



Dave Yost • Auditor of State



**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Statement of Net Assets as of June 30, 2010.....	7
Statement of Revenues, Expenses and Changes in Net Assets For the Year Ended June 30, 2010.....	8
Statement of Cash Flows for the Year Ended June 30, 2010.....	9
Notes to the Financial Statements .....	11
Federal Awards Receipts and Expenditures Schedule.....	23
Notes to Federal Awards Receipts and Expenditures Schedule .....	24
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	25
Independent Accountants' Report on Compliance with Requirements Applicable to its Major Federal Program and on Internal Control over Compliance Required by OMB Circular A-133 .....	27
Schedule of Findings .....	29
Schedule of Prior Audit Findings .....	30

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Citizens' Academy  
Cuyahoga County  
1827 Ansel Road  
Cleveland, Ohio 44106

To the Board of Directors:

We have audited the accompanying financial statements of the business-type activities of Citizens' Academy, Cuyahoga County, Ohio (the Academy), as of and for the year ended June 30, 2010, which collectively comprise the Academy's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Academy's management. Our responsibility is to express opinions 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Citizens' Academy, Cuyahoga County, Ohio, as of June 30, 2010, and the respective 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 3, 2011, on our consideration of the Academy'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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the Academy's basic financial statements taken as a whole. The federal awards receipts and expenditures schedule provides additional information required by the 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 basic financial statements. The federal awards receipts and expenditure schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



**Dave Yost**  
Auditor of State

February 3, 2011

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
Unaudited

The discussion and analysis of Citizens' Academy (the Academy) provides an overall review of the Academy's financial activities for the year ended June 30, 2010. The intent of the discussion and analysis is to look at the Academy's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Academy's financial performance.

***Financial Highlights***

Key financial highlights affecting 2010 are as follows:

Total Assets increased by \$98,853 mainly due to an increase in Grants Receivable for ARRA funding.

Total Current Liabilities decreased by \$51,301 mainly due to lower Accounts Payable and Due to Other Governments.

In total, Net Assets increased \$150,155.

Operating Revenues totaled \$2,969,610 for the year, an increase of \$55,705 from the prior year.

Non-Operating Revenues totaled \$1,547,579 for the year, an increase of \$432,160 from the prior year. The increase is mainly due to the receipt of ARRA funding and an increase in fundraising of \$112,921.

This annual report consists of financial statements and notes to those statements. These statements are organized so the reader can understand the Academy as a financial whole.

The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets provide information about the activities of the Academy. The Academy has one major fund for business-type activities.

***Statement of Net Assets and Statement of Revenues, Expenses and Changes in Net Assets***

The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets answer the question, "How did we do financially during 2010?" These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received.

These statements report the Academy's net assets and the change in those assets. Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
Unaudited

The table below provides a summary of the Academy's net assets for fiscal years 2010 and 2009:

**Table 1  
NET ASSETS**

<u><b>Assets:</b></u>	<u><b>JUNE 30, 2010</b></u>	<u><b>JUNE 30, 2009</b></u>
<u><b>Current Assets:</b></u>		
Cash and Cash Equivalents	\$ 923,890	\$ 961,879
Receivables:		
Federal Title Funds	195,132	64,925
Gifts and Grants	95,936	15,000
Intergovernmental	55,745	32,483
Other (Net of Allowance)	4,885	20,335
Prepaid Expenses	47,618	41,032
<b>Total Current Assets</b>	<b>1,323,206</b>	<b>1,135,654</b>
<u><b>Non-Current Assets:</b></u>		
Deposits on Leased and Other Property	15,000	15,000
Assets Permanently Restricted	5,000	5,000
Other Assets	1,213	409
Capital Assets (Net of Accumulated Depreciation)	1,116,418	1,205,921
<b>Total Non-Current Assets</b>	<b>1,137,631</b>	<b>1,226,330</b>
<b>Total Assets</b>	<b>2,460,837</b>	<b>2,361,984</b>
<u><b>Liabilities and Equity:</b></u>		
<u><b>Current Liabilities:</b></u>		
Accounts Payable	49,247	58,816
Due to Other Governments	-	27,851
Accrued Payroll	213,060	215,393
Accrued Rent	85,886	92,698
Other	-	4,737
<b>Total Current Liabilities</b>	<b>348,193</b>	<b>399,495</b>
<u><b>Net Assets</b></u>		
Investment in Capital Assets, net of related debt	1,116,418	1,205,921
Unrestricted	996,226	756,568
<b>Total Net Assets</b>	<b>\$ 2,112,644</b>	<b>\$ 1,962,489</b>

