



Dave Yost • Auditor of State

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Liberty Exemplary Academic Design Academy
Trumbull County
326 E. Main Street
Ravenna, Ohio 44266

Portage County Educational Service Center
Spectrum Office Tower
326 E. Main Street
Ravenna, Ohio 44266

To Liberty Exemplary Academic Design Academy and the Sponsor:

We have selectively tested certain accounts, financial records, files, and reports of the Liberty Exemplary Academic Design Academy, Trumbull County, Ohio (LEAD), (the "Academy") as of and for the initial year ended June 30, 2011, following Ohio Administrative Code Section 117-4-02.

Management did not provide a written representation letter. The Academy did not present financial statements and notes in accordance with generally accepted accounting principles, and did not prepare Management's Discussion and Analysis.

There are reportable findings and conditions as a result of performing these procedures. Our reportable findings and conditions follow the financial presentation. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, and we express no opinion on them.

The Governing Board voted to settle financially with its sponsor, the Liberty Local School District. The settlement was made on September 7, 2011. On September 15, 2011 the Portage County Educational Service Center became the Sponsor of the Academy. On October 10, 2011 the Academy suspended operations.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State
Columbus, Ohio

April 14, 2014

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**LEAD ACADEMY
TRUMBULL COUNTY**

**STATEMENT OF CASH BANK BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Amount</u>
Cash Bank Balance June 30, 2011	<u>\$264,936</u>

See accompanying notes to the financial statements.

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Dave Yost • Auditor of State

ACCOUNTANT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

Liberty Exemplary Academic Design Academy
Trumbull County
326 E. Main Street
Ravenna, Ohio 44266

Portage County Educational Service Center
Spectrum Office Tower
326 E. Main Street
Ravenna, Ohio 44266

To the Liberty Exemplary Academic Design Academy and the Sponsor:

We have selectively tested certain accounts, financial records, files, and reports of Liberty Exemplary Academic Design Academy, Trumbull County, Ohio (LEAD), (the "Academy"), as of and for the initial year ended June 30, 2011, following Ohio Administrative Code Section 117-4-02. We noted Management did not provide a written representation letter. The Academy did not present financial statements and notes in accordance with generally accepted accounting principles, or prepare Management's Discussion and Analysis. Additionally, the Governing Board voted to settle financially with its sponsor, the Liberty Local School District. The settlement was made on September 7, 2011. On September 15, 2011 the Portage County Educational Service Center became the Sponsor of the Academy. On October 10, 2011 the Academy suspended operations.

Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, internal control over financial reporting, or compliance. We, therefore, express no opinion on these matters.

Internal Control Over Financial Reporting

During our procedures related to the internal control over financial reporting we noted matters that, in our opinion, may have adversely affected the Academy's ability to record, process, summarize, and report financial data consistent with assertions in the financial statements. In addition, these matters could result in the occurrence of misstatements that are caused by error or fraud that would not be detected in a timely manner by employees when performing the assigned functions. These matters are described in the Schedule of Findings as items 2011-003, 2011-006, 2011-010 through 2011-012.

Compliance and Other Matters

We have tested compliance with certain provisions of laws, regulations, contract, and grant agreements applicable to the Academy. Noncompliance with these requirements could impact the Academy's ability to determine financial statement amounts. The results of our tests disclosed instances of noncompliance or other matters that are reported in the accompanying Schedule of Findings as items 2011-001 through 2011-005, 2011-007 through 2011-009, 2011-013, and 2011-2014.

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Liberty Exemplary Academic Design Academy
Trumbull County
Accountant's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Page 2

We intend this report solely for the information and use of officials authorized to receive this report under Section 117.26, Ohio Revised Code, and it is not intended to be and should not be used by anyone 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 initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

April 14, 2014

LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY

SCHEDULE OF FINDINGS
JUNE 30, 2011

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

FINDING NUMBER 2011-001

Noncompliance – Annual Financial Reporting

Ohio Revised Code Section 117.38 provides that each public office shall file a financial report for each fiscal year. The report shall be certified by the proper officer or Board and filed with the Auditor of State within one hundred fifty days of the end of the fiscal year if GAAP statements are filed. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. In part this report shall contain the amount of collections and receipts as well as accounts due from each source and amount of expenditures for each purpose.

