



Dave Yost • Auditor of State

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Criminal Justice Coordinating Council
Lucas County
One Government Center, Suite 1720
Toledo, Ohio 43604

To the Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and remaining fund information of the Criminal Justice Coordinating Council, Lucas County, Ohio (the Council), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. The prior year comparative information has been derived from the 2011 audited financial statements and, in the report dated July 26, 2012, included an unqualified opinion on those financial statements. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Council's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and remaining fund information of the Criminal Justice Coordinating Council, Lucas County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Council's basic financial statements taken as a whole. The Schedule of Operating Revenues presents additional analysis and is not a required part of the basic financial statements.

The Schedule of Operating Revenues and the Schedule of Federal Award Expenditures are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these schedules 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, and other additional procedures 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated, May 24, 2013 on our consideration of the Council'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State

May 24, 2013

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**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

The following Management's Discussion and Analysis (MD&A) section of the Criminal Justice Coordinating Council's (the Council) financial report represents a discussion and analysis of the Council's financial performance during the fiscal year ended December 31, 2012. Please read it in conjunction with the Council's financial statements, which follow this section.

Financial Highlights

Key financial highlights for 2012 are as follows:

- In total, Net Position decreased \$245,813 or (-26.1%) from 2011. Ending Net Position amounted to \$697,682 at December 31, 2012.
- Total Assets decreased \$123,090 or (5.6%), including net capital asset additions of \$367,608 during 2012.
- Total Liabilities and Deferred Inflows of Resources increased by \$122,723 or (9.7%) from 2011. The accounts payable liability increased by \$251,495 or (436%) which includes several large expenses related to the LESHSP and security upgrades. Overall deferred inflows of resources decreased \$208,352 or (26.6%). This was primarily a result of lower federal grant fund balances at year end. Deferred revenue at December 31, 2012 included grant revenue from federally funded grants, the Anne E. Casey Foundation which is a privately funded grant, SAFETI, Law Enforcement State Homeland Security Program (LESHSP, formerly LETPP), Ohio Court Network (OCN), UASI, CourTools and Kiosk projects
- The Council had \$4,775,108 in operating expenses and \$4,660,942 in operating revenues. Non-operating revenues and expenses totaled \$1,047.
- Grants administered by Council increased \$173,220 or (17.5%) from 2011.

Using This Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Council as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statements of Net Position, similar to a traditional balance sheet, presents information regarding assets and liabilities. The net assets of Council as of December 31, 2012 represent the difference between the total assets and total liabilities.

The Statements of Revenues, Expenses, and Changes in Net Position, similar to a traditional Profit and Loss (P&L) Statement, reports the operating and non-operating revenues and expenses which, upon combining, determine the total change in net assets for the current year.

The Statements of Cash Flows reports cash and cash equivalent activities for the fiscal year resulting from operating activities, capital and related financing, and investing activities. The net result of these activities added to the beginning of the year's cash and cash equivalents balance reconciles to the cash and cash equivalents balance at the end of the current fiscal year.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

The Statements of Net Position – The Agency Fund is used to account for resources held for the benefit of parties outside Council. This fund is not reflected in the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position or the Statements of Cash Flows as the resources of the fund are not available to support the Council's own programs.

Reporting Council as a Whole

Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

While this document contains the fund used by Council to provide its program, the view of Council as a whole encompasses all financial transactions and asks the question, "How did we do financially during 2012?" The Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position answers this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Council's *net position* and changes in those assets. This change in net assets is important because it tells the reader that, for the Council as a whole, the *financial position* of Council has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the continued availability of grant funds at the federal, state and local levels.

In the Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position, the Council is presented as one activity, business-type.

- Business-type activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided.

Reporting the Council's Fund

Fund Financial Statements

The Council has only one fund, therefore, additional fund level statements are not presented.