The increase in Total Assets is due to the addition of ARRA funds and the Dissemination Grant. The decrease in Current Liabilities is primarily due to timing.



**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
Unaudited

The table below shows the changes in the net assets for fiscal years 2010 and 2009:

**Table 2  
Changes in Net Assets**

	<b>FOR THE YEAR ENDED</b>	
	<b>June 30, 2010</b>	<b>June 30, 2009</b>
<b><u>Operating Revenues:</u></b>		
Foundation Payments	\$ 2,877,087	\$ 2,827,864
Other Operating Revenues	92,523	86,041
<i>Total Operating Revenues</i>	<u>2,969,610</u>	<u>2,913,905</u>
<b><u>Operating Expenses:</u></b>		
Salaries	2,348,938	2,213,260
Fringe Benefits	596,323	608,725
Purchased Services	1,082,255	961,851
Materials and Supplies	113,930	264,398
Depreciation	143,802	146,263
Other Operating Expenses	81,786	71,212
<i>Total Operating Expenses</i>	<u>4,367,034</u>	<u>4,265,709</u>
<b>Operating Loss</b>	<u>(1,397,424)</u>	<u>(1,351,804)</u>
<b><u>Non-Operating Revenues:</u></b>		
Federal and State Grants	1,079,515	755,883
Private Grants and Contributions	465,048	352,127
Investment Earnings	3,016	7,409
<i>Total Non-Operating Revenues</i>	<u>1,547,579</u>	<u>1,115,419</u>
<b><u>Net Assets</u></b>		
Net Increase/(Decrease) in Net Assets	150,155	(236,385)
Total Net Assets at Beginning of the Year	<u>1,962,489</u>	<u>2,198,874</u>
<b>Total Net Assets at End of Year</b>	<b><u>\$ 2,112,644</u></b>	<b><u>\$ 1,962,489</u></b>

Foundation payments accounted for 96% of the Operating Revenues. Community school foundation payments are received from the Ohio Department of Education (ODE) based on various student enrollment data submitted to ODE throughout the school year. Foundation payments increased by \$49,223.

Operating expenses for 2010 totaled \$4,367,036 which represents an increase of \$101,325 over the prior year. This is mainly due to the new ARRA funds and Dissemination Grant.

**General Budget Highlights**

The Academy prepares a detailed operating budget that facilitates the achievement of the Academy's mission as established by the Board of Directors and ensures the Academy's financial stability and organizational continuity. This budget, approved annually by the Board for the upcoming fiscal year, is compared to actual monthly financial reports and discussed at all Board meetings.

**CITIZENS' ACADEMY  
 CUYAHOGA COUNTY**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2010  
 Unaudited

The table reflects capital assets, net of accumulated depreciation, as of June 30, 2010 and 2009.

**Table 3  
 Capital Assets (Net of Accumulated Depreciation)**

	<u>JUNE 30, 2010</u>	<u>JUNE 30, 2009</u>
Leasehold Improvements	\$ 969,736	\$ 1,049,441
Construction in progress	10,451	10,451
Materials, furniture, equipment & computers	136,231	146,029
<b>Total</b>	<b><u>\$ 1,116,418</u></b>	<b><u>\$ 1,205,921</u></b>

Playground furniture reported in FY2009 has been reclassified to Materials, furniture, equipment & computers.

