

**Corrections Commission of Northwest Ohio
Williams County**

Financial Condition
As of
December 31, 2001

Together with Auditor's Report



**Auditor of State
Betty Montgomery**

Board of Corrections Commission of Northwest Ohio
Corrections Commission of Northwest Ohio
3151 Road 24.25
Route 1, Box 100-A
Stryker, OH 43557

We have reviewed the Independent Auditor's Report of the Corrections Commission of Northwest Ohio, Williams County, prepared by Kevin L. Penn, Inc., for the audit period January 1, 2001 through December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Corrections Commission of Northwest Ohio is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

July 18, 2003

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CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY

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CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY

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GOVERNMENTAL FUND TYPES:

General Fund Type:
Operating Fund

Special Revenue Fund Type:
New Beginnings
Choices
Electronic Monitoring Program

PROPRIETARY FUND TYPE:

Enterprise Fund Type:
Inmate Fund

FIDUCIARY FUND TYPES:

Agency Fund Types:
Fulton County Fund
City of Toledo Fund
Defiance County Fund
Williams County Fund
Henry County Fund
Lucas County Fund
Intake Fund
Work Release Fund
Reliance Financial Services



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Independent Auditor's Report

Board of Corrections Commission of Northwest Ohio
Williams County, Ohio

I have audited the accompanying financial statements of Corrections Commission of Northwest Ohio as December 31, 2001 and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that I 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 presentation of the financial statements. I believe that my audit provides a reasonable basis for my opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the cash, investments and fund cash balances, of Corrections Commission of Northwest Ohio as of December 31, 2001, and its combined cash receipts and disbursements and its combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances, for the year then ended, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, I have also issued a report dated April 21, 2003 on my consideration of Corrections Commission of Northwest Ohio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

Kevin L. Penn, Inc.

April 21, 2003

Corrections Commission of Northwest Ohio
 Williams County
 Combined Statement of Cash and
 Fund Cash Balances – All Fund Types
 December 31, 2001

POOLED CASH AND INVESTMENTS

Cash and Cash Equivalents	\$2,329,794
Cash on Hand	200

Total	\$2,329,994
	=====

CASH BALANCES BY FUND TYPE

Governmental Fund Type:

General Fund	\$566,773
Special Revenue Funds	43,486

Proprietary Fund Type:

Enterprise Fund	144,658
Agency Fund	1,575,077

Total	\$2,329,994
	=====

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

Corrections Commission of Northwest Ohio
Williams County
Combined Statement of Cash Receipts,
Disbursements
and Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2001

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Operating Cash Receipts:			
Multi-Jurisdictional	\$10,333,571	-	\$10,333,571
Rental Revenue	121,851	-	121,851
Grant Revenue	-	\$343,884	343,884
Interest Income	109,875	-	109,875
Commissary Revenue	-	-	0
Telephone Commission	377,377	-	377,377
Miscellaneous Income	428,764	-	428,764
	-----	-----	-----
Total Operating Cash Receipts	11,371,438	343,884	11,715,322
	-----	-----	-----
Operating Cash Disbursements:			
Salary, Wages and Benefits	7,814,330	128,649	7,942,979
Education, Training, Memberships and Dues	67,019	-	67,019
Insurance	267,261	-	267,261
Travel	12,939	5,218	18,157
Supply Expense	181,716	9,552	191,268
Contract Services	1,864,434	221,146	2,085,580
Postage Service	8,530	-	8,530
Utilities	514,403	3,402	517,805
Clothing and Linen	138,025	-	138,025
Motor Vehicles	82,047	530	82,577
Personnel Recruitment	5,091	-	5,091
Professional Services	60,221	-	60,221
Dry Cleaning	65,126	-	65,126
Equipment Expense	317,082	-	317,082
	-----	-----	-----
Total Operating Cash Disbursements	11,398,224	368,497	11,766,721
	-----	-----	-----
Excess of Receipts Over(Under) Disbursements before Nonoperating Cash Receipts/(Disbursements)	(26,786)	(24,613)	(51,399)
	-----	-----	-----
Nonoperating cash receipts/(disbursements):			
Other nonoperating receipts	-	-	0
Other nonoperating disbursements	-	-	0
	-----	-----	-----
Total nonoperating cash receipts/(disbursements)	0	0	0
	-----	-----	-----
Excess of Receipts Over (Under) Disbursements	(26,786)	(24,613)	(51,399)
	-----	-----	-----
Fund Cash Balance - January 1, 2001	593,559	68,099	661,658
	-----	-----	-----
Fund Cash Balance - December 31, 2001	\$566,773	\$43,486	\$610,259
	=====	=====	=====

