



Mary Taylor, CPA
Auditor of State

**FOXFIRE HIGH SCHOOL
MUSKINGUM COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Foxfire High School
Muskingum County
2805 Pinkerton Road
P.O. Box 1818
Zanesville, Ohio 43701

To the Board of Directors:

We have audited the accompanying basic financial statements of the Foxfire High School, Muskingum County, Ohio (the School), a component unit of the Maysville Local School District, Muskingum County, Ohio, as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the School'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foxfire High School, Muskingum County, Ohio, as of June 30, 2009, and the changes in financial position and cash flows 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 February 10, 2010, on our consideration of the School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 10, 2010

Foxfire High School
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The discussion and analysis of the Foxfire High School's (the School) financial performance provides an overall review of the School's financial activities for the fiscal year ended June 30, 2009. Readers should also review the basic financial statements and notes to enhance their understanding of the School's financial performance.

Highlights

The School opened for its first year of operation in fiscal year 2004 for high school age students and above who have dropped out or are at risk of dropping out of school. During fiscal year 2009, the School provided services to 251 full-time students.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements.

The statement of net assets and the statement of revenues, expenses, and changes in net assets reflect how the School did financially during fiscal year 2009. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal years' revenues and expenses regardless of when cash is received or paid.

These statements report the School's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the School has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating.

All of the School's activities are reported in a single enterprise fund.

Table 1 provides a summary of the School's net assets for 2009 compared to 2008:

Foxfire High School
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Total assets increased \$9,175 which is primarily due to an increase in cash and cash equivalents in the amount of \$137,754. The increase in cash and cash equivalents is a result of an increase in the number of students. During fiscal year 2008, 160 students were enrolled in the School and in fiscal year 2009, 251 students were enrolled in the School. The increase in cash and cash equivalents is offset by a decrease in intergovernmental receivables in the amount of \$130,698. During fiscal year 2009, the School expended the full amount of grant funding received by June 30, 2009.

Table 2 reflects the changes in net assets for fiscal year ended June 30, 2009 and comparisons to fiscal year 2008.

Table 2
Change in Net Assets

| | 2009 | 2008 | Change |
|---|------------------|--------------------|------------------|
| <u>Operating Revenues:</u> | | | |
| Foundation | \$1,668,559 | \$1,076,301 | \$592,258 |
| Tuition and Fees | 250 | 880 | (630) |
| Charges for Services | 31,152 | 0 | 31,152 |
| Total Operating Revenues | <u>1,699,961</u> | <u>1,077,181</u> | <u>622,780</u> |
| <u>Non-Operating Revenues:</u> | | | |
| Grants | 214,783 | 480,762 | (265,979) |
| Interest Revenue | 1,932 | 8,767 | (6,835) |
| Other Non-Operating Revenue | 8,767 | 3,367 | 5,400 |
| Total Other Non-Operating Revenues | <u>225,482</u> | <u>492,896</u> | <u>(267,414)</u> |
| Total Revenues | <u>1,925,443</u> | <u>1,570,077</u> | <u>355,366</u> |
| <u>Operating Expenses:</u> | | | |
| Purchased Services | 1,818,000 | 1,680,203 | 137,797 |
| Materials and Supplies | 40,220 | 32,711 | 7,509 |
| Depreciation | 495 | 376 | 119 |
| Total Operating Expenses | <u>1,858,715</u> | <u>1,713,290</u> | <u>145,425</u> |
| Total Increase (Decrease) in Net Assets | <u>\$66,728</u> | <u>(\$143,213)</u> | <u>\$209,941</u> |

During fiscal year 2009, operating and non-operating revenues increased \$355,366. These increases are primarily due to an increase in foundation revenue in the amount of \$592,258. The increase in foundation revenue was a result of an increase in enrollment combined with an increase in the students that met the special education criteria. The increase in foundation revenue is offset by a decrease in grant revenue. During fiscal year 2008, the School received \$260,000 in Public Charter School Program – Dissemination Grant funds and \$129,960 in ABC Community Partnership Grant funds. During fiscal year 2009, the School did not receive Public Charter School Program grant funds or ABC Community Partnership Grant funds.

Foxfire High School
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

During fiscal year 2009, operating expenses increased \$145,425. The increase in operating expenses is primarily due to an increase in purchased services in the amount of \$137,797. The increase in purchased services is primarily due to an increase in student enrollment which required the School to contract with the Sponsor for additional teaching services.