The separation of office furniture & equipment reported in FY09 was removed to mirror the EMIS Capital Asset reporting.

The Academy's investment in capital assets for its activities as of June 30, 2010 amounts to \$1,116,418.

The Academy has no long-term loan obligations outstanding.

**Contacting the Academy's Financial Management**

The financial report is designed to provide all interested parties with a general overview of the Academy's finances. If you have any questions about this report or need additional information, contact the Academy's Executive Director, Perry White, at Citizens' Academy, 1827 Ansel Road, Cleveland, Ohio 44106, and phone number 216-791-4195.

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

Statement of Net Assets  
As of June 30, 2010

**Assets:**

**Current Assets:**

Cash and Cash Equivalents	\$ 923,890
Receivables:	
Federal Title Funds	195,132
Gifts and Grants	95,936
Intergovernmental	55,745
Other (Net of Allowance)	4,885
Prepaid Expenses	47,618
<i>Total Current Assets</i>	<u>1,323,206</u>

**Non-Current Assets:**

Deposits on Leased and Other Property	15,000
Assets Permanently Restricted	5,000
Other Assets	1,213
Capital Assets (Net of Accumulated Depreciation)	1,116,418
<i>Total Non-Current Assets</i>	<u>1,137,631</u>

<i>Total Assets</i>	<u><u>2,460,837</u></u>
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**Liabilities and Equity:**

**Current Liabilities:**

Accounts Payable	49,247
Due to Other Governments	-
Accrued Payroll	213,060
Accrued Rent	85,886
Other	-
<i>Total Current Liabilities</i>	<u>348,193</u>

**Net Assets**

Investment in Capital Assets, net of related debt	1,116,418
Unrestricted	996,226
<i>Total Net Assets</i>	<u><u>\$ 2,112,644</u></u>

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

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

Statement of Revenues, Expenses and Changes in Net Assets  
For the Fiscal Year June 30, 2010

**Operating Revenues:**

Foundation Payments	\$ 2,877,087
Other Operating Revenues	<u>92,523</u>
<i>Total Operating Revenues</i>	<u>2,969,610</u>

**Operating Expenses:**

Salaries	2,348,938
Fringe Benefits	596,323
Purchased Services	1,082,255
Materials and Supplies	113,930
Depreciation	143,802
Other Operating Expenses	<u>81,786</u>
<i>Total Operating Expenses</i>	<u>4,367,034</u>
Operating Loss	(1,397,424)

**Non-Operating Revenues:**

Federal and State Grants	1,079,515
Private Grants and Contributions	465,048
Investment Earnings	<u>3,016</u>
<i>Total Non-Operating Revenues</i>	<u>1,547,579</u>

**Net Assets**

Net Increase in Net Assets	150,155
Total Net Assets at Beginning of the Year	<u>1,962,489</u>
Total Net Assets at End of Year	<u><u>\$ 2,112,644</u></u>

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

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2010

<b>Cash flows from operating activities:</b>	
Cash received from State of Ohio	\$2,877,087
Cash received from other operations	156,412
Cash payments for salaries and wages	(2,364,010)
Cash payments for fringe benefits	(605,928)
Cash payments to suppliers for purchased services	(1,064,904)
Cash payments for materials and supplies	(142,277)
Cash payments for other expenses	(115,033)
Net cash used in operating activities	<u>(1,258,653)</u>
 <b>Cash flows from noncapital financing activities:</b>	
Federal and State grants	795,846
Contributions and donations	476,905
Net cash provided by noncapital financing activities	<u>1,272,751</u>
 <b>Cash flows from capital and related financing activities:</b>	
Acquisition of capital assets	<u>(54,299)</u>
Net cash used in capital and related financing activities	(54,299)
 <b>Cash flows from investing activities:</b>	
Interest received	<u>2,212</u>
Net cash provided by investing activities	2,212
Net increase/(decrease) in cash and cash equivalents	(37,989)
<b>Cash and cash equivalents at beginning of year</b>	<u>961,879</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>923,890</u></u>
 <b>Reconciliation of operating loss to net cash used in operating activities:</b>	
<b>Operating loss</b>	(1,397,424)
<b>Adjustments:</b>	
Depreciation	143,802
Donated Services	3,260
 <b>Changes in assets and liabilities:</b>	
Decrease in accounts receivable	15,450
(Increase) in Prepaid Expenses	(6,586)
(Decrease) in accounts payable	(9,569)
(Decrease) in accrued expenses	(2,333)
(Decrease) in accrued rent	(6,812)
Increase in payroll withholding	1,559
Net cash used in operating activities	<u><u>(\$1,258,653)</u></u>

