



**MAPLEWOOD CAREER CENTER
PORTAGE COUNTY**

**SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2001**



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**MAPLEWOOD CAREER CENTER
PORTAGE COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

We have audited the accompanying general-purpose financial statements of the Maplewood Career Center, Portage County, (the Center) as of and for the year ended June 30, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Center'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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 above present fairly, in all material respects, the financial position of the Maplewood Career Center, Portage County, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2001 on our consideration of the Center'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 statement of the Center, taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Jim Petro
Auditor of State

December 10, 2001

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**Maplewood Career Center
Portage County**

**Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2001**

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>	<u>Expendable Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	
ASSETS AND OTHER DEBITS:									
Assets:									
Equity in Pooled Cash and Investments	\$4,127,357	\$233,407	\$2,500	\$255,962	\$61,730	\$68,456	\$0	\$0	\$4,749,412
Receivables:									
Taxes	4,524,071	0	0	0	0	0	0	0	4,524,071
Accounts	2,641	37	0	1,132	0	0	0	0	3,810
Intergovernmental	0	51,086	0	2,970	0	0	0	0	54,056
Interfund	198,396	0	0	0	0	0	0	0	198,396
Materials and Supplies Inventory	0	0	0	891	0	0	0	0	891
Restricted Assets:									
Equity in Pooled Cash and Investments	228,424	0	0	0	0	0	0	0	228,424
Fixed Assets (Net where applicable, of Accumulated Depreciation)	0	0	0	2,967	0	0	9,861,627	0	9,864,594
Other Debits:									
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0	0	899,753	899,753
Total Assets and Other Debits	<u>\$9,080,889</u>	<u>\$284,530</u>	<u>\$2,500</u>	<u>\$263,922</u>	<u>\$61,730</u>	<u>\$68,456</u>	<u>\$9,861,627</u>	<u>\$899,753</u>	<u>\$20,523,407</u>

(Continued)

**Maplewood Career Center
Portage County**

**Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2001**

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>	<u>Expendable Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	
LIABILITIES, FUND EQUITY AND OTHER CREDITS:									
Liabilities:									
Accounts Payable	\$26,538	\$3,949	\$0	\$2,244	\$624	\$0	\$0	\$0	\$33,355
Accrued Wages and Benefits	547,533	34,338	0	10,165	3,743	0	0	0	595,779
Compensated Absences	128,825	0	0	68,294	0	0	0	879,275	1,076,394
Intergovernmental Payable	76,279	5,809	0	2,207	635	0	0	0	84,930
Interfund Payable	0	94,546	0	103,851	0	0	0	0	198,397
Due to Others	0	0	0	0	0	21,088	0	0	21,088
Capital Lease Obligations	0	0	0	0	0	0	0	20,477	20,477
Deferred Revenue	4,299,003	0	0	0	0	0	0	0	4,299,003
Total Liabilities	5,078,178	138,642	0	186,761	5,002	21,088	0	899,752	6,329,423
Fund Equity and Other Credits:									
Investment in General Fixed Assets	0	0	0	0	0	0	9,861,627	0	9,861,627
Retained Earnings - Unreserved	0	0	0	77,161	56,728	0	0	0	133,889
Fund Balances									
Reserved for Property Taxes	225,068	0	0	0	0	0	0	0	225,068
Reserved for Encumbrances	568,563	26,177	0	0	0	6,000	0	0	600,740
Reserved for Capital Improvement	5,062	0	0	0	0	0	0	0	5,062
Reserved for Budget Stabilization	223,362	0	0	0	0	0	0	0	223,362
Unreserved - Undesignated	2,980,656	119,711	2,500	0	0	41,368	0	0	3,144,235
Total Fund Equity and Other Credits	4,002,711	145,888	2,500	77,161	56,728	47,368	9,861,627	0	14,193,983
Total Liabilities, Fund Equity and Other Credits	\$9,080,889	\$284,530	\$2,500	\$263,922	\$61,730	\$68,456	\$9,861,627	\$899,752	\$20,523,406

The accompanying notes are an integral part of these statements.

Maplewood Career Center
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
All Governmental Fund Types and Similar Trust Fund
For the Fiscal Year Ended June 30, 2001

	Governmental Fund Types			Fiduciary	Totals (Memorandum Only)
	General	Special	Capital	Fund Type	
		Revenue	Projects	Expendable	
REVENUE:					
Taxes	\$4,388,717	\$0	\$0	\$0	\$4,388,717
Intergovernmental	3,118,783	517,592	11,500	0	3,647,875
Interest	323,478	0	0	2,458	325,936
Other	47,579	1,806	0	7,113	56,498
Classroom Materials & Fees	0	1,804	0	0	1,804
Total Revenues	<u>7,878,557</u>	<u>521,202</u>	<u>11,500</u>	<u>9,571</u>	<u>8,420,830</u>
EXPENDITURES:					
Current					
Instruction					
Regular	936,036	0	0	0	936,036
Vocational	3,228,788	156,257	0	0	3,385,045
Adult/Continuing	0	96,759	0	0	96,759
Support Services					
Pupil	566,230	190,110	0	0	756,340
Instructional Staff	295,489	105,343	0	0	400,832
Board of Education	32,900	0	0	4,000	36,900
Administration	449,456	11,192	0	0	460,648
Fiscal	303,413	5,803	0	0	309,216
Business	192,371	0	0	0	192,371
Operation and Maintenance of Plant	909,409	1,611	0	0	911,020
Pupil Transportation	7,620	0	0	0	7,620
Central	401,402	33,509	9,000	0	443,911
Community Services	0	0	0	0	0
Extracurricular Activities	24,508	0	0	0	24,508
Building Acquisition and Construction	<u>300,332</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>300,332</u>
Total Expenditures	<u>7,647,954</u>	<u>600,584</u>	<u>9,000</u>	<u>4,000</u>	<u>8,261,538</u>
Revenues Over (Under) Expenditures	<u>230,603</u>	<u>(79,382)</u>	<u>2,500</u>	<u>5,571</u>	<u>159,292</u>

(Continued)

The accompanying notes are an integral part of these statements.

