2000		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
Unrestricted	\$229,414			\$228,502		
Endowment	102,186	\$ 59,982		122,884	\$ 82,457	
Scholarship Endowment	15,044	11,294		17,090	10,465	
Title III Special Endowment	208,499	701,601		243,769	736,318	
Alumni Scholarship	8,087	11,601		11,147	11,356	
Tri-County Educational Capital Campaign	95,493	81,356		114,711	103,692	
Other temporarily restricted	(12,047)	291,492		(14,026)	14,026	
Technology Endowment	8,031	38,667		(12,894)	237,631	
Robinson Scholarship	8,031	38,667		13,010	38,362	
	<u>7,469</u>	<u>1,317</u>	<u>\$ 50,000</u>	<u>14,854</u>	<u>932</u>	<u>\$ 50,000</u>
	<u>\$662,176</u>	<u>\$ 1,197,310</u>	<u>\$ 50,000</u>	<u>\$739,047</u>	<u>\$ 1,235,239</u>	<u>\$ 50,000</u>

## E. INVESTMENTS

Investments by major types are as follows:

	June 30, 2001		June 30, 2000	
	Cost	Market	Cost	Market
UNRESTRICTED - Mutual funds:				
Equity	\$ 122,280	\$ 125,191	\$ 113,573	\$ 158,030
Bonds	69,254	67,651	69,254	65,872
UNRESTRICTED & TEMPORARILY RESTRICTED:				
Endowment:				
U.S. Government, agency obligations and corporate bonds	50,300	52,019	45,175	44,189
Common stocks and equity mutual funds	108,864	97,859	125,046	137,391
Scholarship Endowment - mutual funds:				
Equity	12,533	16,074	12,017	20,787
Bonds	9,976	9,999	6,639	6,507
Title III Special Endowment:				
U.S. Government, agency obligations and corporate bonds	200,842	204,887	280,783	271,554
Common stocks	498,225	520,427	438,487	608,642
Alumni Scholarship - mutual funds:				
Equity	11,066	13,329	5,531	5,337
Bonds	6,236	6,193	9,235	16,615
Tri-County Educational:				
U.S. Government, agency obligations, corporate bonds and bond mutual funds	48,127	46,739	41,115	39,193
Common stocks and equity mutual funds	138,221	121,932	149,638	168,923
Technology Endowment - mutual funds:				
Equity	33,244	29,601	29,127	35,376
Bonds	13,986	13,556	13,986	13,200
UNRESTRICTED, TEMPORARILY RESTRICTED, AND PERMANENTLY RESTRICTED -				
Robinson Scholarship - mutual funds:				
Equity	46,246	40,945	40,836	49,230
Bonds	<u>16,850</u>	<u>16,326</u>	<u>16,850</u>	<u>15,895</u>
	<u>\$1,386,250</u>	<u>\$1,382,728</u>	<u>\$1,397,292</u>	<u>\$1,656,741</u>

Net realized gains on sale of investments were \$54,081 and \$124,845 and capital gains distributions were \$31,086 and \$17,935 for the years ended June 30, 2001 and 2000, respectively.

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# THE EDISON FOUNDATION, INC.