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

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**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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**I. DESCRIPTION OF THE SCHOOL AND REPORTING ENTITY**

Citizens Academy (the Academy) is a nonprofit corporation established June 10, 1998, pursuant to Ohio Revised Code Chapters 3314 and 1702 to maintain and provide a school and is organized as a tax exempt organization under § 501(c)(3) of the Internal Revenue Code exclusively for educational purposes. These purposes include the fostering of quality public education, and the advancement of the interests of public school students through the operation of a community school, the development of innovative programs in public education and the development of systems of accountability for public school student performance. Management is not aware of any course of action or series of events that have occurred that might adversely affect the Academy's tax-exempt status. The Academy, which is part of Ohio's education program, is independent of any school district. The Academy may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the Academy.

A proposal was initially forwarded to the Ohio Department of Education by the Academy during September 1998 to open a community school in the fall of 1999. The Ohio Department of Education approved the proposal and entered into a contract with the Academy that provided for the commencement of operations at the beginning of the 1999-2000 school year.

As of June 30, 2010, the Academy operated under an eighteen-member Board of Directors. The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualification of teachers. The Board of Directors controls the Academy's instructional facility staffed by twenty-nine certificated full-time teaching personnel who provide services to 390 students.

**II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Basis of Presentation**

The Academy'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.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**2. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the Statement of Net Assets. Operating statements present increases (*e.g.*, revenues) and decreases (*e.g.*, expenses) in net total assets.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Academy's financial statements are prepared using the accrual basis of accounting. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded when the exchange takes place. Revenues resulting from non-exchange transactions, in which the Academy receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the year when use is first permitted; matching requirements, in which the Academy must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis. Expenses are recognized at the time they are incurred.

**3. Cash and Cash Equivalents**

All monies received by the Academy are deposited in the name of the Academy at KeyBank. Investments are managed in accounts with Key Investment Services. For presentation on the Statement of Net Assets and Statement of Cash Flows, investments with an original maturity of three months or less are considered cash equivalents.

**4. Capital Assets and Depreciation**

Capital assets are capitalized at cost and updated for additions and retirements during the year. The Academy maintains a capitalization threshold of \$500, except



**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

for items purchased from Federal Title funds, which have a \$300 threshold. The Academy does not possess any infrastructure. Donated capital assets are recorded at their fair market values as of the date received.

Leasehold improvements are also capitalized. The costs 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. All reported capital assets are depreciated.

Depreciation and amortization of leasehold improvements, computers and equipment, furniture, and classroom materials are computed using the straight-line method over their estimated useful lives. Improvements to fixed assets are depreciated over the remaining useful lives of the related fixed assets.

<u>Capital Asset Classification</u>	<u>Years</u>
Leasehold Improvements	20
Computers and Equipment	5
Appliances	7
Software	3
Classroom Furniture	10
Classroom Materials	5

**5. Intergovernmental Revenues**

The Academy currently participates in the State Foundation Program. Revenues received from this program is recognized as operating revenues in the accounting period in which all eligibility requirements have been met.

Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Academy must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis.

**6. Compensated Absences**

Vacation for teaching staff is to be taken in a manner that corresponds with the school calendar; therefore, the Academy does not accrue vacation time as a liability.