Council as a Whole

Business-type activities

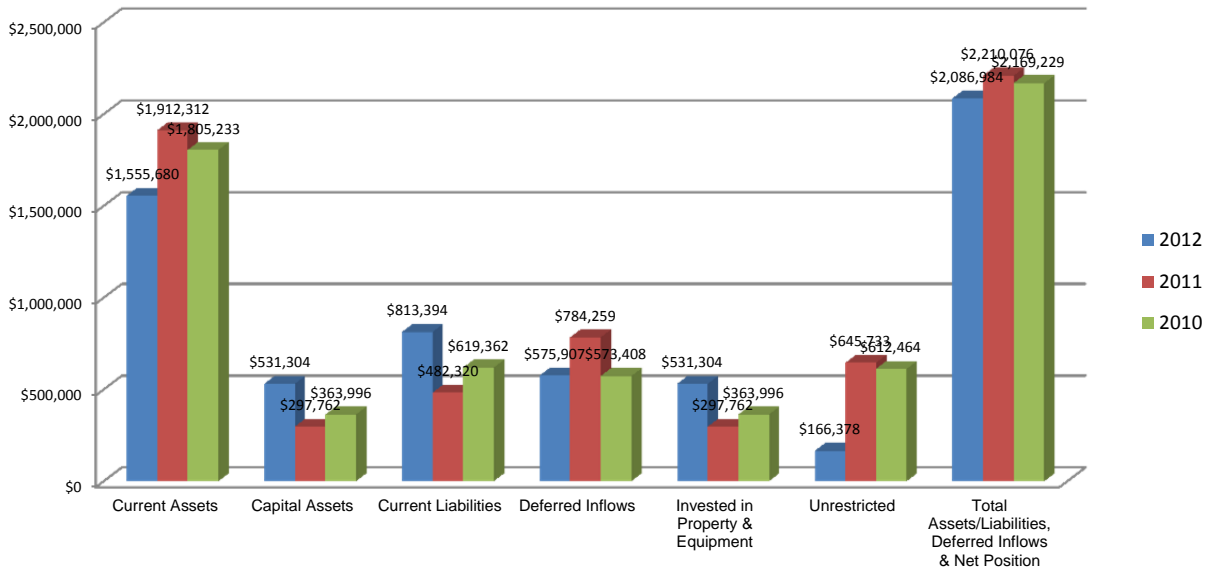
Table 1 shows net assets for fiscal years 2012, 2011 and 2010 for comparison purposes.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

Table 1

	Business-Type Activities		
	2012	2011	2010
Assets			
Current	\$ 1,555,681	\$ 1,912,312	\$ 1,805,233
Capital Assets	531,303	297,762	363,996
Total Assets	<u>\$ 2,086,984</u>	<u>\$ 2,210,074</u>	<u>\$ 2,169,229</u>
Current Liabilities	\$ 813,395	\$ 482,320	\$ 619,361
Deferred Inflows of Resources	575,907	784,259	573,408
Net Position			
Invested in Property and Equipment	531,304	297,762	363,996
Unrestricted	166,378	645,733	612,464
Total Net Position	<u>697,682</u>	<u>943,495</u>	<u>976,460</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 2,086,984</u>	<u>\$ 2,210,074</u>	<u>\$ 2,169,229</u>



**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

Total assets decreased 5.6% in fiscal year 2012. Total cash and cash equivalents (current assets) were down 30% or \$483,253 from 2011.

Current liabilities increased 68.6% in fiscal year 2012, due mainly to an increase in outstanding accounts payable at December 31.

What are the Council's Revenue Sources? The Council receives much of its revenue from contract services to the City of Toledo and Lucas County and operating grants. Sources of these grants are federal, state and local. The Council has multiple functions, with the major function being improving the justice system in the Toledo/Lucas County area, and all revenue is used to support this function.

Table 2 shows the change in net assets for fiscal years 2012, 2011 and 2010 for comparison purposes.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

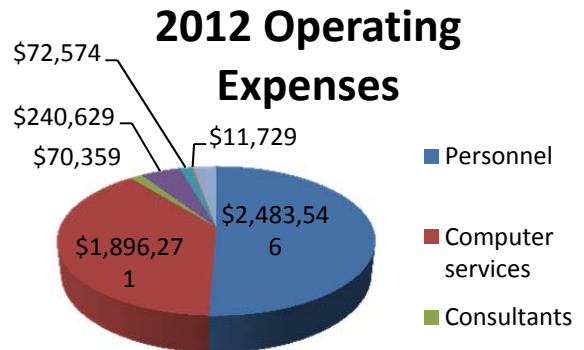
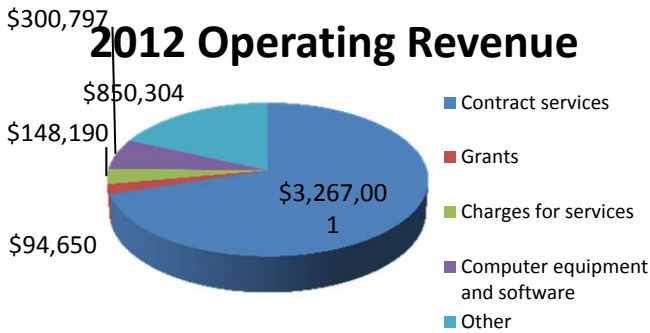
Table 2