Budgeting

The School is not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705.

Capital Assets and Debt Administration

Capital Assets

During fiscal year 2009, the School had \$6,252 in capital assets.

Debt

The School did not incur any debt during fiscal year 2009.

Current Design

The School is different than a traditional high school in that the School is designed to be an open, non-discriminatory atmosphere where students can work at their own pace to earn a high school diploma. The school operates under the "Care Team" philosophy by joining forces with the area social agencies in an effort to increase a student's developmental assets and eliminate the barriers to academic achievement. The School's staff meets weekly with its "Care Team" to identify the students who are struggling, determine the barriers and provide supportive services to help those students overcome their problems so they can achieve success in school.

Contacting the Foxfire High School's Financial Management

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Lewis Sidwell, Treasurer, Foxfire High School, PO Box 1818, Zanesville, Ohio 43701. You may also E-mail the treasurer at lsidwell@laca.org.

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Foxfire High School
Statement of Net Assets
June 30, 2009

Assets:

Current Assets:

| | |
|------------------------------|----------------|
| Cash and Cash Equivalents | \$279,085 |
| Intergovernmental Receivable | 1,750 |
| Total Current Assets | <u>280,835</u> |

Noncurrent Assets:

| | |
|---------------------------------|----------------|
| Depreciable Capital Assets, Net | 6,252 |
| Total Assets | <u>287,087</u> |

Liabilities:

Current Liabilities:

| | |
|---------------------------|----------------|
| Accounts Payable | 6,097 |
| Intergovernmental Payable | 10 |
| Due to Primary Government | 159,012 |
| Total Liabilities | <u>165,119</u> |

Net Assets:

| | |
|----------------------------|-------------------------|
| Invested in Capital Assets | 6,252 |
| Unrestricted | 115,716 |
| Total Net Assets | <u><u>\$121,968</u></u> |

See accompanying notes to the basic financial statements

Foxfire High School
Statement of Revenues, Expenditures, and Changes in Net Assets
For the Fiscal Year Ended June 30, 2009

Operating Revenues:

| | |
|--------------------------|------------------|
| Foundation | \$1,668,559 |
| Tuition and Fees | 250 |
| Charges for Services | 31,152 |
| Total Operating Revenues | <u>1,699,961</u> |

Operating Expenses:

| | |
|--------------------------|------------------|
| Purchased Services | 1,818,000 |
| Materials and Supplies | 40,220 |
| Depreciation | 495 |
| Total Operating Expenses | <u>1,858,715</u> |

| | |
|----------------|------------------|
| Operating Loss | <u>(158,754)</u> |
|----------------|------------------|

Non-Operating Revenues:

| | |
|------------------------------|----------------|
| Grants | 214,783 |
| Interest | 1,932 |
| Other Non-Operating Revenues | 8,767 |
| Total Non-Operating Revenues | <u>225,482</u> |

| | |
|----------------------|--------|
| Change in Net Assets | 66,728 |
|----------------------|--------|

| | |
|------------------------------|-------------------------|
| Net Assets Beginning of Year | 55,240 |
| Net Assets End of Year | <u><u>\$121,968</u></u> |

See accompanying notes to the basic financial statements

Foxfire High School
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2009

| | |
|--|-------------|
| <u>Increase (Decrease) in Cash and Cash Equivalents</u> | |
| <u>Cash Flows from Operating Activities:</u> | |
| Cash Received from Foundation | \$1,662,001 |
| Cash Received from Tuition and Fees | 250 |
| Cash Received from Charges for Services | 31,152 |
| Cash Payments to Suppliers for Goods and Services | (1,909,215) |
| Other Non-Operating Revenues | 8,767 |
| | 8,767 |
| Net Cash Used for Operating Activities | (207,045) |
| <u>Cash Flows from Noncapital Financing Activities:</u> | |
| Operating Grants Received | 345,481 |
| <u>Cash Flows from Capital and Related Financing Activities:</u> | |
| Acquisition of Capital Assets | (2,614) |
| <u>Cash Flows from Investing Activities:</u> | |
| Interest on Investments | 1,932 |
| | 1,932 |
| Net Increase in Cash and Cash Equivalents | 137,754 |
| Cash and Cash Equivalents Beginning of Year | 141,331 |
| | 141,331 |
| Cash and Cash Equivalents End of Year | \$279,085 |
| | \$279,085 |
| <u>Reconciliation of Operating Loss to</u> | |
| <u>Net Cash Used for Operating Activities:</u> | |
| Operating Loss | (\$158,754) |
| Other Non-Operating Revenues | 8,767 |
| <u>Adjustments to Reconcile Operating Loss</u> | |
| <u>to Net Cash Used for Operating Activities:</u> | |
| Depreciation | 495 |
| <u>Changes in Liabilities:</u> | |
| Increase (Decrease) in Liabilities: | |
| Increase in Accounts Payable | 847 |
| Decrease in Intergovernmental Payable | (27,940) |
| Decrease in Due to Primary Government | (23,902) |
| Decrease in Deferred Revenue | (6,558) |
| | (6,558) |
| Net Cash Used for Operating Activities | (207,045) |
| | (207,045) |