**Maplewood Career Center
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 All Governmental Fund Types and Similar Trust Fund
 For the Fiscal Year Ended June 30, 2001**

	Governmental Fund Types			Fiduciary	Totals (Memorandum Only)
	General	Special	Capital	Fund Type	
		Revenue	Projects	Expendable Trust	
OTHER FINANCING SOURCES (USES):					
Sale of Fixed Assets	\$3,395	\$0	\$0	\$0	\$3,395
Operating Transfers - In	0	105,811	0	0	105,811
Operating Transfers - Out	(109,060)	0	0	0	(109,060)
Advances In	233,427	31,048	0	0	264,475
Advances Out	(233,427)	(31,048)	0	0	(264,475)
Refund of Prior					
Year's Expense	42,064	0	0	0	42,064
Refund of Prior					
Year's Receipts	0	(1,564)	0	0	(1,564)
Total Other Financing Sources (Uses)	<u>(63,601)</u>	<u>104,247</u>	<u>0</u>	<u>0</u>	<u>40,646</u>
Total Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	167,002	24,865	2,500	5,571	199,938
Fund Balances (Deficit) at Beginning of Year	<u>3,835,709</u>	<u>121,023</u>	<u>0</u>	<u>41,797</u>	<u>3,998,529</u>
Fund Balances at End of Year	<u><u>\$4,002,711</u></u>	<u><u>\$145,888</u></u>	<u><u>\$2,500</u></u>	<u><u>\$47,368</u></u>	<u><u>\$4,198,467</u></u>

The accompanying notes are an integral part of these statements.

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Maplewood Career Center
Combined Statement of Revenue, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2001

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
REVENUES:			
Taxes	\$ 4,361,036	\$ 4,361,036	\$ -
Tuition and Fees	-	-	-
Intergovernmental	3,118,783	3,118,783	-
Interest	304,101	323,478	19,377
Extracurricular Activities	-	-	-
Food Services	-	-	-
Classroom Material and Fees	-	-	-
Other	38,724	46,432	7,708
Total Revenues	7,822,644	7,849,729	27,085
EXPENDITURES:			
Current			
Instruction			
Regular	908,922	908,922	-
Special	-	-	-
Vocational	3,233,103	3,232,981	122
Adult Continuing	-	-	-
Other	-	-	-
Support Services			
Pupil	573,357	573,357	-
Instructional Staff	310,181	310,134	47
Board of Education	36,911	36,911	-
Administration	460,881	459,976	905
Fiscal	374,723	374,215	508
Business	194,699	194,699	-
Operation and Maintenance of Plant	1,107,144	1,093,194	13,950
Pupil Transportation	10,461	10,461	-
Central	420,622	420,583	39
Food Service Operations	-	-	-
Extracurricular Activities	26,024	26,024	-
Facilities Acquisition & Construction	461,871	461,871	-
Debt Service	-	-	-
Principal Retirement and Interest	-	-	-
Total Expenditures	8,118,899	8,103,328	15,571
Revenues Over (Under) Expenditures	(296,255)	(253,599)	42,656
OTHER FINANCING SOURCE (USES):			
Sale of Fixed Assets	3,395	3,395	-
Advances - In	233,427	233,427	-
Advances - Out	(294,396)	(294,396)	-
Refund of Prior Year Expenditures	42,064	42,064	-
Refund of Prior Year Receipt	-	-	-
Operating Transfer - In	-	-	-
Operating Transfers - Out	(109,060)	(109,060)	-
Pass through	-	-	-
Proceeds from Sale of Notes	-	-	-
Total Other Financing Sources (Uses)	(124,570)	(124,570)	-
Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(420,825)	(378,169)	42,656
Fund Balance at Beginning of Year	3,798,607	3,798,607	-
Prior Year Appropriated	340,240	340,240	-
Fund Balance at End of Year	\$ 3,718,022	\$ 3,760,678	\$ 42,656

The accompanying notes are an integral part of these statements.

Special Revenue Fund			Expendable Trust Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
515,932	513,744	(2,188)	-	-	-
-	-	-	2,295	2,458	163
-	-	-	-	-	-
1,804	1,804	-	-	-	-
-	-	-	-	-	-
1,770	1,770	-	7,113	7,113	-
<u>519,506</u>	<u>517,318</u>	<u>(2,188)</u>	<u>9,408</u>	<u>9,571</u>	<u>163</u>
-	-	-	-	-	-
-	-	-	-	-	-
153,836	153,836	-	-	-	-
102,180	102,180	-	-	-	-
-	-	-	-	-	-
186,985	186,985	-	-	-	-
115,663	115,663	-	-	-	-
-	-	-	-	-	-
11,615	11,615	-	10,000	10,000	-
12,534	12,534	-	-	-	-
-	-	-	-	-	-
1,110	1,110	-	-	-	-
-	-	-	-	-	-
37,548	36,497	1,051	-	-	-
2,257	2,257	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>623,728</u>	<u>622,677</u>	<u>1,051</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<u>(104,222)</u>	<u>(105,359)</u>	<u>(1,137)</u>	<u>(592)</u>	<u>(429)</u>	<u>163</u>
-	-	-	-	-	-
102,782	94,545	(8,237)	-	-	-
(31,048)	(31,048)	-	-	-	-
-	-	-	-	-	-
(1,564)	(1,564)	-	-	-	-
105,811	105,811	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>175,981</u>	<u>167,744</u>	<u>(8,237)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
71,759	62,385	(9,374)	(592)	(429)	163
124,656	124,656	-	36,797	36,797	-
16,239	16,239	-	5,000	5,000	-
<u>\$ 212,654</u>	<u>\$ 203,280</u>	<u>\$ (9,374)</u>	<u>\$ 41,205</u>	<u>\$ 41,368</u>	<u>\$ 163</u>