	Business-Type Activities		
	2012	2011	2010
<u>OPERATING REVENUE:</u>			
Contract Services	\$ 3,267,001	\$ 3,208,768	\$ 3,479,879
Grants	94,650	141,030	115,460
Charges for Services	148,190	169,223	167,513
Computer Equipment and Software	300,797	111,634	191,729
Other	850,304	697,864	229,203
TOTAL OPERATING REVENUES	4,660,942	4,328,519	4,183,784
<u>OPERATING EXPENSES:</u>			
Personnel	2,483,546	2,473,640	2,602,891
Computer Services	1,896,271	1,333,866	956,965
Consultants	70,359	83,531	159,997
Support Costs	240,629	230,754	273,005
Other	72,574	105,489	112,467
Supplies	11,729	12,148	12,000
TOTAL OPERATING EXPENSES	4,775,108	4,239,428	4,117,325
Operating loss before depreciation	(114,166)	89,091	66,459
Depreciation	132,694	123,863	147,766
Operating loss	(246,860)	(34,772)	(81,307)
<u>NON-OPERATING REVENUES AND EXPENSES:</u>			
Grant Revenues	1,164,592	991,372	1,016,580
Less: Grant Allocations to Subrecipients	(1,164,592)	(991,372)	(1,016,580)
Interest Income	1,047	1,807	2,707
TOTAL NON-OPERATING REVENUES AND EXPENSES	1,047	1,807	2,707
Changes in Net Position	(245,813)	(32,965)	(78,600)
Net Position Beginning of Year	943,495	976,460	1,055,060
Net Position End of Year	\$ 697,682	\$ 943,495	\$ 976,460

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

In fiscal year 2012, operating revenues increased 7.7% primarily from a combination of the LESHSP grant revenue and an increase of reimbursed computer supply purchases. Expenditures increased 12.6% primarily due to security upgrade expenses and LESHSP grant purchases in 2012.



Enterprise Fund Budgeting Highlights

The Council is not required to establish a budget per Ohio Revised Code.

Capital Assets and Debt Administration

At the end of fiscal year 2012, the Council had \$531,303 net investment in capital assets as compared to \$297,762 at December 31, 2011. Council had no debt during 2012.

Contacting the Criminal Justice Coordinating Council's Financial Management

This financial report is designed to provide our citizens, taxpayers, patrons and creditors with a general overview of the Council's finances and to show the Council's accountability for the funds it receives or spends. If you have any questions about this report or need financial information, contact the Director of Administrative Services, Criminal Justice Coordinating Council, One Government Center, Suite 1720, Toledo, OH 43604 or call (419) 213-3800.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**STATEMENTS OF NET POSITION
DECEMBER 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 859,839	\$ 1,169,786
Cash and cash equivalents - Restricted	269,878	443,184
Accounts receivable	114,512	82,418
Grants receivable	81,230	29,387
Prepaid expenses	230,222	187,537
Total current assets	1,555,681	1,912,312
Non-current assets		
Property and equipment	1,956,903	1,634,508
Accumulated depreciation	(1,425,600)	(1,336,746)
Net property and equipment	531,303	297,762
Total assets	\$ 2,086,984	\$ 2,210,074
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current liabilities		
Accounts payable	\$ 309,152	\$ 57,657
Grants payable	85,857	40,650
Accrued payroll and related expenses	86,198	66,195
Matured compensated absences payable	332,188	317,818
Total current liabilities	813,395	482,320
Deferred inflows of resources		
Grants	575,907	784,259
Net position		
Net investment in capital assets	531,303	297,762
Unrestricted net assets	166,379	645,733
Total Net Position	697,682	943,495
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,086,984	\$ 2,210,074