Vacation benefits for non-teaching staff are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

already rendered and it is probable that the Academy will compensate the employees for the benefits through paid time off or some other means. The Academy records a liability for accumulated unused vacation time when earned. Accrued vacation pay totaling \$47,928 is reported on the Statement of Net Assets under Accrued Payroll.

Sick time and other paid time off are not compensatable if this PTO is not taken. The unused PTO can be carried over into the next school year. Therefore, no liability was recorded.

7. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2010, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

8. Private Grants and Donations

The Academy has received funds from private foundations and individuals to support the Academy's educational programs.

9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Academy or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Academy presently has no restricted net assets.

10. Use of 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.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**III. BUDGETING**

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Section 5705. The contract between the Academy and its Sponsor requires a detailed school budget for each year of the contract; however, the budget does not have to follow the provisions of Ohio Revised Code Section 5705.

The Academy's Board adopts a formal budget at the beginning of the school year. Spending limits are set based on projected revenue from the State of Ohio and other known sources. The Board's adoption of the budget states that actual expenditures are "not to exceed" budget amounts. The Academy's Principal and Executive Director are responsible for ensuring that purchases are made within these limits. Any variances from the budget are presented to the Board for approval.

**IV. RECEIVABLES**

Receivables at June 30, 2010, consisted of private foundation grants, intergovernmental (e.g., Federal and state grants, childcare vouchers), reimbursements and Before and After School Enrichment Program fees. All receivables from Federal, State, and local governments are considered collectible in full, due to the stable condition of state programs, the current-year guarantee of Federal funds, and the financial stability of the foundation sources.

**V. DEPOSITS**

Custodial credit risk is the risk that in the event of bank failure, the Academy will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$802,125 of the Academy's bank balance of \$1,077,125 was uninsured and uncollateralized. Although the collateral securities were held by the pledging institution's trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Academy to a successful claim by the FDIC.

The Academy has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Academy or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits secured.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

**VI. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2010, was as follows:

	<b>Balance 06/30/09</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 06/30/10</b>
Leasehold Improvements	\$1,680,837	\$9,979	\$0	\$1,690,816
Computers, Furniture, and Equipment	322,540	11,690	0	334,230
Classroom Materials and Furniture	179,538	32,630	0	212,168
Marketing Materials	1,658	0	0	1,658
Playground Equipment	27,911	0	0	27,911
Construction in Progress	10,451	0	0	10,451
Totals at Historical Cost	<u>2,222,935</u>	<u>54,299</u>	<u>0</u>	<u>2,277,234</u>
Leasehold Improvements	(631,396)	(89,684)	0	(721,080)
Computers, Furniture, and Equipment	(225,462)	(31,141)	0	(256,603)
Classroom Materials and Furniture	(136,634)	(20,186)	0	(156,820)
Marketing Materials	(1,658)	(0)	0	(1,658)
Playground Equipment	(21,864)	(2,791)	0	(24,655)
Total Depreciation	<u>(1,017,014)</u>	<u>(143,802)</u>	<u>0</u>	<u>(1,160,817)</u>
Net Capital Assets	<u>\$1,205,921</u>	<u>\$(89,503)</u>	<u>\$0</u>	<u>\$1,116,418</u>

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**VII. LEASES**

The Academy leases its facilities from The Temple-Tifereth Israel under a five-year lease agreement. This lease was effective July 1, 1999, and expired June 30, 2004. The lease provides the Academy with an option to renew for three additional five-year terms. The Academy exercised its option to renew for the third five-year term which expires June 30, 2014. The lease agreement between the Academy and The Temple-Tifereth Israel provides for lease payments on a fixed scheduled increase basis plus 9 percent of total revenue up to a yearly rental cap amount.

**VIII. RISK MANAGEMENT**

**1. Property and Liability**

The Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2010, the Academy contracted with Ohio Casualty and Travelers Insurance Companies for all of its insurance.