Maplewood Career Center
Combined Statement of Revenue, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2001

	Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-
Intergovernmental	11,500	11,500	-
Interest	-	-	-
Extracurricular Activities	-	-	-
Food Services	-	-	-
Classroom Materials and Fees	-	-	-
Other	-	-	-
Total Revenues	<u>11,500</u>	<u>11,500</u>	<u>-</u>
EXPENDITURES:			
Current			
Instruction			
Regular	-	-	-
Special	-	-	-
Vocational	-	-	-
Adult Continuing	-	-	-
Other	-	-	-
Support Services			
Pupil	-	-	-
Instructional Staff	-	-	-
Board of Education	-	-	-
Administration	-	-	-
Fiscal	-	-	-
Business	-	-	-
Operation and Maintenance			
of Plant	-	-	-
Pupil Transportation			
Central	9,000	9,000	-
Food Service Operations	-	-	-
Extracurricular Activities	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service	-	-	-
Principal Retirement and Interest	-	-	-
Total Expenditures	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>2,500</u>	<u>2,500</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
Sale of Fixed Assets	-	-	-
Advances - In	-	-	-
Advances - Out	-	-	-
Refund of Prior Year Expenditures	-	-	-
Refund of Prior Year Receipt	-	-	-
Operating Transfers - In	-	-	-
Operating Transfers - Out	-	-	-
Pass through	-	-	-
Proceeds from Sale of Notes	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue and Other Financing			
Sources Over (Under) Expenditures and			
Other Financing Uses	2,500	2,500	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Appropriated	-	-	-
Fund Balance at End of Year	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Totals (Memorandum Only)

Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,361,036	\$ 4,361,036	\$ -
-	-	-
3,646,215	3,644,027	(2,188)
306,396	325,936	19,540
-	-	-
1,804	1,804	-
-	-	-
47,607	55,315	7,708
<u>8,363,058</u>	<u>8,388,118</u>	<u>25,060</u>
908,922	908,922	-
-	-	-
3,386,939	3,386,817	122
102,180	102,180	-
-	-	-
760,342	760,342	-
425,844	425,797	47
36,911	36,911	-
482,496	481,591	905
387,257	386,749	508
194,699	194,699	-
1,108,254	1,094,304	13,950
10,461	10,461	-
467,170	466,080	1,090
2,257	2,257	-
26,024	26,024	-
461,871	461,871	-
-	-	-
<u>8,761,627</u>	<u>8,745,005</u>	<u>16,622</u>
<u>(398,569)</u>	<u>(356,887)</u>	<u>41,682</u>
3,395	3,395	-
336,209	327,972	(8,237)
(325,444)	(325,444)	-
42,064	42,064	-
(1,564)	(1,564)	-
105,811	105,811	-
(109,060)	(109,060)	-
-	-	-
-	-	-
<u>51,411</u>	<u>43,174</u>	<u>(8,237)</u>
(347,158)	(313,713)	33,445
3,960,060	3,960,060	-
361,479	361,479	-
<u>\$ 3,974,381</u>	<u>\$ 4,007,826</u>	<u>\$ 33,445</u>

Maplewood Career Center
Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings - All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2001

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total (Memorandum Only)</u>
OPERATING REVENUES:			
Tuition and Fees	\$222,012	\$40,995	\$263,007
Sales	<u>151,107</u>	<u>4,112</u>	<u>155,219</u>
Total Operating Revenues	<u>373,119</u>	<u>45,107</u>	<u>418,226</u>
OPERATING EXPENSES:			
Salaries and Wages	379,515	22,580	402,095
Fringe Benefits	83,448	4,539	87,987
Contract Services	70,998	2,632	73,630
Cost of Sales	186,283	6,044	192,327
Depreciation	3,644	0	3,644
Other	8,831	16,463	25,294
Capital Outlay	<u>127,301</u>	<u>0</u>	<u>127,301</u>
Total Operating Expenses	<u>860,020</u>	<u>52,258</u>	<u>912,278</u>
Operating Loss	<u>(486,901)</u>	<u>(7,151)</u>	<u>(494,052)</u>
NON-OPERATING REVENUES:			
Donated Commodities	10,528	0	10,528
Operating Grants	156,172	0	156,172
Sale of Fixed Assets	83,735	0	83,735
Refund of Prior Year Expenditure	3,659	0	3,659
Interest	1,612	0	1,612
Other	<u>138,229</u>	<u>17,395</u>	<u>155,624</u>
Total Non-Operating Revenues	<u>393,935</u>	<u>17,395</u>	<u>411,330</u>
Net (Loss) Gain Before Operating Transfers	(92,966)	10,244	(82,722)
OTHER FINANCING SOURCES (USES)			
Operating Transfers - In	<u>3,250</u>	<u>0</u>	<u>3,250</u>
	<u>3,250</u>	<u>0</u>	<u>3,250</u>
Net (Loss) Gain	(89,716)	10,244	(79,472)
Retained Earnings at Beginning of Year	<u>166,877</u>	<u>46,484</u>	<u>213,361</u>
Retained Earnings at End of Year	<u>\$77,161</u>	<u>\$56,728</u>	<u>\$133,889</u>

The accompanying notes are an integral part of these statements.