## SCHEDULE OF ENDING NET ASSETS BY CLASS TO JUNE 30, 2001 FIFTH THIRD TRUST STATEMENTS YEAR ENDED JUNE 30, 2001

	Unrestricted	Endowment	Scholarship Endowment	Title III Special Endowment	Alumni Scholarship	Tri-County Educational	Capital Campaign	Other Temporarily Restricted	Technology Endowment	Robinson Scholarship	Total
REVENUE AND OTHER SUPPORT:											
Gifts and grants	\$ 22,629	\$ 25	\$ 829	\$ 25	\$ 245	\$ 164	\$	\$ 122,881	\$ 305	\$ 385	\$ 147,488
Interest and dividends	4,171	5,462	330	28,306	19	4,707	69	16,221	906	1,024	61,215
Net realized and unrealized gains (losses)	<u>(23,592)</u>	<u>(23,071)</u>	<u>(2,517)</u>	<u>(89,712)</u>	<u>(3,133)</u>	<u>(22,517)</u>	<u>—</u>	<u>12</u>	<u>(5,418)</u>	<u>(7,856)</u>	<u>(177,804)</u>
Total income	3,208	(17,584)	(1,358)	(61,381)	(2,869)	(17,646)	69	139,114	(4,207)	(6,447)	30,899
EXPENSES:											
College scholarships awarded		22,500				22,500		12,613			57,613
Legal and professional	7,640										7,640
Investment advisory fee	1,565	1,391	328	6,184	287	1,473		2,056	467	553	14,304
Miscellaneous	7,146	473		1,894		153	69	56,407			66,142
Transfers	<u>(14,055)</u>	<u>1,225</u>	<u>(469)</u>	<u>528</u>	<u>(341)</u>	<u>(218)</u>	<u>—</u>	<u>13,330</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenses	<u>2,296</u>	<u>25,589</u>	<u>(141)</u>	<u>8,606</u>	<u>(54)</u>	<u>23,908</u>	<u>69</u>	<u>84,406</u>	<u>467</u>	<u>553</u>	<u>145,699</u>
CHANGE IN NET ASSETS	912	(43,173)	(1,217)	(69,987)	(2,815)	(41,554)		54,708	(4,674)	(7,000)	(114,800)
NET ASSETS:											
Beginning of year	228,502	205,341	27,555	980,087	22,503	218,403		224,737	51,372	65,786	2,024,286
End of year	<u>\$ 229,414</u>	<u>\$ 162,168</u>	<u>\$ 26,338</u>	<u>\$ 910,100</u>	<u>\$ 19,688</u>	<u>\$ 176,849</u>	<u>\$</u>	<u>\$ 279,445</u>	<u>\$ 46,698</u>	<u>\$ 58,786</u>	<u>\$ 1,909,486</u>
Reconciliation to Trust Statements:											
Ending net assets per books	\$ 229,414	\$ 162,168	\$ 26,338	\$ 910,100	\$ 19,688	\$ 176,849	\$	\$ 279,445	\$ 46,698	\$ 58,786	\$ 1,909,486
Investment income receivable	(1,749)	(869)	(265)	(5,799)	(164)	(1,729)			(350)	(422)	(11,347)
Pledges receivable								(1,589)			(1,589)
Other payables	<u>69</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>107</u>	<u>—</u>	<u>—</u>	<u>176</u>
Balance per Trust Statements	<u>\$ 227,734</u>	<u>\$ 161,299</u>	<u>\$ 26,073</u>	<u>\$ 904,301</u>	<u>\$ 19,524</u>	<u>\$ 175,120</u>	<u>\$</u>	<u>\$ 277,963</u>	<u>\$ 46,348</u>	<u>\$ 58,364</u>	<u>\$ 1,896,726</u>

See independent auditors' report.