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Operating revenues		
Contract services	\$ 3,267,001	\$ 3,208,768
Grants	94,650	141,030
Charges for services	148,190	169,223
Computer equipment and software	300,797	111,634
Other	850,304	697,864
	<hr/>	<hr/>
Total operating revenues	4,660,942	4,328,519
Operating expenses		
Personnel	2,483,546	2,473,640
Computer services	1,896,271	1,333,866
Consultants	70,359	83,531
Support costs	240,629	230,754
Other	72,574	105,489
Supplies	11,729	12,148
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Total operating expenses	4,775,108	4,239,428
Operating loss before depreciation	(114,166)	89,091
Depreciation	<hr/>	<hr/>
	132,694	123,863
Operating loss	(246,860)	(34,772)
Non-operating revenue and expense		
Grant revenues	1,164,592	991,372
Less: Grant allocations to subrecipients and vendors	(1,164,592)	(991,372)
Interest income	1,047	1,807
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Total non-operating revenue, net	1,047	1,807
Change in net position	(245,813)	(32,965)
Net position at beginning of the year	<hr/>	<hr/>
	943,495	976,460
Net position at end of the year	<hr/> <hr/>	<hr/> <hr/>
	\$ 697,682	\$ 943,495

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011**

	2012	2011
Cash flows from operating activities		
Cash received for services	\$ 4,587,171	\$ 4,384,454
Cash paid to employees	(2,449,176)	(2,529,516)
Cash paid to others	(2,082,752)	(1,782,755)
Net cash provided by operating activities	55,243	72,183
Cash flows from non-capital financing activities		
Cash received from grants	946,078	1,267,522
Cash paid for grant allocations	(1,118,013)	(1,022,253)
Net cash provided by (used in) non-capital financing activities	(171,935)	245,269
Cash flows from capital and related financing activities		
Purchase of property and equipment	(367,608)	(57,628)
Cash flows from investing activities		
Interest received on cash and cash equivalents	1,047	1,805
Net increase (decrease) in cash	(483,253)	261,629
Cash at beginning of year	1,612,970	1,351,341
Cash at end of year	\$ 1,129,717	\$ 1,612,970
Reconciliation of operating loss to net cash provided by (used in) operating activities		
Operating loss	\$ (246,860)	\$ (34,772)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	132,694	123,863
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(32,094)	82,141
Prepaid expenses	(42,685)	33,316
Increase (decrease) in:		
Accounts payable	251,495	(50,284)
Accrued payroll and related expenses	20,003	(44,303)
Accrued vacation and sick	14,370	(11,574)
Deferred revenue	(41,680)	(26,204)
Net cash provided by operating activities	\$ 55,243	\$ 72,183

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**STATEMENTS OF NET POSITION - AGENCY FUND
DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Restricted cash	\$ 23,030	\$ 19,965
Total assets	<u>\$ 23,030</u>	<u>\$ 19,965</u>
LIABILITIES AND NET POSITION		
Liabilities - amounts held for others	\$ 23,030	\$ 19,965
Total liabilities	<u>\$ 23,030</u>	<u>\$ 19,965</u>

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Note 1—Reporting entity

Description of the entity

The Criminal Justice Coordinating Council (the Council) is an entity organized to promote cooperation and coordination between and among separate governmental units and agencies for improving the criminal justice system in the Toledo/Lucas County area through planning, analysis, technical assistance, training, and information management. The Council provides these services in three major areas. The first major area is the Northwest Ohio Regional Information System (NORIS) project which provides applications programming, computer training, computer hardware and network support services for an automated regional information system for local criminal justice agencies. Regional planning efforts is the second major area in which the Council provides services and includes planning, grants management, and coordinating efforts for local criminal justice agencies and units of government. The third major area is an administrative services component that is responsible for coordinating activities between project areas.

The Agency fund type is used to account for and maintain assets held in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Activity of the Metro Drug Task Force and the Toledo Police Department (TPD) Vice Narcotics Unit accounts is included in this fund. Agency funds are custodial in nature and do not involve measurement of results of operations.

Note 2—Summary of significant accounting policies

The basic financial statements of the Council have been prepared in conformity with accounting principles generally accepted in the United States of America (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 preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. The Council's significant accounting policies are described below:

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

Revenue from charges for services is reported as operating revenues. Expenses from employee wages and benefits, purchases of services, materials and supplies and other miscellaneous expenses are reported as operating expenses.