See accompanying notes to the basic financial statements

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Foxfire High School
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 1 - Description of the School

The Foxfire High School (the School) is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702. The School is an approved tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School's tax exempt status. The School's mission is to help at-risk students meet Ohio's graduation requirements. The School focuses on ensuring that basic survival needs are met so that students can achieve success in school. The School serves high school age students and above who have dropped out or are at risk of dropping out of school. A particular emphasis is placed on assisting parents and/or pregnant students obtain a high school diploma.

The School was created on September 3, 2003 by entering a four year contract with the Maysville Local School District (the Sponsor). The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration. The Sponsor is also the fiscal agent of the School with the Treasurer of the Sponsor completing the role of Treasurer for the School.

The School operates under the direction of a five-member Board of Directors made up of five community members recommended by the Executive Director after consulting with the Sponsor's superintendent. All governing authority members should live and/or work in the Zanesville-Muskingum County community as well as represent the interest of the Muskingum County community. The Board of Directors approves the School's staff of six noncertified and nine certificated full time teaching personnel who provide services to 251 students. The School is a component unit of the Sponsor. The sponsor is able to impose its will on the School and due to their relationship with the Sponsor it would be misleading to exclude them. The Sponsor can suspend the School's operations for any of the following reasons: 1) The School's failure to meet student performance requirements stated in its contract with the Sponsor; 2) The School's failure to meet generally accepted standards of fiscal management; 3) The School's violation of any provisions of the contract with the Sponsor or applicable state or federal law; or 4) Other good cause. The Board of Directors are responsible for carrying out the provisions of the contract which include, but are not limited to, helping create, approve, and monitor the annual budget, develop policies to guide operations, secure funding, and maintain a commitment to vision, mission, and belief statements of the School and the students it serves. The School used the facilities of the Sponsor.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School have been prepared in conformity with generally accepted accounting principals (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The entity has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989. The more significant of the School's accounting policies are described below.

A. Basis of Presentation

The School's basic financial statements consist of a statement of net assets; a statement of revenues, expenses, and changes in net assets; and a statement of cash flows.

The School uses a single enterprise fund to present its financial records for the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Foxfire High School
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Enterprise fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods or services.

B. Measurement Focus

Fund Financial Statements

The enterprise fund is accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the School are included on the statement of net assets. The statement of revenues, expenses, and changes in net assets presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets. The statement of cash flows reflects how the School finances meet its cash flow needs.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The School's financial statements are prepared using the accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Revenue resulting from nonexchange transactions, in which the School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Expenses are recognized at the time they are incurred.

D. Budgetary Process

Unlike other public schools located in the State of Ohio, community schools are not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705, unless specifically provided by the School's contract with its Sponsor. The contract between the School and its Sponsor does not prescribe an annual budget requirement in addition to preparing a 5-year forecast, which is updated on an annual basis.

E. Cash and Cash Equivalents

Cash received by the School is reflected as "Cash and Cash Equivalents" on the statement of net assets. Investments with original maturities of three months or less at the time they are purchased are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months are reported as investments. During fiscal year 2009, the School had no investments.

F. Capital Assets

The School's capital assets during fiscal year 2009 consisted of computer equipment, video equipment and a sign. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market values as of the date received. The School maintains a capitalization threshold of one thousand dollars. All of the School's reported capital assets are depreciated using the straight-line method over the useful life.

Foxfire High School
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

G. Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net assets reports no restricted net assets and has no monies restricted by enabling legislation.

Net assets restricted for other purposes include federal grants restricted to expenditures for specified purposes.