General liability is covered at \$1,000,000 single occurrence limit and \$2,000,000 aggregate. Hired and Non-Owned Vehicles are covered at \$1,000,000 combined single limit of liability. Other coverage includes Directors and Officers, Employee Crime, bonding for fiscal agents and Sexual Abuse and Misconduct. Settled claims have not exceeded this commercial coverage in any of the past three years, and there have been no significant reductions in insurance coverage from the prior year.

**2. Workers' Compensation**

The Academy makes premium payments to the Ohio Workers' Compensation System (WC) for employee injury coverage. As of June 30, 2010, there have been two claims filed by employees with WC for the year ending June 30, 2006. In the opinion of management, these claims will not have a material adverse effect on the overall financial position of the Academy at June 30, 2010.

**3. Employee Medical, Dental, and Vision Benefits**

The Academy provides medical, dental, and vision insurance benefits to all full-time employees. Insurance premiums are paid by the Academy for each employee who elects to have coverage. Those employees who are eligible for coverage but choose not to take it are entitled to \$1,000 on a pro-rata basis. During the 2010 fiscal year, the costs to the Academy for medical, dental, and vision insurance benefits, net of employee contributions of 22 percent of medical premiums, were \$184,606.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**IX. PENSION PLANS**

**A. School Employees Retirement System**

Plan Description - The Academy contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the Academy is required to contribute at an actuarially determined rate. The current School rate is 14 percent of annual covered payroll. A portion of The Academy's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The Academy's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$112,295, \$101,459 and \$95,792 respectively; 96.92 percent has been contributed for fiscal year 2010 and 79.80 percent for fiscal year 2009 and 100 percent for 2008.

**B. State Teachers Retirement System of Ohio**

Plan Description – The Academy participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**VIII. PENSION PLANS (Continued)**

**B. State Teachers Retirement System (Continued)**

earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – For fiscal year 2010, plan members were required to contribute 10 percent of their annual covered salaries. The Academy was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The Academy's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$199,966, \$195,246 and \$134,401, respectively; 100 percent has been contributed for fiscal year 2010, 85.44 percent was contributed for 2009 and 100 percent for 2008.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**X. POST-EMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

Plan Description – The Academy participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement Systems (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with the Internal Revenue Code Section 401h. For 2010, .46 percent of covered payroll was allocated to health care. In addition employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The Academy's contributions for health care for the fiscal years ended June 30, 2010, 2009 and 2008 were \$ 3,689, \$32,702 and \$23,065, respectively; 96.92 percent has been contributed for fiscal year 2010, 79.80 percent for 2009 and 100 percent for fiscal year 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2008, this actuarially required allocation was 0.66 percent of covered payroll. The Academy's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009 and 2008 were \$ 6,094, \$5,896 and \$6,902, respectively; 96.92 percent has been contributed for FY10 and 73.24 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008.



**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**X. POST-EMPLOYMENT BENEFITS (Continued)**

**B. State Teachers Retirement System of Ohio (Continued)**

Plan Description – The Academy contributes to the cost sharing, multiple employer defined benefit Health Plan (the “Plan”) administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians’ fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The Academy’s contributions for health care for the fiscal years ended June 30, 2010, 2009 and 2008 were \$15,382, \$15,019 and \$10,339, respectively; 100 has been contributed for fiscal year 2010, 85.44 percent has been contributed for fiscal year 2009 and 100 percent for fiscal year 2008.

**XI. SCHOOL FUNDING**

The Ohio Department of Education conducts reviews of enrollment and full-time equivalency (FTE) calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the state, upon which state foundation funding is calculated. The conclusions of this review could result in state funding being adjusted.

**XII. CONTINGENCIES**

Grants

The Academy 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 is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Academy. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Academy at June 30, 2010.