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Maplewood Career Center
Combined Statement of Revenues, Expenses, and Changes
in Fund Balances – Budget Basis and Actual
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2001

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Tuition and Fees	\$181,984	\$182,946	\$962
Food Services	150,495	151,107	612
Classroom Materials & Fees	38,617	39,067	450
Total Revenues	371,096	373,120	2,024
EXPENSES			
Salaries	314,641	314,641	0
Retirement	83,493	83,493	0
Services	79,633	79,633	0
Supplies and Materials	217,643	217,643	0
Capital Outlay	137,160	137,160	0
Other	22,988	22,988	0
Total Expenses	855,558	855,558	0
Excess of Operating Revenues Over/ (Under) Operating Expenses	(484,462)	(482,438)	2,024
Non-Operating Revenues			
Earnings on Investments	1,484	1,613	129
Miscellaneous	147,208	148,795	1,587
Other Revenue Sources	83,735	83,735	0
Intergovernmental	139,340	139,340	0
Total Non-Operating Revenues	371,767	373,483	1,716
Excess of Revenue Over/(Under) Expenses Before Interfund Transfers And Advances	(112,695)	(108,955)	3,740
OTHER FINANCING SOURCES / (USES):			
Operating Transfers - In		3,250	3,250
Advances - In	204,851	199,851	(5,000)
Advances - Out	(202,379)	(202,379)	0
Total Other Financing Sources (Uses)	2,472	722	(1,750)
Net Excess of Revenues Over/(Under) Expenses	(110,223)	(108,233)	1,990
Beginning Fund Balance	216,068	216,068	0
Prior Year Appropriation	97,784	97,784	0
Ending Fund Balance	\$203,629	\$205,619	\$1,990

The accompanying notes are an integral part of these statements.

Internal Service Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$45,297	\$40,995	(\$4,302)	\$227,281	\$223,941	(\$3,340)
4,112	4,112	0	154,607	155,219	612
		0	38,617	39,067	450
<u>49,409</u>	<u>45,107</u>	<u>(4,302)</u>	<u>420,505</u>	<u>418,227</u>	<u>(2,278)</u>
23,443	23,443	0	338,084	338,084	0
4,539	4,539	0	88,032	88,032	0
3,895	3,602	293	83,528	83,235	293
6,326	6,126	200	223,969	223,769	200
		0	137,160	137,160	0
15,950	15,950	0	38,938	38,938	0
<u>54,153</u>	<u>53,660</u>	<u>493</u>	<u>909,711</u>	<u>909,218</u>	<u>493</u>
(4,744)	(8,553)	(3,809)	(489,206)	(490,991)	(1,785)
		0	1,484	1,613	129
18,095	18,095	0	165,303	166,890	1,587
		0	83,735	83,735	0
		0	139,340	139,340	0
<u>18,095</u>	<u>18,095</u>	<u>0</u>	<u>389,862</u>	<u>391,578</u>	<u>1,716</u>
13,351	9,542	(3,809)	(99,344)	(99,413)	(69)
		0	0	3,250	3,250
		0	204,851	199,851	(5,000)
		0	(202,379)	(202,379)	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,472</u>	<u>722</u>	<u>(1,750)</u>
13,351	9,542	(3,809)	(96,872)	(98,691)	(1,819)
50,315	50,315	0	266,383	266,383	0
821	821	0	98,605	98,605	0
<u>\$64,487</u>	<u>\$60,678</u>	<u>(\$3,809)</u>	<u>\$268,116</u>	<u>\$266,297</u>	<u>(\$1,819)</u>

**Maplewood Career Center
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2001**

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Enterprise Funds	Internal Service Funds	Total (Memorandum Only)
Cash Flows from operating activities:			
Operating loss	\$ (486,901)	\$ (7,151)	\$ (494,052)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities			
Depreciation	3,644	-	3,644
Donated commodities in cost of sales	10,363	-	10,363
Change in assets and liabilities that increase (decrease) cash flow from operations			
Accounts receivable	119	700	819
Intergovernmental receivable	2,836	-	2,836
Accounts payable	(2,348)	512	(1,836)
Interfund payable	(2,528)	-	(2,528)
Accrued wages and benefits	(2,652)	(732)	(3,384)
Intergovernmental payable	(376)	(130)	(506)
Compensated absences	33,297	-	33,297
Net cash used in operating activities	(444,546)	(6,801)	(451,347)
Cash flows from capital and related financing activities:			
Operating grants received	156,172	-	156,172
Other non-operating revenue	230,485	17,395	247,880
Net cash provided by capital and related financing activities	386,657	17,395	404,052
Net increase (decrease) in cash and cash equivalent	(57,889)	10,594	(47,295)
Cash and cash equivalents - beginning of year	313,851	51,136	364,987
Cash and cash equivalents - end of year	\$ 255,962	\$ 61,730	\$ 317,692
Noncash capital, investing and related financing activities			
Donated commodities received	\$ 10,528	\$ -	\$ 10,528

The accompanying notes are an integral part of these statements

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources.

1. *Description of the Entity*

The Maplewood Career Center (the Center) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Center is a joint vocational Center as defined by Section 3311.18 of the Ohio Revised Code. The Center operates under an elected Board of Education (11 members) and is responsible for the provision of public education to residents of the Center.

Average daily membership (ADM) as of October 1, 2000 was 563. The Center employed 77 certified employees and 31 non-certified employees.

The Center adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," under which the financial statements include all the organizations, activities, functions and component units for which the Center (Primary Government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Center's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Center.

On this basis, there were no organizations subject to the Center's financial accountability which required incorporation into the financial statements.

The Center is associated with certain organizations, which are defined as Jointly Governed Organizations and Public Entity Risk Pools. These organizations include the Stark/Portage Area Computer Consortium (SPARCC), Stark County Governments Risk Sharing Pool, Ohio School Boards Association Worker's Compensation Group Rating Plan.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. *Basis Of Presentation - Fund Accounting*

The Center uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Center functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the Center are grouped into the following generic fund types under the broad fund categories governmental, proprietary, and fiduciary.