Non-operating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. Non-operating revenues and expenses include revenues and expenses from grant management, capital and related financing activities, and investing activities. Expenses relating to disbursements of grant allocations to subrecipients are reported as non-operating expenses.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 2—Summary of significant accounting policies - continued

Cash and cash equivalents

For purposes of the statements of cash flows, the Council considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts receivable

Accounts receivable are comprised of contracts, and other receivables primarily from governmental entities. Receivables are considered fully collectible at December 31, 2012 and 2011, and reflect market value. Accordingly, no allowance for doubtful accounts is deemed necessary. When amounts are deemed to be uncollectible, they are expensed in the year in which that determination is made.

Prepaid expenses

Prepaid expenses represent computer maintenance and other agreements paid in or prior to December 31, 2012 and 2011, and expire in subsequent years.

Property and equipment

Property and equipment are stated at cost (or estimated historical cost) and updated for the costs of additions and retirements during the year. The Council capitalizes assets with a cost over \$1,000. Depreciation of property and equipment is based upon the estimated useful lives, ranging from three to forty years, of the various assets and is computed using the straight-line method.

Compensated absences

The Council follows GASB No. 16, *Accounting for Compensated Absences*, which requires that a liability be accrued for sick leave and vacation if it is probable that the employee will be compensated through a cash payment. The liability is accrued using the vesting method. The Council employees accumulate sick leave at a rate of 15 days per year. Upon retirement, if the employee has completed twenty or more years of service with the Council, reimbursement for sick leave shall be at the employee's final rate of pay for no more than one-third (1/3) of their accrued but unused sick leave credit, not to exceed three hundred and twenty (320) hours. Payments at retirement for accumulated sick leave are calculated using the rate of compensation at the date of retirement.

The Council employees accumulate vacation leave at a rate between two and five weeks per year, depending on their length of service. The Council policy restricts employees from carrying forward more than three (3) years of vacation accrual per calendar year. Any unused leave is paid out upon termination or retirement.

Economic dependency

The Council provides services to the City of Toledo and Lucas County. For the years ended December 31, 2012 and 2011, 35% and 39% of total operating revenues were received from City of Toledo and 12% and 11% of total operating revenues were received from Lucas County, respectively. At December 31, 2012 and 2011, accounts receivable from the City of Toledo and Lucas County totaled \$0.

Net position

Net position represents the difference between assets (and deferred outflows of resources) and liabilities (and deferred inflows of resources). Net investment in capital assets represent capital assets, reduced by accumulated depreciation.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 2—Summary of significant accounting policies - continued

Restricted Assets

Restricted Assets consist of monies and other resources which are restricted by specific agreements. At December 31, 2012 and 2011, restricted cash and cash equivalents for grant allocations represent restricted assets for payment of future grant funding requests by sub recipients.

Note 3—Accountability and Compliance

For fiscal year 2012, the Council has implemented GASB Statement No. 62, *“Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,”* GASB Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position”* and GASB Statement No. 65, *“Items Previously Classified as Assets and Liabilities”*.

Statement No. 62 incorporated into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements.

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government’s net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed. The implementation of GASB Statement No. 63 did not have an effect on the financial statements of the Council.

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The requirements of this Statement will improve financial reporting by clarifying the appropriate use of the financial statement elements, deferred outflows of resources, and deferred inflows of resources to ensure consistency in financial reporting. The implementation of GASB Statement No. 65 did not have an effect on the financial statements of the Council.

Note 4—Cash and Investments

The Council has designated Fifth Third Bank for the deposit of funds and the Toledo Police Federal Credit Union for the deposit of the Council’s Agency Funds. The Council’s cash and cash equivalents are primarily subject to custodial credit risk, as further explained below.

Custodial credit risk is the risk that, in the event of bank failure, the Council’s deposits may not be returned to it. Protection of the Council’s deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of Council funds shall be required to pledge as security for repayment of all public moneys.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 4—Cash and Investments – continued

At December 31, 2012, the carrying value of the Council's deposits is as follows:

	Carrying Amount	Bank Balance
Demand Deposits	<u>\$1,152,747</u>	<u>\$1,233,345</u>

Of the bank balance, \$250,000 was covered by the Federal Depository Insurance Corporation and \$983,345 was uninsured and collateralized by securities held by the pledging institution's trust department, not in the Council's name.