# THE EDISON FOUNDATION, INC.

## SCHEDULE OF ENDING NET ASSETS BY CLASS TO JUNE 30, 2001 FIFTH THIRD TRUST STATEMENTS YEAR ENDED JUNE 30, 2001

	Unrestricted	Endowment	Scholarship Endowment	Title III Special Endowment	Alumni Scholarship	Tri-County Educational	Capital Campaign	Other Temporarily Restricted	Technoloav Endowment	Robinson Scholarship	Total
<b>UNRESTRICTED NET ASSETS:</b>											
Revenues and other support:											
Gifts and grants	\$ 22,629	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 22,629
Interest and dividends	4,171	5,462	330	14,153	19	4,707	69	16,221	906	1,024	47,062
Net realized and unrealized gains	<u>(23,592)</u>	<u>(23,071)</u>	<u>(2,517)</u>	<u>(44,856)</u>	<u>(3,133)</u>	<u>(22,517)</u>		<u>12</u>	<u>(5,418)</u>	<u>(7,856)</u>	<u>(132,948)</u>
Total income	3,208	(17,609)	(2,187)	(30,703)	(3,114)	(17,810)	69	16,233	(4,512)	(6,832)	(63,257)
Expenses and transfers:											
Legal and professional	7,640										7,640
Investment advisory fee	1,565	1,391	328	3,092	287	1,473		2,056	467	553	11,212
Miscellaneous	7,146	473		947		153	69				8,788
Transfers	<u>(14,055)</u>	<u>1,225</u>	<u>(469)</u>	<u>528</u>	<u>(341)</u>	<u>(218)</u>		<u>13,330</u>			
Total expenses and transfers	<u>2,296</u>	<u>3,089</u>	<u>(141)</u>	<u>4,567</u>	<u>(54)</u>	<u>1,408</u>	<u>69</u>	<u>15,386</u>	<u>467</u>	<u>553</u>	<u>27,640</u>
Change in net assets	912	(20,698)	(2,046)	(35,270)	(3,060)	(19,218)		847	(4,979)	(7,385)	(90,897)
Beginning of year	<u>228,502</u>	<u>122,884</u>	<u>17,090</u>	<u>243,769</u>	<u>11,147</u>	<u>114,711</u>	<u>(14,026)</u>	<u>(12,894)</u>	<u>13,010</u>	<u>14,854</u>	<u>739,047</u>
End of year	<u>229,414</u>	<u>102,186</u>	<u>15,044</u>	<u>208,499</u>	<u>8,087</u>	<u>95,493</u>		<u>(12,047)</u>	<u>8,031</u>	<u>7,469</u>	<u>662,176</u>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>											
Revenues and other support:											
Gifts and grants		25	829	25	245	164		122,881	305	385	124,859
Interest and dividends				14,153							14,153
Net realized and unrealized gains				<u>(44,856)</u>							<u>(44,856)</u>
Total income		<u>25</u>	<u>829</u>	<u>(30,678)</u>	<u>245</u>	<u>164</u>		<u>122,881</u>	<u>305</u>	<u>385</u>	<u>94,156</u>
Expenses (classified as unrestricted expenses the Statement of Activities):											
College scholarships awards		22,500				22,500		12,613			57,613
Investment advisory fee				3,092							3,092
Miscellaneous				947				56,407			57,354
Total expenses		<u>22,500</u>		<u>4,039</u>		<u>22,500</u>		<u>69,020</u>			<u>118,059</u>
Change in net assets		(22,475)	829	(34,717)	245	(22,336)		53,861	305	385	(23,903)
Beginning of year		82,457	10,465	736,318	11,356	103,692	14,026	237,631	38,362	932	1,235,239
End of year		<u>59,982</u>	<u>11,294</u>	<u>701,601</u>	<u>11,601</u>	<u>81,356</u>		<u>291,492</u>	<u>38,667</u>	<u>1,317</u>	<u>1,197,310</u>
<b>PERMANENTLY RESTRICTED NET ASSETS - Revenue and other - gifts and grants</b>											
Change in net assets											
Beginning of year										50,000	50,000
End of year										50,000	50,000
<b>TOTAL NET ASSETS</b>	<u>\$229,414</u>	<u>\$ 162,168</u>	<u>\$26,338</u>	<u>\$910,100</u>	<u>\$ 19,688</u>	<u>\$176,849</u>	<u>\$</u>	<u>\$279,445</u>	<u>\$46,698</u>	<u>\$58,786</u>	<u>\$ 1,909,486</u>

See independent auditors' report.



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

To the Board of Directors of The Edison Foundation, Inc.  
and Mr. Jim Petro, Auditor of State, State of Ohio:

We have audited the financial statements of The Edison Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 2001, and have issued our report thereon dated October 17, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

**Compliance**

As part of obtaining reasonable assurance about whether the Foundation'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 audits 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 the Foundation'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 the Board of Directors, the Foundation's management and the Auditor of the State of Ohio, and is not intended to be and should not be used by anyone other than these specified parties.

DELOITTE & TOUCHE LLP

October 17, 2001







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**EDISON FOUNDATION, INC.**

**MIAMI 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 3, 2002**