Ohio Administrative Code Section 117-2-03(B) further clarifies the requirement of Ohio Revised Code Section 117.38. This section requires that all community schools file annual financial reports which are prepared using generally accepted accounting principles. Generally accepted accounting principles (GAAP) require the following:

- Management's Discussion and Analysis;
- Balance sheet as prescribed by GAAP standards;
- Income and expense statement as prescribed by GAAP standards;
- Cash flow statement as prescribed by GAAP standards; and
- Notes to the financial statements as prescribed by GAAP standards.

The Academy did not file the June 30, 2011 financial report, which is required to be filed no later than November 30, 2011.

In addition, Ohio Revised Code Section 117.38 provides, in part, that "at the time the report is filed with the Auditor of State, the chief fiscal officer, except as otherwise provided in Section 319.11 of the Ohio Revised Code shall publish notice in a newspaper published in the political subdivision or taxing district, and if there is no such newspaper, then in a newspaper of general circulation in the political subdivision or taxing district. The notice shall state the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer."

No evidence was provided, by the Academy, that this required notice was published.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

FINDING NUMBER 2011-002

Noncompliance - Deposits of Public Money

Ohio Revised Code Section 9.38 provides that a person who is a state officer, employee, or agent shall pay to the treasurer of state all public moneys received by that person as required by rule of the treasurer of state adopted pursuant to section 113.09 of the Revised Code. A person who is a public official other than a state officer, employee, or agent shall deposit all public moneys received by that person with the treasurer of the public office or properly designated depository on the business day next following the day of receipt, if the total amount of such moneys received exceeds one thousand dollars. If the total amount of the public moneys so received does not exceed one thousand dollars, the person shall deposit the moneys on the business day next following the day of receipt, unless the public office of which that person is a public official adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited.

The policy shall include provisions and procedures to safeguard the public moneys until they are deposited. If the public office of which the person is a public official is governed by a legislative authority, only the legislative authority may adopt such a policy; in the case of a board of county commissioners, the board may adopt such a policy with respect to public offices under the board's direct supervision and the offices of the prosecuting attorney, sheriff, coroner, county engineer, county recorder, county auditor, county treasurer, or clerk of the court of common pleas.

If a person who is a public official receives public moneys for a public office of which that person is not a public official, that person shall, during the first business day of the next week, pay to the proper public official of the proper public office the moneys so received during the current week.

The Academy failed to deposit 100% of the state foundation and grant monies received within the 24 hour deposit requirement. Late deposits ranged from 2 days to 24 days with state foundation and grant revenue making up 98% of the total overall revenue received by the Academy for the fiscal year ended June 30, 2011.

FINDING NUMBER 2011-003

Noncompliance and Material Weakness - Records Retention

Ohio Revised Code Section 149.351(A) provides, in pertinent part, that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under Sections 149.38 to 149.42 of the Revised Code.

Ohio Revised Code Section 149.011(G) defines "records" for purposes of the public records law, as any document, device, or item, regardless of physical form or characteristic, including an electronic record as defined in section 1306.01 of the Revised Code, created, received by, or coming under the jurisdiction of any public office which serves to document the organization, functions, policies, decisions, procedures, operations, or other activities of the public office.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

**FINDING NUMBER 2011-003
(Continued)**

During the audit period, we noted 11 vendor payments were not supported with adequate documentation to substantiate the purpose of the expenditures. Also, during the audit period, we noted 14 deductions were made from the Academy's bank account through electronic funds transfers or debit card payments to certain vendors. However, the Academy did not maintain any supporting documentation as to the purpose of such electronic funds transfers or debit card payments. These exceptions resulted in the subsequent finding for recovery reported as Finding Number 2011-005. The Academy does not have a records retention policy.

Failure to maintain copies of vouchers and supporting documentation increases the likelihood the Academy will pay an invoice more than once or will pay an amount that is incorrect or not for a public purpose. This also limits the ability of Academy management to reconstruct historical transactions.

FINDING NUMBER 2011-004

Noncompliance - Public Official's Bond

Ohio Revised Code Section 3314.011 provides that every community school established under this chapter shall have a designated fiscal officer. The Auditor of State may require by rule (see **OAC 117-6-07 (B)** below) that the fiscal officer of any community school, before entering upon duties as the fiscal officer of the school, execute a bond in an amount and with surety to be approved by the governing authority of the school, payable to the State, conditioned for the faithful performance of all the official duties required of the fiscal officer. Any such bond shall be deposited with the governing authority of the school, and a copy thereof, certified by the governing authority, shall be filed with the county auditor.