At December 31, 2012, the Council had no investments.

Note 5—Property and equipment

A summary of the changes in property and equipment, by asset type, is as follows:

	Balance 1/1/2012	Additions	Disposals	Balance 12/31/2012
Property and equipment:				
Leasehold improvements	\$ 161,047			\$ 161,047
Furniture and fixtures	31,424			31,424
Computer equipment	1,415,121	\$ 367,608	\$ (45,213)	1,737,516
Office equipment	9,585			9,585
Vehicles	17,331			17,331
Total property and equipment	1,634,508	367,608	(45,213)	1,956,903
Accumulated Depreciation:				
Furniture and Fixtures	\$ (31,424)			(31,424)
Computer Equipment	(1,123,094)	\$ (128,896)	\$ 43,840	(1,208,149)
Office Equipment	(9,337)	(332)		(9,669)
Vehicles	(11,843)	(3,466)		(15,309)
Other	(161,048)			(161,048)
	(1,336,746)	(132,694)	43,840	(1,425,600)
Net property and equipment	\$ 297,762	\$ 234,914	\$ (1,373)	\$ 531,303

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 5—Property and equipment – continued

	<u>Balance</u> <u>1/1/2011</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/2011</u>
Property and equipment:				
Leasehold improvements	\$ 161,047			\$ 161,047
Furniture and fixtures	31,424			31,424
Computer equipment	1,383,701	\$ 57,652	(26,232)	1,415,121
Office equipment	9,585			9,585
Vehicles	17,331			17,331
Total property and equipment	<u>1,603,089</u>	<u>57,652</u>	<u>(26,232)</u>	<u>1,634,508</u>
Accumulated Depreciation:				
Furniture and Fixtures	(31,424)			(31,424)
Computer Equipment	(1,029,224)	(120,079)	26,209	(1,123,094)
Office Equipment	(9,020)	(317)		(9,337)
Vehicles	(8,376)	(3,467)		(11,843)
Other	(161,048)			(161,048)
	<u>(1,239,092)</u>	<u>(123,863)</u>	<u>26,209</u>	<u>(1,336,746)</u>
Net property and equipment	<u>\$ 363,997</u>	<u>\$ (66,211)</u>	<u>\$ (23)</u>	<u>\$ 297,762</u>

Note 6—Lease commitments

Operating leases

In April, 2003, the Council entered into an operating lease for a new office facility under a subleasing agreement with the City of Toledo which expired April 2008. The current arrangement is a month to month lease with monthly rent payments of \$11,250. This amount includes operating expenses such as electricity and maintenance. Total rent expense under this building lease for the years ended December 31, 2012 and 2011 was \$135,000 per year.

The Council entered into a sixty month operating lease for a copier in September 2009. Total payments which include copier supplies and the lease expense amounted to \$3,473 and \$3,691, respectively, for the years ended December 31, 2012 and 2011.

The minimum future annual rental commitment under all the Council leases at December 31, 2012 is as follows:

<u>Year</u>	
2013	\$ 1,892
2014	1,261
	<u>\$ 3,153</u>

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 7—Pension and other post-employment benefits

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The employees of the Council are covered by the Ohio Public Employees Retirement System (OPERS). OPERS provides retirement and disability benefits, annual cost of living adjustments and survivor death benefits to members and beneficiaries of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Chapter 145 of the Ohio Revised Code (ORC) provides the statutory authority to establish and amend benefits. The OPERS issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4262, calling (614) 222-5601 or 800-222-7377 or accessing the OPERS web site at <https://www.opers.org/investments/cafr.shtml>.

The ORC provides statutory authority for member and employer contributions. The member contribution rates were 10.0% for 2012, 2011, and 2010. During 2012, 2011, and 2010, the employer contribution rate was 14.00% of covered payroll. The Council's contributions to OPERS for the years ending December 31, 2012, 2011, and 2010 were \$272,037, \$278,075, and \$267,510, respectively, and were equal to the required contribution for those years. The accrued portion related to OPERS expense as of December 31, 2012, 2011, and 2010 is \$19,447, \$22,383, and \$24,110, respectively.