Governmental Fund Types:

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

General Fund - This fund is the operating fund of the Center 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 Center for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. *Basis Of Presentation - Fund Accounting – Continued*

Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund Types:

Proprietary funds are used to account for the Center's ongoing activities which are similar to those found in the private sector. The following are the Center's proprietary fund types:

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

Internal Service Fund - This fund accounts for the financing of services provided by one department or agency to another department or agency of the Center on a cost-reimbursement basis.

Fiduciary Fund Types:

Fiduciary Funds are used to account for assets held by the Center in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. These include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

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

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. *Basis Of Presentation - Fund Accounting – Continued*

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Center, other than those accounted for in the proprietary or trust funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the Center except those accounted for in the proprietary or trust funds.

3. *Measurement Focus and Basis of Accounting*

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the Center is sixty days after year-end. In applying the accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, tuition, grants and entitlements.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. *Measurement Focus And Basis Of Accounting* – Continued

The Center reports deferred revenues on its combined balance sheet. Deferred revenues arise in the governmental funds when a potential revenue does not meet with the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2001 and delinquent property taxes, whose availability is indeterminate, and which are intended to finance fiscal year 2002 operations, have been recorded as deferred revenue as more fully described in Note C.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund types. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. Unbilled service charges receivable is recognized as revenue at year-end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities non-operating revenue.

4. *Budgetary Process*

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process* - Continued

and appropriated. The legal level of budgetary control is at the object level within each function. Any budgetary modification at this level may only be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Portage County Budget Commission for rate determination.

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the Center must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered cash balances from the preceding year.

The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the Center's Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2001.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process* – Continued

Appropriations:

By October 1, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation resolution, the Board may pass a temporary resolution to meet the ordinary expenses of the Center. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental fund appropriations were legally enacted, however, the amount of the increases was not significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications. Formal budgetary integration is employed as a management control device during the year for all funds, consistent with statutory provisions.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year-end are reported as a reservation of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process* - Continued

Budgetary Basis of Accounting:

While the Center is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget Basis and Actual - All Governmental Fund Types and Similar Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget Basis and Actual - All Proprietary Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with state statute. The major differences between the budget basis and the GAAP basis are:

1. Revenues are reported when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosure for proprietary fund types (GAAP basis).

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process* - Continued

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

**Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
Governmental Fund Types and Similar Trust Funds**

	General	Special Revenue	Expendable Trust
GAAP Basis	\$ 167,002	\$ 24,865	\$ 5,571
Net Adjustment for Revenue Accruals	(28,828)	(3,884)	0
Net Adjustment for Expenditure Accruals	(455,374)	(22,093)	(6,000)
Adjustment for Other Sources (Uses)	0	0	0
Advances - In	0	63,497	0
Advances - Out	(60,969)	0	0
Budget Basis	\$ (378,169)	\$ 62,385	\$ (429)

**Net Income (Loss)/Revenue Over (Under)
Expenses, Advances and Operating Transfers
Proprietary Fund Types**

	Enterprise	Internal Service
GAAP Basis	\$ (89,716)	\$10,244
Net Adjustment for Revenue Accruals	(9,923)	700
Commodities Received	(10,528)	0
Advances - Net	(2,528)	0
Net Adjustment for Expense Accruals	(9,545)	(1,402)
Commodities Used	10,363	0
Depreciation	3,644	0
Budget Basis	\$(108,233)	\$ 9,542

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments*

The Center maintains a cash and investment pool used by all funds.

The amounts of this pooled investment are reflected on the Combined Statement of Cash, Investments, and Fund Cash Balances as Cash, Cash Equivalents and/or Other Investments.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash investment pool are considered to be cash equivalents.

Legal Requirements:

Statutes require the classification of moneys held by the Center into three categories.

Category A consists of "active" moneys, those moneys required to be kept in a "cash" or a "near cash" status for immediate use by the Center. Such moneys must be maintained either as cash in the Center treasury or negotiable order of withdrawal (NOW) accounts.

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

Category C consists of "interim" moneys, those moneys which are not needed for immediate use, but which will be needed before the end of the current period of depositories. Interim moneys may be invested or deposited in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Center, and must be purchased with the expectation that it will be held to maturity.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments* – Continued

Protection of the Center's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not presented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits:

At year-end, the carrying amount of the Center's cash deposits was \$46,683 and the bank balance was \$298,918. Of the bank's balance:

1. \$6,051 was covered by the federal depository insurance.

Statutory provisions require that collateral pledged for deposits be held in trust by an institution other than the pledging bank.

Investments:

The Center's investments are categorized below to give an indication of the level of risk assumed by the entity at year-end.

1. Securities held by the entity or its agent in the entity's name (Category 1).
2. Securities held by the counterparty's trust department or agent in the entity's name (Category 2).
3. Securities held by the counterparty, or by its trust department or agent, but not in the entity's name (Category 3).

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments* – Continued

Statutory provisions require that all securities acquired by the Center be held by the Center treasurer or deposited with a qualified trustee unless the counterparty is a designated depository of the Center for the current period of designation of depositories, in which case the securities may be held in trust by the depository.

The Center has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2001. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share prices, which is the price the investment could be sold for on June 30, 2001. This is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

During the June 30, 2001 fiscal year end, the Center has opened a Public Super NOW account with Firststar Bank. The account works like a savings account. Firststar uses this account as a destination sweep with the Center's operating account to receive a higher interest rate. The funds remain in Firststar and are not invested in any other securities. They are not in an overnight repurchase agreement. Therefore, no prospectus is or repurchase agreement was needed. All funds are protected under the pooled collateral report. The current rate on the account is based off the federal funds rate minus .25 basis points.

**MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

June 30, 2001

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

5. *Pooled Cash And Cash Equivalents And Investments* - Continued

	Category 1	Category 2	Category 3	Carrying Value	Fair Value
Repurchase Agreement - U.S. Treasury Notes	\$0	\$0	\$4,969	\$4,969	\$4,969
Investment in State Treasurer's Investment Pool	0	0	0	4,926,184	4,926,184
Total Investment	<u>\$0</u>	<u>\$0</u>	<u>\$4,969</u>	<u>\$4,931,153</u>	<u>\$4,931,153</u>

The Classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined balance sheet and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement 9	\$4,977,836	\$0
Investments:		
Repurchase Agreement	(4,969)	4,969
STAROhio	(4,926,184)	4,926,184
GASB Statement 3	<u>\$46,683</u>	<u>\$4,931,153</u>

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. *Inventory*

Inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis and are maintained on the Center computer system. Inventory items are recorded as expenses in the proprietary fund types when used. Inventory in the enterprise funds consists of purchased food, donated commodities and school supplies held for resale and are expensed when used.

7. *Fixed Assets And Depreciation*

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. The Center has established a capitalization threshold for fixed assets at \$1,000. Books, records, movies, and other learning aids kept at the Center Library are also included for reporting purposes. The Center does not possess any infrastructure.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. The Center's policy is not to capitalize interest costs incurred as part of construction.

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line basis over an estimated useful life of five to ten years.

8. *Intergovernmental Revenues*

For governmental funds, intergovernmental revenue, such as grants awarded on a non-reimbursement basis and entitlements, are recorded as receivables and revenues when measurable and available. Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements received for proprietary fund operating purposes are recognized as non-operating revenues in the accounting

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. *Intergovernmental Revenues - Continued*

period in which they are earned and become measurable. The Center currently participates in several State and Federal programs, categorized as follows:

Entitlements

General Fund

State Foundation Program

Non-Reimbursable Grants

Special Revenue Funds

Chapter II

Adult Education

9. *Short-Term, Interfund Assets/Liabilities*

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Short-term interfund loans are classified as interfund receivables/payables.

10. *Compensated Absences*

Employees earn vacation at rates specified by the Union Contractual Agreement based on credited service. Administrative and 260 day employees are entitled to vacation ranging from 10 to 21 days. Sick leave benefits are accrued as a liability using the termination payment method.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service. This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to a certified employee upon retirement is limited to fifty percent of accumulated sick days not to exceed 170 days. The total maximum is 85 days. The amount paid to a classified employee upon retirement is limited to fifty percent of accumulated sick days not to exceed 170 days. The total maximum

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. *Compensated Absences* - Continued

is 85 days. At June 30, 2001, a current liability of \$128,825 in the general fund and a liability of \$68,294 in the enterprise fund has been provided for earned but unused sick leave severance.

The Center adopted GASB No. 16, "Accounting for Compensated Absences," effective July 1, 1995. As a result, the Center has recorded an estimated long-term liability of \$879,275 for severance pay and sick leave payable at June 30, 2001. The amount has been recorded in the General Long-Term Debt Account Group since the liability will not require the use of current expendable available financial resources.

11. *Interfund Transactions*

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

12. *Proprietary Fund Accounting*

Under the guidelines of GASB Statement No. 20, "Accounting and Financial Reporting and Other Governmental Entities that use Proprietary Fund Accounting", the Center has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities.

13. *Restricted Assets*

Restricted assets in the general fund represents cash and cash equivalents set aside to establish capital improvement and budget stabilization reserves. The budget stabilization reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

14. *Fund Balance Reserves*

The Center records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations or expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, capital improvements and for budget stabilization. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

15. *Estimates*

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

16. *Total Columns On General Purpose Financial Statements*

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

17. *Worker's Compensation Group Rating Program*

For fiscal year 2001, the School District was a participant in the Ohio School Boards Association Worker's Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays the workers' compensation premium to the State based on the rate for the GRP rather than its Individual rate. Total savings are then calculated and each participant's Individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be

**MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

June 30, 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

17. *Worker's Compensation Group Rating Program - Continued*

required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

18. *Change in Accounting Principles*

For fiscal year 2001, the Center has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenue." At June 30, 2001, there was no effect on fund balance due to this implement action.

NOTE B - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES - FUND DEFICITS

Fund balances at June 30, 2001 included the following individual fund deficits:

DEFICIT FUND BALANCES

Special Revenue Funds

Career Development	\$ 6,820
Adult Basic Education	29,780
VEPD Grant	6,418

The special revenue deficit fund balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE C - PROPERTY TAX

Real property tax is levied each January 1 on the assessed value listed on the prior September 1 for all real property located in the Center. Assessed values are established by the County Auditor at 35% of current market value. Reappraisal of all property is required every six years with triennial updates. The last update was completed for the tax year 1998 for Summit County and 1999 for Portage County.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE C - PROPERTY TAX - Continued

Real property taxes become a lien on all non-exempt real property located in the County on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, State statute permits later payment dates to be established.

The full tax rate applied to real property for tax year 1999 was \$4.00 for Portage and Summit Counties per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$2.43 for Portage and Summit Counties per \$1,000 of assessed valuation for real property classified as residential/ agricultural and \$2.72 for Portage and Summit Counties per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the Center by the State of Ohio.

Owners of tangible personal property are required to file a list of such property, including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for tax year 2001 was \$4.00 for Portage and Summit Counties per \$1,000 of assessed valuation.

SUMMIT COUNTY

Real Property - 2000 Valuation	
Residential/Agricultural	\$ 32,579,550
Commercial/Industrial	16,733,970
Public Utilities	5,860
Tangible Personal Property - 2001 Valuation	
General	22,209,987
Public Utilities	2,487,620
Total Valuation	<u>\$ 74,016,987</u>

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE C - PROPERTY TAX - Continued

PORTAGE COUNTY	
Real Property - 2000 Valuation	
Residential/Agricultural	\$1,202,912,891
Commercial/Industrial	248,496,680
Minerals	7,513,600
Railroad	405,720
Tangible Personal Property - 2001 Valuation	
General	163,662,012
Public Utilities	87,397,280
Total Valuation	<u>\$1,710,388,183</u>

The respective County Treasurers collect property tax on behalf of all taxing Centers within the County. The respective County Auditors periodically remit to the taxing Centers their portions of the taxes collected.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 of \$225,068, is recognized as revenue.