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

Corrections Commission of Northwest Ohio
Williams County
Combined Statement of Cash Receipts, Disbursements
and Changes in Fund Cash Balances
All Proprietary Fund Types and Similar Fiduciary Funds
For the Year Ended December 31, 2001

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Multi-Jurisdictional	-	-	0
Rental Revenue	-	-	0
Grant Revenue	-	-	0
Interest Income	\$2,929	-	\$2,929
Commissary Revenue	40,821	-	40,821
Miscellaneous Income	152,475	-	152,475
	-----	-----	-----
Total Operating Cash Receipts	196,225	0	196,225
	-----	-----	-----
Operating Cash Disbursements:			
Salary, Wages and Benefits	-	-	0
Education, Training, Memberships and Dues	12,461	-	12,461
Insurance	-	-	0
Travel	4,906	-	4,906
Supply Expense	16,590	-	16,590
Contract Services	91,186	-	91,186
Postage Service	1,225	-	1,225
Utilities	-	-	0
Clothing and Linen	10,148	-	10,148
Motor Vehicles	-	-	0
Personnel Recruitment	-	-	0
Professional Services	-	-	0
Dry Cleaning	-	-	0
Equipment Expense	2,415	-	2,415
	-----	-----	-----
Total Operating Cash Disbursements	138,931	0	138,931
	-----	-----	-----
Excess of Receipts Over(Under) Disbursements before Nonoperating Cash Receipts/(Disbursements)	57,294	0	57,294
	-----	-----	-----
Nonoperating cash receipts/(disbursements):			
Other nonoperating receipts	-	11,457,463	11,457,463
Other nonoperating disbursements	-	(11,702,063)	(11,702,063)
	-----	-----	-----
Total nonoperating cash receipts/(disbursements)	-	(244,600)	(244,600)
	-----	-----	-----
Excess of Receipts Over (Under) Disbursements	57,294	(244,600)	(187,306)
	-----	-----	-----
Fund Cash Balance - January 1, 2001	87,364	1,819,677	1,907,041
	-----	-----	-----
Fund Cash Balance - December 31, 2001	\$144,658	\$1,575,077	\$1,719,735
	=====	=====	=====

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

Corrections Commission of Northwest Ohio
 Combined Statement of Receipts - Budget versus Actual
 For the Year Ended December 31, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
Governmental:			
General	\$12,584,934	\$11,371,438	(\$1,213,496)
Special Revenue	441,661	343,884	(97,777)
	<u>13,026,595</u>	<u>11,715,322</u>	<u>(1,311,273)</u>
Proprietary:			
Enterprise	155,397	196,225	40,828
	<u>155,397</u>	<u>196,225</u>	<u>40,828</u>
Fiduciary:			
Agency	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Total (memorandum only)	<u>\$13,181,992</u>	<u>\$11,911,547</u>	<u>(\$1,270,445)</u>
	=====	=====	=====

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

Corrections Commission of Northwest Ohio
 Combined Statement of Disbursements, and Encumbrances
 Compared with Expenditure Authority
 For the Year Ended December 31, 2001

	Prior Year Carryover Appropriations	2001 Appropriations	Total	Actual 2001 Disbursements	Encumbrances Outstanding at 12/31/2001	Total	Variance Favorable (Unfavorable)
Governmental Fund Type:							
General Fund	\$525,919	\$12,059,015	\$12,584,934	\$11,398,224	\$540,314	\$11,938,538	\$646,396
Special Revenue Funds	3,109	438,552	441,661	368,497	3,063	371,560	70,101
Proprietary Fund Type:							
Enterprise Fund	2,123	153,274	155,397	138,931	5,524	144,455	10,942
Total (Memorandum Only)	\$531,151	\$12,650,841	\$13,181,992	\$11,905,652	\$548,901	\$12,454,553	\$727,439