All benefits are established by legislature pursuant to ORC Chapter 145. Members are eligible for retirement benefits at age 60 with 5 years or 60 contributing months of service credit, at age 55 with 25 or more years of service credit, or at any age with 30 or more years of service credit. The annual benefit is based on final average salary, multiplied by a specific percentage based on service and type of plan. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit amounts. Upon reaching minimum retirement age, benefits are vested at the time of eligibility for monthly benefits.

Other post-employment benefits

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pensions plan; the Member Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan.

OPERS provides retirement, disability, survivor and death benefits as well as post-retirement health care coverage, including a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plan must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 7—Pension and other post-employment benefits-continued

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits. OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care was 4.0% for members in the Traditional Plan and 6.05% for members in the Combined Plan for calendar year 2012. The ORC provides the statutory authority to require public employers to fund post-retirement health care through their contributions to OPERS. Employer contributions made to fund post-employment benefits were approximately \$77, 721 for calendar year 2012.

On September 9, 2004 the OPERS Board of Trustees adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures the OPEBS's health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

Under the HCPP, retirees for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

Note 8—Ohio public employees deferred compensation program

The Council employees participate in a statewide deferred compensation plan created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred wages and any earned income are not subject to taxes until actually received by the employee.

Note 9—Risk management

The Council maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Property and equipment are 90% coinsured. A liability policy covers all employees, elected and appointed officials, board members, and volunteers. None of the Council's settlements have exceeded the insurance coverage for any of the past three fiscal years.

The Council provides health insurance to its employees in conjunction with Lucas County. Lucas County is self-insured for health and dental benefits. The Council is charged for its participant's share of the cost for its covered employees. The unpaid claim liability, if any, has not been determined.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(Continued)**

Note 10–Settlement

On October 17, 1997, the Council entered into a settlement agreement with a computer consultant it sued for breach of contract. Under the terms of the agreement, the Council received a settlement of \$800,000. The settlement is to be received in quarterly installments of \$7,500 plus the proceeds from an escrow account and any proceeds received from the settling defendant's bankruptcy trustee. Amounts related to the settlement are recorded as revenue when they are received. In 2012, the Council received three payments totaling \$2,600. In 2011, the Council received two payments totaling \$13,000, and in 2010, the Council received four payments totaling \$14,000, which were paid to the County of Lucas and the City of Toledo to reimburse the County and the City for funds they paid to the Council for the consultant. The amount of proceeds, if any that will be received when the bankruptcy is settled is undeterminable.

Note 11–Commitments and contingencies

Grants

The Council received financial assistance from federal 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 claims resulting from such audits could become a liability of the Council. However, in the opinion of the Council management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Council at December 31, 2012 and 2011.

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**SCHEDULES OF OPERATING REVENUES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Operating revenues:		
Contract services		
City of Toledo	\$ 1,602,515	\$ 1,669,287
Lucas County	576,186	491,270
CCNO	302,116	316,996
Other	786,184	731,215
Total contract services	<u>3,267,001</u>	<u>3,208,768</u>
Grants	94,650	141,030
Charges for services	148,190	169,223
Computer equipment and software		
Computer supply reimbursement	300,797	111,634
Other		
Agency equipment	809,268	682,316
Solitaire settlement	2,600	13,000
Miscellaneous	38,436	2,548
Total other	<u>850,304</u>	<u>697,864</u>
Total operating revenues	<u><u>\$ 4,660,942</u></u>	<u><u>\$ 4,328,519</u></u>

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**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2012**