**CITIZENS' ACADEMY**  
**— A Community School —**  
**CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(Continued)**

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**XIII. PURCHASED SERVICES**

Purchased Services for FY2010 include the following:

Professional & Technical	\$ 632,778
Property Services	413,309
Travel, Mileage Meeting	23,266
Communications	10,502
Other	<u>2,400</u>
Total	<u>\$ 1,082,255</u>

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY  
FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Disbursements
<b><u>U.S. Department of Agriculture</u></b>			
<i>Passed Through the Ohio Department of Education</i>			
Children Nutrition Cluster: School Breakfast Program	10.553	\$33,323	\$33,323
National School Lunch Program	10.555	108,502	108,502
Total Nutrition Cluster		141,825	141,825
<b>Total U.S. Department of Agriculture</b>		141,825	141,825
<b><u>U.S. Department of Education</u></b>			
<i>Passed Through the Ohio Department of Education</i>			
<i>Special Education Cluster:</i>			
Special Education Preschool Grants	84.173	1,673	1,720
Special Education Grants To States	84.027	81,270	85,303
Special Education Grants to States, Recovery Act	84.391	41,052	52,384
Total Special Education Cluster		123,995	139,407
Title I Grants to Local Educational Agencies	84.010	293,781	345,493
Title I Grants to Local Educational Agencies, Recovery Act	84.389	165,287	186,813
Total Title I Grants		459,068	532,306
Safe and Drug-Free Schools and Communities State Grants	84.186	2,410	3,550
State Grants for Innovative Programs	84.298	272	0
Education Technology State Grants	84.318	1,790	3,000
Improving Teacher Quality State Grants	84.367	25,870	33,869
State Fiscal Stabilization Fund (SFSF) Education State Grants, Recovery Act	84.394	183,617	183,617
Charter School Dissemination Grant	84.282	24,390	45,930
<b>Total U.S. Department of Education</b>		821,412	941,679
<b>Total Federal Assistance</b>		\$963,237	\$1,083,504

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

**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Citizens' Academy (the Academy) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

The Academy commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the Academy assumes it expends federal monies first.

**CFDA – Catalog of Federal Domestic Assistance**



# Dave Yost • Auditor of State

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

Citizens' Academy  
Cuyahoga County  
1827 Ansel Road  
Cleveland, Ohio 44106

To the Board of Directors:

We have audited the financial statements of the business-type activities of Citizens' Academy, Cuyahoga County, (the Academy) as of and for the year ended June 30, 2010, which collectively comprise the Academy's basic financial statements and have issued our report thereon dated February 3, 2011. 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 Academy's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Academy's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Academy's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Academy's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Academy'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 did note certain matters not requiring inclusion in this report that we reported to the Academy's management in a separate letter dated February 3, 2011.

We intend this report solely for the information and use of the audit committee, management, the Board of Directors, the Community School's sponsor, federal awarding agencies, pass-through entities, and others within the Community. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

February 3, 2011



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Citizens' Academy  
Cuyahoga County  
1827 Ansel Road  
Cleveland, Ohio 44106

To the Board of Directors:

### Compliance

We have audited the compliance of Citizens' Academy, Cuyahoga County, Ohio, (the Academy) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect Citizens' Academy major federal program for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the Academy's major federal program. The Academy's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the Academy'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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Academy's compliance with those requirements.

In our opinion, Citizens' Academy, Cuyahoga County, Ohio, complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2010.

### Internal Control Over Compliance

The Academy's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Academy's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Academy's internal control over compliance.

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801  
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**Internal Control Over Compliance (Continued)**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

We intend this report solely for the information and use of the audit committee, management, the Board of Directors, the Community School's sponsor, others within the Community, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Dave Yost**  
Auditor of State

February 3, 2011



**CITIZENS' ACADEMY  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
FISCAL YEAR END JUNE 30, 2010**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Title I: Grants to Local Educational Agencies CFDA #84.010 and 84.389
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

CITIZENS' ACADEMY  
CUYAHOGA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2010

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2009-001	Finding for Recovery, Repaid Under Audit	Yes	



# Dave Yost • Auditor of State

**CITIZENS' ACADEMY**

**CUYAHOGA 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 1, 2011**