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

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

NOTE 1 - DESCRIPTION OF THE ENTITY AND BASIS OF PRESENTATION
(As Required by Various Statutes)

A. DESCRIPTION OF THE ENTITY

The Correction Commission of Northwest Ohio (the "Commission") is a public entity organized September 30, 1987, under Section 307.93 of the Ohio Revised Code for the purpose of establishing a multicounty-municipal correction center, constructing that center, overseeing its operation and administration and promoting other cooperative programs relating to the center. The Commission superseded the Regional Planning Committee (the "Committee") which was formed to plan for the center and was disbanded on September.

The members of the Commission, who were also members of the Committee, are:

Lucas County	Williams County
Defiance County	Henry County
Fulton County	City of Toledo

The receipts in the accompanying financial statements were received from the Members and others for the purpose stated above.

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

B. BASIS OF PRESENTATION

The accounts of the Commission are organized on the basis of fund accounting. The various funds are summarized by type in the combined financial statements.

Amounts in the "Totals (Memorandum Only)" columns of the financial statements represent a summation of the financial statements line items of the fund types and account groups. These amounts are presented for analytical purposes only.

C. FUND ACCOUNTING

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

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

Governmental Fund Types:

General Fund. This fund is the general operating fund of the Commission. It is used to account for all financial resources except those required by law or contract to be restricted.

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

Proprietary Fund Types:

The proprietary fund is used to account for the Commission's ongoing activities which are similar to those found in the private sector. The following is the Commission's proprietary fund type:

Enterprise Fund. This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing certain goods or services will be recovered through user charges.

Fiduciary Fund Types:

The fiduciary funds account assets held by the Commission's in a trustees capacity or as an agent on behalf of others.

Agency Funds. These funds are purely custodial in nature and does not present results of operations or have a measurement focus.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below.

A. 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. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUNDING

Annually the Commission estimates costs for the next fiscal year. Such estimates are considered by the Members and are then modified or accepted by the Members. Each Member thereafter remits its share of the Commission's costs to the Commission in the amount and at the times directed by the fiscal agent. If the aggregate of the Member's contributions for the estimated costs for a fiscal year are insufficient to pay the Commission's expenses, then the fiscal agent shall assess each Member its proportional share of the additional cost.

C. BUDGETARY PROCESS

Budgets are prepared annually, in accordance with the Ohio Revised Code.

ENCUMBRANCES

Encumbrances outstanding at year end are cancelled, and reappropriated in the subsequent year.

APPROPRIATIONS

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Commission must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

ESTIMATED RESOURCES

Estimated resources include estimates of cash to be received (budgeted receipts) plus beginning of the year fund cash balances.

D. 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.

E. UNPAID VACATION AND SICK LEAVE

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Commission.

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

NOTE 3 - DEPOSITS AND INVESTMENTS

Legal Requirements. Monies held by the Commission are classified by State statute into two categories. Active monies means an amount of public monies determined to be necessary to meet current demands upon the Commission treasury. Active monies must be maintained either as cash in the Commission treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the Commission which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of, or guaranteed by, the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase and reverse repurchase agreements in the securities listed above;
4. Bond and other obligations of the State of Ohio, its political subdivision, or other units or agencies of this State or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
7. The State Treasurer's investment pool (STAR Ohio).

Protection of the Commission's deposits is provided by the Federal Deposit Insurance Corporation, 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 moneys 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 represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year-end, the Commission had \$200 in undeposited cash on hand which is included as part of "Pooled Cash and Cash Investments". This amount is uninsured and uncollateralized.

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Deposits. At year-end, the carrying amount of the Commission's deposits was \$617,782 and the bank balance was \$927,998. Of the bank balance, \$100,000 was covered by federal depository insurance, by collateral held by the Commission, or by collateral held by a qualified third party trustee in the name of the Commission and \$827,998 was covered by collateral held by third party trustees pursuant to Section 135.181, Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions.