Additionally, **Ohio Administrative Code Section 117-6-07 (B)** requires a community school fiscal officer to execute a bond prior to entering upon the duties of the fiscal officer as provided for in **Ohio Revised Code Section 3314.011**. The governing authority prescribes the bond amount and surety by resolution.

The Academy did not provide evidence of a bond for the Fiscal Officer. Additionally, the Board did not approve the bond amount. This could result in the bond amount being inadequate and the Academy assuming unnecessary liability.

FINDING NUMBER 2011-005

Noncompliance – Finding for Recovery - Expenditures Lacking Proper Supporting Documentation

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a proper public purpose. Typically the determination of what constitutes a proper "public purpose" rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

**FINDING NUMBER 2011-005
(Continued)**

Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may only have a prospective effect.

Auditor of State Bulletin 2003-005, *Expenditure of Public Funds/Proper "Public Purpose"* provides that the Auditor of State's Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect.

During fiscal year 2011, LEAD Academy issued 11 checks and 14 debit card expenditures to various vendors for which there was no additional supporting documentation on file, proper approval of the Governing Board could not be verified, and the purpose or necessity for the expenditure was not documented. This missing documentation should have included invoices, receipts or bills, as well as other documentation supporting the payment. These payments are detailed below.

TRANSACTION DATE	CHECK NUMBER	AMOUNT	VENDOR NAME
11/29/2010	999	\$3,394	K-12 Business Consulting
2/28/2011	1002	70	Mary Anderson
4/8/2011	1003	476	Warren Tribune
5/31/2011	1007	938	Infinasource
4/30/2011	1572	300	Jim Detoro
9/30/2010	5039	238	Kathie Carlile
9/30/2010	5040	188	Lake Metroparks
9/30/2010	5047	160	Youngstown State University
6/30/2011	5185	1,834	Benesch Friedlander Coplan and Aronoff LLP
6/30/2011	5186	11	Judd Rubin
6/30/2011	5187	749	Liberty Board of Education
4/1/2011	Check Card	74	Hyatt Hotels
4/1/2011	Check Card	65	Hyatt Hotels
4/1/2011	Check Card	58	Grandpa's Cheese Barn Ashland
4/4/2011	Check Card	51	Hyatt Hotels
4/4/2011	Check Card	23	Hyatt Hotels
4/6/2011	Check Card	425	Oasbo
4/13/2011	Check Card	90	#4 Martini's Columbus
4/14/2011	Check Card	28	Barley's Brewing Company
4/18/2011	Check Card	413	Hyatt Hotels
4/28/2011	Check Card	168	School Specialty
5/6/2011	Check Card	158	Staples, Hermitage
5/12/2011	Check Card	23	Hyatt Hotels
6/22/2011	Check Card	13	Panera Bread Solon
6/22/2011	Check Card	4	Panera Bread Solon
	Total	<u>\$9,951</u>	

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

**FINDING NUMBER 2011-005
(Continued)**

Without appropriate documentation, it is not possible to determine if expenditures were made for a proper public purpose. The failure to maintain adequate support for expenditures could result in a loss of accountability over the Academy's finances, making it difficult to identify errors which could go undetected, and possibly result in expenditures that are not for a proper public purpose.

The bank account that these expenditures were paid from/charged against has only one authorized signatory, Tracey Obermiyer, Treasurer.

In accordance with the foregoing facts, and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery of public money illegally expended is hereby issued against Tracey Obermiyer, Treasurer, in the amount of \$9,951 and in favor of LEAD Academy.

FINDING NUMBER 2011-006

Material Weakness - Check Management

We identified the following problems with the Academy's management of checks:

- We noted multiple breaks in check sequence due to voided checks, and that multiple check sequences were used during the audit period.
- We noted 58 instances out of 192 in which there was an unusual delay between the date of the check and the date the check was paid.
- We noted 21 instances out of 226 in which an expenditure was not posted in a timely manner.

These errors may lead to items not reported in the proper period and not properly accounted for on the Academy's cash reconciliations, resulting in the inability to reconcile. Moreover, the inability to reconcile affects the determination of a proper cutoff of cash when preparing annual financial statements.

We recommend the Academy issue checks in sequential order, in a timely manner, and that checks be system generated instead of manual to ensure the amount recorded in the Academy's accounting records is the same as the amount that clears the bank. In addition, we recommend that the Academy post all checks to the accounting system in a timely manner.