NOTE D - INSURANCE

1. *Property Insurance*

The Center maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real property and contents are 90% coinsured.

**MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

June 30, 2001

NOTE D – INSURANCE - Continued

2. *Health Benefits Program*

The Center is a member of the Portage County Schools Consortium (the Consortium), through which a cooperative Health Benefit Program was created for the benefit of its members. The Health Benefit Program (the Program) is an employee health benefit plan which covers the participating members' employees. The Consortium acts as a fiscal agent for the cash funds paid into the program by the participating school Centers. These funds are pooled together for the purposes of paying health benefit claims of employees and their covered dependents, administrative expenses of the program and premiums for stop-loss insurance coverage. The Center accounts for the premiums paid as expenditures in the general or applicable fund.

NOTE E - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2001 follows:

Furniture and Equipment	\$83,675
Less Accumulated Depreciation	(80,708)
Net Fixed Assets	<u>\$2,967</u>

A summary of the changes in general fixed assets during fiscal year 2001 follows:

	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
Land and Buildings	\$7,299,134	\$ 58,665	\$ 0	\$ 7,357,799
Furniture and Equipment	1,902,260	502,774	197,945	2,207,089
Leased Equipment	127,070	0	0	127,070
Vehicles	200,821	0	31,152	169,669
Total	\$9,529,285	\$ 561,439	\$ 229,097	\$ 9,861,627

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE F - CAPITAL LEASES

The Center has entered into capitalized leases for equipment and furniture and fixtures. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting of Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the general purpose financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

General fixed assets leased equipment has been capitalized in the general fixed assets account group in the amount of \$127,070. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2001.

	Fiscal Year Ending June 30,	Total
	2002	\$ 21,954
Total		21,954
Less: Amount Representing Interest		(1,477)
Present Value of Net Minimum Lease Payments		\$ 20,477

NOTE G - LONG-TERM DEBT

Long-term obligations of the Center as of June 30, 2001 were as follows:

	Outstanding July 1, 2000	Additions	Reductions	Outstanding June 30, 2001
Compensated Absences	\$ 994,372	\$ 0	\$ 115,097	\$ 879,275
Totals	\$ 994,372	\$ 0	\$ 115,097	\$ 879,275

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE H - RETIREMENT PLANS

The Center provides retirement benefits to all certified employees under the State Teachers' Retirement System and to all noncertified employees under the School Employees Retirement System. Both systems are cost-sharing, multiple-employer plans.

1. *State Teachers' Retirement System (STRS)*

The Center contributes to the State Teachers' Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers' Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS.

The report may be obtained by writing to the State Teachers' Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the Center is required to contribute 14 percent; 14 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The Center's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$664,248, \$601,175, and \$563,498, respectively; 100 percent has been contributed for fiscal years 2001, 2000, and 1999.

2. *School Employees Retirement System (SERS)*

The Center contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE H - RETIREMENT PLANS – Continued

2. *School Employees Retirement System (SERS) - Continued*

Plan members are required to contribute 9 percent of their annual covered salary and the Center is required to contribute 14 percent; 14 percent was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The Center's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$165,419, \$163,974, and \$143,509, respectively; 100 percent has been contributed for fiscal years 2001, 2000, and 1999.

3. *Post-Employment Benefits*

The Center provides comprehensive health care benefits to retired teachers and their dependents through the State Teacher's Retirement System (STRS), and to retired noncertified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

For STRS, all benefit recipients are required to pay a portion of health care costs in the form of monthly premiums. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contributions rate, currently 14 percent of covered payroll. The board currently allocates employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the Center, this amount equaled \$72,577 during the 2000 fiscal year. As of July 1, 2000, eligible benefit recipients totaled 99,011. For the fiscal year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE H - RETIREMENT PLANS – Continued

3. *Post-Employment Benefits* - Continued

For the fiscal year, employer contributions to fund health care benefits were 8.45 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The number of participants currently receiving health care benefits is 50,000. For the fiscal year ended June 30, 2000, net health care costs paid by SERS were \$140.7 million.

NOTE I - FEDERAL AND STATE GRANTS (Intergovernmental Receipts)

During the year ended June 30, 2001, the Center received grants-in-aid from federal and state sources amounting to approximately \$375,225 and \$3,404,484, respectively, for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the Center's management believes such disallowances, if any, would be immaterial.

NOTE J - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Center maintains four enterprise funds - food service, customer service, uniform, and adult education which are operated on a sales basis. The table below reflects, in a summarized format, the more significant financial data relating to the enterprise funds of the Center for the fiscal year ended June 30, 2001:

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE J - SEGMENT INFORMATION FOR ENTERPRISE FUNDS – Continued

	Food Service	Uniform School Supplies	Customer Service	Adult Education	Total
Operating Revenues	\$151,107	\$ 39,066	\$ 0	\$182,946	\$373,119
Operating Expenses Before Depreciation	189,945	41,763	251,032	373,636	856,376
Depreciation	3,644	0	0	0	3,644
Operating Loss	(42,482)	(2,697)	(251,032)	(190,690)	(486,901)
Operating Grants	22,673	0	0	133,499	156,172
Net Non-Operating Revenue/ Expenses	35,953	0	210,768	147,214	393,935
Net Income/Loss	(6,529)	553	(40,264)	(43,476)	(89,716)
Net Working Capital (Deficit)	4,191	11,480	(35,520)	94,043	74,194
TOTAL ASSETS	26,395	26,674	57,701	153,152	263,922
TOTAL LIABILITIES	19,237	15,194	93,221	59,109	186,761
TOTAL EQUITY (DEFICIT)	7,158	11,480	(35,520)	94,043	77,161
Reserve for Encumbrances	974	3,484	20,760	25,127	50,345