The School applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

H. Operating Revenues and Expenses

The School currently participates in the State Foundation Program and the State Special Education Program. Revenues received from these programs are recognized as operating revenues in the accounting period in which they are earned and become measurable.

Other operating revenues are those revenues that are generated directly from the primary activity of the School. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the School. All revenues and expenses not meeting this definition are reported as non-operating.

I. 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 may differ from those estimates.

Note 3 - Deposits

The following information classifies deposits by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

At June 30, 2009, the carrying amount of the School's deposits was \$279,085 and the bank balance was \$280,503. \$250,000 of the bank balance was covered by federal depository insurance. There are no significant statutory restrictions regarding the deposit and investment of funds by the nonprofit corporation. Monies held by the School are classified by State statute into three categories.

Note 4 – Capital Asset Note

Capital asset activity for the fiscal year ended June 30, 2009, was as follows:

| | Balance | | | Balance |
|-------------------------------|----------------|----------------|------------|----------------|
| | June 30, 2008 | Additions | Deletions | June 30, 2009 |
| Equipment | \$4,509 | \$2,614 | \$0 | \$7,123 |
| Less Accumulated Depreciation | (376) | (495) | 0 | (871) |
| Capital Assets, Net | <u>\$4,133</u> | <u>\$2,119</u> | <u>\$0</u> | <u>\$6,252</u> |

Foxfire High School
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 5 – Intergovernmental Receivable

Receivables at June 30, 2009, consisted of intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

A summary of principal items of intergovernmental receivables follows:

| Business-Type Activities | <u>Amounts</u> |
|---|----------------|
| Food Service Breakfast/ Lunch Reimbursement | \$1,750 |

Note 6 – Risk Management

The School is exposed to various risks of loss related to torts; errors and omissions; and natural disasters. During the fiscal year ended June 30, 2009, the School had liability insurance through the Maysville Local School District's policy.

Note 7 – Purchased Services

For the period July 1, 2008 through June 30, 2009, purchased service expenses were for the following services:

| <u>Type</u> | <u>Amount</u> |
|-------------------------------------|---------------------------|
| Professional and Technical Services | \$1,811,419 |
| Audit Services | 6,581 |
| Total | <u><u>\$1,818,000</u></u> |

Note 8 – Related Party Transactions

The Board of Directors of the School consists of five community members recommended by the Executive Director of the School after consulting with Maysville Local School District's (the Sponsor's) superintendent.

The School is presented as a component unit of the Sponsor. For fiscal year 2009, \$943,013 was provided by the Sponsor for administrative, fiscal, and student services provided to the School. The School paid all but \$159,012 of this amount as of June 30, 2009. This amount is reflected as a Due to Primary Government in the financial statements.

During fiscal year 2009, the School paid the Sponsor \$2,200 per full time equivalent student to cover rent, administrative services, maintenance services, and support services provided by the Sponsor. The School is located in a portion of facilities previously utilized by the Sponsor.

Note 9 - Contingencies

A. Grants

The School received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed

Foxfire High School
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School at June 30, 2009.

B. Ohio Department of Education Enrollment Review

The Ohio Department of Education (ODE) conducts reviews of enrollment data and full time equivalency (FTE) calculations made by the School. These reviews are conducted to ensure the School is reporting accurate student enrollment data to the State, upon which state foundation funding is calculated.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Foxfire High School
Muskingum County
2805 Pinkerton Road
P.O. Box 1818
Zanesville, Ohio 43701

To the Board of Directors:

We have audited the financial statements of the Foxfire High School, Muskingum County, Ohio (the School), a component unit of the Maysville Local School District, Muskingum County, Ohio, as of and for the year ended June 30, 2009, and have issued our report thereon dated February 10, 2010. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the School's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the School's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the School's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the School's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the School's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the audit committee, management, the Board of Directors, and the Community School's sponsor. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 10, 2010



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Foxfire High School
Muskingum County
2805 Pinkerton Road
P.O. Box 1818
Zanesville, Ohio 43701

To the Board of Directors:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board of Directors, solely to assist the Board in evaluating whether Foxfire High School (the School) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board of Directors adopted an anti-harassment policy at its meeting on December 11, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that shall include the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
 - (6) A procedure for documenting any prohibited incident that is reported;

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- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States; and
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and the School's sponsor, Maysville Local School District, and is not intended to be and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

February 10, 2010



Mary Taylor, CPA
Auditor of State

FOXFIRE HIGH SCHOOL

MUSKINGUM 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
MARCH 2, 2010**