The Commission 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 price which is the price the investment could be sold for on December 31, 2001. At year end, the carrying amount of the Commission's deposits with Star Ohio was \$5,009 and the market value was \$5,009.

Investments. Statutory provisions require that the Corrections Commission of Northwest Ohio hold all securities acquired by the Corrections Commission of Northwest Ohio or deposit them with a qualified trustee pursuant to Section 135.18, Revised Code. Securities acquired under a repurchase agreement must be deposited with such a trustee unless the counterparty is a designated depository of the Corrections Commission of Northwest Ohio for the current period of designation of depositories, in which case the securities may be held in trust by the depository. At the end of each day, the Corrections Commission of Northwest Ohio withdraws surplus funds from the account and invests the monies in an overnight repurchase agreement. The Corrections Commission of Northwest Ohio does not purchase any specific security in this manner, but the investment is collateralized by pledged securities held by a third party in the name of the bank.

GASB Statement 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that local governments disclose the carrying amounts and market value of investments, classified by risk. Category 1 includes investments that are insured or registered, or securities held by the Corrections Commission of Northwest Ohio or its agent in the Corrections Commission of Northwest Ohio. Category 2 includes uninsured and unregistered, with securities held by the counter-party trust department or agent in the Corrections Commission of Northwest Ohio. Category 3 includes uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Corrections Commission of Northwest Ohio. STAR Ohio is unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	<u>Category 1</u>	<u>Fair Value</u>	<u>Market Value</u>
Repurchase Agreements	\$ 1,707,003	\$ 1,707,003	\$ 1,881,681

CORRECTIONS COMMISSION OF NORTHWEST OHIO
WILLIAMS COUNTY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2001

NOTE 4 - DEFINED BENEFIT PENSION PLANS

The District's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. As of December 31, 2001, the District picks up the employee contribution of 8.5 percent of the employees' gross wages. The District also contributed an amount equal to 13.55 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2001.

NOTE 5 - INSURANCE

The Commission 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 100 percent co-insured.

NOTE 6 - CONTINGENT LIABILITIES

The Commission has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These 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 Commission Commissioners believe such disallowances, if any, will be immaterial.

The Commission is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Commission's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Commission.

NOTE 7 - LEASE COMMITMENT

Prior to the 2001 calendar year, the Commission had entered into lease agreements with the following; D & M Leasing, Inc. for a copy machine; Towlift for a pneumatic tire fork lift truck; Pitney Bowes Credit Corporation for a mailing machine and D & M Leasing, Inc. for a copy machine. Rental expense for the operating lease for the year ended December 31, 2001 was \$12,552.

The total future minimum rental payments required for the operating lease are as follows:

<u>December 31,</u>	
2002	5,396
2003	5,121
2004	1,482



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enn, Inc.

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Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Corrections Commission of Northwest Ohio
Williams County, Ohio

I have audited the financial statements of Corrections Commission of Northwest Ohio as of and for the year ended December 31, 2001, and have issued my report thereon dated April 21, 2003. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Corrections Commission of Northwest Ohio's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Corrections Commission of Northwest Ohio's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information of Corrections Commission of Northwest Ohio, the Auditor of State of Ohio, and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Kevin L. Penn, Inc.

April 21, 2003

Corrections Commission of Northwest Ohio
Summary Schedule of Prior Audit Findings
December 31, 2001

2000-1

Bank Reconciliation

Condition:

The cash balances in the cash reconciliation report, were not reconciled to the bank reconciliation on a monthly basis.

Recommendation:

To improve control regarding cash accounts, I recommend that reconciliations performed on each bank account, be reconciled to the cash balances maintained on the cash reconciliation report, on a monthly basis. By performing this procedure, the risk of presenting inaccurate financial statements will be significantly reduced.

Current Status:

The finding has been corrected, and does not warrant further action.



**Auditor of State
Betty Montgomery**

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CORRECTIONS COMMISSION OF NORTHWEST OHIO

WILLIAMS 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
AUGUST 21, 2003**