NOTE K - JOINTLY GOVERNED ORGANIZATION

Stark/Portage Area Computer Consortium (SPARCC):

SPARCC is a jointly governed organization created as a regional council of governments made up of public school districts and county boards of education from Stark, Portage and Carroll Counties. The primary function of SPARCC is to provide data processing services to its member districts with the major emphasis being placed on accounting, inventory control and payroll services. Other areas of service provided by SPARCC include student scheduling, registration, grade reporting, and test scoring. Each member district pays an annual fee for the services provided by SPARCC. SPARCC is governed by a board of directors comprised of each Superintendent within the Consortium. The Stark County Educational Service Center serves as the fiscal agent of the consortium and receives funding from the State Department of Education. Each district has one vote in all matters and each member district's control over budgeting and financing

**MAPLEWOOD CAREER CENTER – PORTAGE COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

June 30, 2001

NOTE K - JOINTLY GOVERNED ORGANIZATION – Continued

Stark/Portage Area Computer Consortium (SPARCC): - Continued

of SPARCC is limited to its voting authority and any representation it may have on the board of directors. The continued existence of SPARCC is not dependent on the Center's continued participation and no equity interest exists.

NOTE L - OTHER REQUIRED FUND DISCLOSURES

A. *Restricted Assets*

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization and textbook and material reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction.

B. *Set-Aside Requirements*

State of Ohio House Bill 412 requires the Center to set aside a portion of their general operating resources for future use. For the fiscal year ended June 30, 2001, the following table discloses the required set-asides.

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>	<u>Totals</u>
Set-aside Cash Balance as of June 30, 2000	\$ 0	\$ 17,871	\$ 157,792	\$ 175,663
Current Year Set-aside Requirements	196,710	196,710	65,570	458,990
Current Year Offsets	0	0	0	0
Qualifying Disbursements	(510,496)	(209,519)	0	(720,015)
Total	<u>(313,786)</u>	<u>5,062</u>	<u>223,362</u>	<u>(85,362)</u>
Cash Balance Carried Forward to FY 2002	<u>\$ 0</u>	<u>\$ 5,062</u>	<u>\$ 223,362</u>	
Total Restricted Assets				<u>\$ 228,424</u>

MAPLEWOOD CAREER CENTER – PORTAGE COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2001

NOTE M – STATE SCHOOL FUNDING DECISIONS

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the case cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 10, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding on individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision and the reconsideration will have on its future State funding and on its financial operations.

**MAPLEWOOD CAREER CENTER
PORTAGE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Pass-Through Entity's Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
UNITED STATES DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	10.550	Unknown		\$ 10,528		\$ 10,363
National School Lunch Program	10.555	051391 LL-P1-2000	\$ 3,204		\$ 3,204	
		051391 LL-P4-2000	2,322		2,322	
		051391 LL-P1-2001	10,445		10,445	
		051391 LL-P4 2001	5,893		5,893	
		Unknown	137		137	
Total U.S. Department of Agriculture - Nutrition Cluster			<u>22,001</u>	<u>10,528</u>	<u>22,001</u>	<u>10,363</u>
UNITED STATES DEPARTMENT OF LABOR						
<i>Passed Through Workforce Development Agency (WDA)</i>						
Employment Services and Job Training	17.249	Unknown	5,001		2,109	
UNITED STATES DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Adult and Community Education	84.002	051391 AB-S1-1999C	1,565		1,565	
		051391 AB-S1 2000C	25,516		25,516	
		051391 AB-S1 2001	49,600		49,600	
		051391 AB-SL 2001	16,779		11,885	
Total Adult and Community Education			<u>93,460</u>	<u>0</u>	<u>88,566</u>	<u>0</u>
Vocational Education	84.048	051391 20-C1 2000	37,838		37,838	
		051391 20-C1 2001	211,693		211,693	
Total Vocational Education			<u>249,531</u>	<u>0</u>	<u>249,531</u>	<u>0</u>
Eisenhower Program	84.281	051391 MS-S1 2001	1,288		1,277	
		Thru Portage County ESC	963		963	
Total Eisenhower Program			<u>2,251</u>	<u>0</u>	<u>2,240</u>	<u>0</u>
Innovative Ed Program	84.298	051391 C2-S1 2001	2,982		2,982	
Total U.S. Department of Education			<u>348,224</u>	<u>0</u>	<u>343,319</u>	<u>0</u>
Total Federal Awards			<u>\$ 375,226</u>	<u>\$ 10,528</u>	<u>\$ 367,429</u>	<u>\$ 10,363</u>

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

**MAPLEWOOD CAREER CENTER
PORTAGE COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
JUNE 30, 2001**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Center's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the Center had no significant food commodities in inventory.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
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Youngstown, Ohio 44503
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Facsimile 330-797-9949
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

We have audited the financial statements of the Maplewood Career Center, (the Center) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 10, 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.

Compliance

As part of obtaining reasonable assurance about whether the Center'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 did not disclose any instances of noncompliance that is required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Center in a separate letter dated December 10, 2001.

Maplewood Career Center
Portage County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

December 10, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

Compliance

We have audited the compliance of Maplewood Career Center, Portage County, (the Center) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2001. The Center's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Center's management. Our responsibility is to express an opinion on the Center's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Center'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 the Center's compliance with those requirements.

In our opinion, the Maplewood Career Center complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2001.

Internal Control Over Compliance

The management of the Center 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 the Center'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 for the information and use of the Center's management, Board, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

December 10, 2001

**MAPLEWOOD CAREER CENTER
PORTAGE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Vocational Education (84.048)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes



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OFFICE OF THE AUDITOR

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MAPLEWOOD CAREER CENTER

PORTAGE 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**