



**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED JUNE 30, 2001-2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Ohio Association of Community Colleges
Clark County
21 East State Street, Suite 900
Columbus, Ohio 43215

To the Governing Board:

We have audited the accompanying financial statements of Ohio Association of Community Colleges (the Association) as of and for the years ended June 30, 2001, and 2000. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these 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.

As discussed in Note 1, the Association prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balance of the Ohio Association of Community Colleges, Clark County, as of June 30, 2001, and 2000, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2002, on our consideration of the Association'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.

This report is intended solely for the information and use of the audit committee, management, the Board and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

January 11, 2002

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2001**

	Governmental Fund Type
	General
Cash Receipts:	
Dues	\$277,850
Conference Registration	16,740
Interest on Investments	14,645
All Ohio Academic Team	38,550
Total Cash Receipts	347,785
Cash Disbursements:	
Management/Professional Salaries	88,794
Support/Building Services Salaries	45,815
Professional Fees	10,868
Honorarias	384
Retirement Contributions	19,461
Medicare Tax Contributions	1,866
Group Insurance	11,981
Supplies	4,363
Conference and Committees	25,486
Travel	2,674
Recreation/Meals and Catering	13,878
Subscriptions/Publications	4,455
Institutional Dues	2,358
Printing Supplies	29,608
Telephone	5,338
Freight and Postage	5,015
Equipment Maintenance and Repair	1,222
Equipment Maintenance Contract	3,289
Rental	35,555
Utilities	3,162
Insurance	1,774
Workers Compensation	1,261
Purchased Services	7,100
Miscellaneous	44,820
Moveable Equipment	1,238
NonInventory Moveable Equipment	347
Total Cash Disbursements	372,112
Total Receipts (Under) Disbursements	(24,327)
Fund Cash Balance, July 1	167,109
Fund Cash Balance, June 30	\$142,782

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

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2000**

	Governmental Fund Type
	General
Cash Receipts:	
Dues	\$277,850
Conference Registration	20,300
Interest on Investments	12,596
All Ohio Academic Team	10,700
Opinion Survey	1,000
Miscellaneous Income	5,000
Total Cash Receipts	327,446
Cash Disbursements:	
Management/Professional Salaries	87,718
Support/Building Services Salaries	39,330
Professional Fees	12,519
Honorarias	6,267
Retirement Contributions	17,786
Medicare Tax Contributions	1,833
Group Insurance	6,111
Supplies	5,418
Conference and Committees	18,701
Travel	1,795
Recreation/Meals and Catering	21,922
Subscriptions/Publications	5,199
Institutional Dues	1,922
Printing Supplies	24,568
Telephone	5,461
Freight and Postage	2,932
Equipment Maintenance and Repair	478
Equipment Maintenance Contract	4,202
Rental	30,731
Utilities	2,831
Insurance	1,774
Workers Compensation	293
Purchased Services	6,494
Personnel Development	476
Miscellaneous	18,535
Moveable Equipment	15,449
Total Cash Disbursements	340,745
Total Receipts (Under) Disbursements	(13,299)
Fund Cash Balance, July 1	180,408
Fund Cash Balance, June 30	\$167,109

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

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2001 AND JUNE 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Ohio Association of Community Colleges (the Association) established pursuant to Section 167.01, Revised Code, is a regional council of governments consisting of community, state community, and technical colleges. The purpose of the Association is to establish a cooperative working arrangement among the trustees and presidents of the member colleges to assist them in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes of the colleges, as follows:

1. To disseminate and exchange information regarding and affecting state-assisted community, state community, and technical colleges in the State of Ohio;
2. To promote action for the common good of the colleges of all member colleges;
3. To provide and/or promote opportunities for leadership development and the continuing education of the trustees of the member college boards of trustees;
4. To promote within Ohio the goals, objectives, and related activities of the Association; and
5. To promote public understanding of the role of Ohio's state-assisted community, state community, and technical colleges.

Governing Board

The Association is governed by a Governing Board made up of one trustee designated by each college board of trustees to serve as a delegate, and the president of each such college.

The Governing Board consists only of community college districts existing and operating under Ohio Revised Code Chapter 3354, technical college districts existing and operating under Ohio Revised Code Chapter 3357, and/or state community college districts existing and operating under Ohio Revised Code Chapter 3358.

Executive Committee

The Executive Committee acts on behalf of the Association and/or the Governing Board in the interim between meetings of the Board. The Executive Committee is comprised of the officers of the Governing Board, the Legislation Committee Chairperson, the Trustee Education Committee Chair person, one member Trustee, and one member President.

Legislation Committee

The Legislation Committee makes recommendations to the Association's Governing Board on all matters pertaining to the community college advocacy effort at the state and national levels. It is comprised of eight members, four being trustees, and four are presidents.

Trustee Education Committee

The Trustee Education Committee makes recommendations to the Association's Governing Board on all efforts aimed at strengthening and improving community college trusteeship. It is comprised of eight members, four trustees, and four presidents.

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2001 AND JUNE 30, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Association's management believes these financial statements present all activities for which the Association is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost. Money market mutual funds (including STAR Ohio) are recorded at share values reported by the mutual fund.

D. Fund Accounting

The Association uses fund accounting to segregate cash and investments that are restricted as to use. The Association classifies its fund as the following:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources.

E. Fiscal Agent

Clark State Community College became the Association's fiscal agent on July 1, 1996. Association funds are maintained in a separate agency fund at the College.

F. Budgetary Process

The Bylaws of the Association require the Treasurer to prepare an annual budget and present it to the Governing Board for approval.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

G. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2001 AND JUNE 30, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Association's basis of accounting.

2. CASH AND INVESTMENTS

The carrying amount of cash and investments at June 30, 2001 and June 30, 2000, were as follows:

	June 30, 2001	June 30, 2000
Demand deposits	\$0	\$167,109
Certificates of deposit	93,304	0
Total deposits	93,304	167,109
STAR Ohio	49,478	0
Total investments	49,478	0
Total deposits and investments	\$142,782	\$167,109

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended June 30, 2001, and 2000 follows:

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$378,050	\$372,112	\$5,938
Total	\$378,050	\$372,112	\$5,938

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$343,400	\$340,745	\$2,655
Total	\$343,400	\$340,745	\$2,655

**OHIO ASSOCIATION OF COMMUNITY COLLEGES
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2001 AND JUNE 30, 2000
(Continued)**

4. RETIREMENT SYSTEMS

The Association's employees belong 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 Ohio Revised Code Chapter 3309.

The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within rates allowed by State. For 2001 and 2000, members of SERS contributed 9% of their wages to SERS. The Association contributed an amount equal to 14% of their wages. The Association has paid all contributions required through June 30, 2001.

5. RISK MANAGEMENT

A. Commercial Insurance

The Association has obtained commercial insurance for the following risks:

- Comprehensive property and general liability

The Association also provides health insurance and dental and vision coverage to full-time employees through a private carrier.



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

Ohio Association of Community Colleges
Clark County
21 East State Street, Suite 900
Columbus, Ohio 43215

To the Governing Board:

We have audited the accompanying financial statements of Ohio Association of Community Colleges (the Association) as of and for the years ended June 30, 2001, and 2000, and have issued our report thereon dated January 11, 2002. 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 Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Association'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.

Ohio Association of Community Colleges
Clark County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely for the information and use of the audit committee, management, and the Governing Board, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

January 11, 2002



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OHIO ASSOCIATION OF COMMUNITY COLLEGES

CLARK 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
FEBRUARY 12, 2002**