FEDERAL GRANTOR	Federal	Pass-Through	
<i>Pass-through Grantor</i>	CFDA	Grantor	
Program Files	Number	Number	Disbursements
UNITED STATES DEPARTMENT OF JUSTICE			
<i>Passed through the Ohio Department of Youth Services</i>			
Juvenile Justice Delinquency			
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	09-JJ-1095	\$ 21,953
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	09-JJ-1095S	45,331
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	09-JJ1096	17,679
Juvenile Justice Delinquency Prevention Block (Title II) - Administration	16.540	10-JJ-ADM-0287	6,269
Juvenile Justice Delinquency Prevention Block (Title II) - Administration	16.540	10-JJ-ADM-0288	20,000
Total Juvenile Justice Delinquency			111,232
Juvenile Accountability			
Juvenile Accountability Block Grant	16.523	10-JB-1001	28,749
<i>Passed through Ohio Office of Criminal Justice Services</i>			
Violence Against Women Act			
Stop Violence Against Women Block Grant	16.588	10-WF-1088	63,123
Stop Violence Against Women Block Grant	16.588	11-WF-1088	178,923
Violence Against Women Act - Administration	16.588	10-WF-ADM-8826	391
Violence Against Women Act - Administration	16.588	11-WF-ADM-8826	12,931
Total Violence Against Women Act			255,368
<i>United States Department of Justice Bureau of Justice Assistance</i>			
Justice Assistance Grant			
Justice Assistance Grant Collaboration Project	16.738	10-DJ-BX-0169	14,777
Justice Assistance Grant Collaboration Project	16.738	11-DJ-BX-3495	384,767
Justice Assistance Grant Collaboration Project	16.738	12-DJ-BX-0206	161,048
Justice Assistance Grant Administration	16.738	10-JG-ADM-7575	21,872
Justice Assistance Grant Administration	16.738	11-JG-ADM-7575	19,373
Total CFDA # 16.738			601,837
ARRA Justice Assistance Grant Collaboration Project	16.804	09-SB-B9-1332	29,123
Total Justice Assistance Grant			630,960
TOTAL FEDERAL AWARDS EXPENDITURES			\$ 1,026,309

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Note 1–Basis of presentation

The federal grant operations are included in the scope of the Office of Management and Budget’s (OMB) Circular A-133 audit (Single Audit). The Single Audit was performed in accordance with the provisions of the OMB *Compliance Supplement for Single Audits of States, Local Government, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

The accompanying schedule of federal awards expenditures includes all federal grants to the Council which had activity during the year ended December 31, 2012. This schedule has been prepared on the cash basis of accounting. Grant revenues are recorded for financial reporting purposes when the Council has met the qualifications for the respective grants. Certain funds are passed on to subrecipients upon receipt.

Note 2–Subrecipient grants

The Council provided cash basis disbursements under federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided To Subrecipients
Juvenile Accountability Block Grant	16.523	\$28,749
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	84,963
Violence Against Women Block Grant	16.588	242,046
Justice Assistance Block Grant	16.738	560,591
American Recovery and Reinvestment Act (ARRA): Justice Assistance Block Grant	16.804	29,123
		\$945,472



Dave Yost • Auditor of State

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

Criminal Justice Coordinating Council
Lucas County
One Government Center, Suite 1720
Toledo, Ohio 43604

To the Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the business-type activities and the remaining fund information of the Criminal Justice Coordinating Council, Lucas County, Ohio (the Council), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated May 24, 2013, in which we noted the prior year comparative information has been derived from the 2011 audited financial statements and, in the report dated July 26, 2012, included an unqualified opinion on those financial statements.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Council's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Council's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Council'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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

May 24, 2013



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Criminal Justice Coordinating Council
Lucas County
One Government Center, Suite 1720
Toledo, Ohio 43604

To the Council:

Report on Compliance for Each Major Federal Program

We have audited the Criminal Justice Coordinating Council's, Lucas County, Ohio (the Council), compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Criminal Justice Coordinating Council's major federal programs for the year ended December 31, 2012. The *Summary of Audit Results* in the accompanying schedule of findings identifies the Council's major federal programs.

Management's Responsibility

The Council's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Council's compliance for each of the Council's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Council's major programs. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on the Major Federal Program

In our opinion, the Criminal Justice Coordinating Council complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2012.

One Government Center, Suite 1420, Toledo, Ohio 43604-2246
Phone: 419-245-2811 or 800-443-9276 Fax: 419-245-2484

www.ohioauditor.gov

Report on Internal Control Over Compliance

The Council's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Council's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Council's internal control over compliance.

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's applicable 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.



Dave Yost
Auditor of State

May 24, 2013

**CRIMINAL JUSTICE COORDINATING COUNCIL
LUCAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Justice Assistance Grant CFDA # 16.738; Justice Assistance Grant - ARRA CFDA # 16.804
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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CRIMINAL JUSTICE COORDINATING COUNCIL

LUCAS 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
JUNE 11, 2013**