FINDING NUMBER 2011-007

Noncompliance - General Liability Insurance

Ohio Revised Code Section 3314.03(A)(11)(b) provides that the governing authority of each community school must purchase liability insurance, or otherwise provide for the potential liability of the Academy. Additionally, the sponsor contract requires that comprehensive general liability insurance should be maintained at all times and the liability insurance must have amounts no less than one million dollars per occurrence and three million dollars in the aggregate.

The Academy did not provide proof of general liability insurance purchased.

The Academy should implement procedures to verify that they maintain the required coverage on all Academy facilities for the yearly period of operation.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

FINDING NUMBER 2011-008

Noncompliance - Board Meetings

Ohio Revised Code Section 121.22(F) requires that every public body, by rule, shall establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-four hours' advance notice to the news media, except in the event of an emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall notify the news media immediately of the time, place, and purpose of the meeting.

We were unable to obtain any evidence that meetings of the Governing Board were being properly advertised.

FINDING NUMBER 2011-009

Noncompliance - Rubber Stamp

Ohio Revised Code Section 9.10 does not authorize the use of a rubber stamp signature by the official or authorized employee referred to in Section 9.11 of the Revised Code on the face of any instrument mentioned in such section.

The Academy used a rubber stamp for signatures on manual checks. The existence of a rubber stamp provides unauthorized users the ability to sign checks and to circumvent the segregation of duties control.

FINDING NUMBER 2011-010

Material Weakness - Travel Policy

The Academy has various officials and employees that are reimbursed for travel; however, it does not have a formal detailed travel reimbursement policy in place.

A travel policy outlines the responsibilities of management and controls the reimbursement for expenses transacted through travel such as; records of mileage, costs of overnight travel, meal allowances, etc., that may facilitate the determination as to if such expenses were (1) for proper public purpose, (2) for proper amounts, and (3) adequately supported.

The Board should establish a travel policy that addresses these concerns, including, but not limited to:

1. Defining the allowable reimbursement amount for mileage.
2. Determining the allowable reimbursement for overnight travel.
3. Determining appropriate meal reimbursement allowances.
4. Defining the information required to be presented for reimbursement.
5. Defining those who are entitled to travel reimbursement by the Governing Board.
6. Outlining the approval process by the Governing Board.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

FINDING NUMBER 2011-011

Material Weakness - Board Monitoring of Financial Reporting

Financial reports of the Academy's activities are important resources to help keep the Board informed of the Academy's financial status and to aid in making financial decisions in the best interest of the Academy.

For fiscal year 2011, we noted that the Board approved a "Financial Report" at its regular meetings, but the Academy provided no evidence as to which reports were included within this "Financial Report".

Financial information should be presented at each regular meeting and the minutes reflect Board review and acceptance of this financial information.

The financial information submitted for review and approval should include some of the following data and any other reports that Board deems necessary:

- A listing of bills to be paid which includes the warrant number
- Total revenue received and disbursements paid for the month
- A comparison of actual revenue versus estimated revenue year to date
- A comparison of actual expenditures versus budgeted expenditures year to date
- A copy of the monthly bank reconciliations
- A fund balance report

This may help keep the Board informed of the financial status of the Academy, aid in monitoring the finances, and help in making financial decisions.

FINDING NUMBER 2011-012

Material Weakness – Lack of Management Representation

AICPA Codification of Auditing Standards (AU) section 333 states that the auditor should obtain written representations from current management on all periods covered in the audit report. An auditor should obtain representations from those members of management with overall responsibility for financial and operating matters whom the auditor believes are responsible for and knowledgeable about, directly or through other in the organization, the matters covered by the representations.

AU section 333 further states that management's refusal to furnish written representations constitutes a limitation on the scope of the audit sufficient to preclude an unqualified opinion and is ordinarily sufficient to cause an auditor to disclaim an opinion or withdraw from the engagement.

Management was not willing to provide representation. The Academy suspended operations on October 10, 2011.

Therefore based on management's refusal to provide written representations in connection with the audit of the financial statements we disclaimed an opinion on the financial statements.

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

FINDING NUMBER 2011-013

Noncompliance – Annual Report of Activities

Ohio Revised Code Section 3314.03(A)(11)(g) provides that the community school's governing authority is required to submit an annual report of its activities and progress in meeting the goals and standards of Ohio Revised Code Section 3314.03(A)(3) and (4) (academic goals to be achieved and method of measurement to determine progress and performance standards to evaluate a school's success) and its financial status to the sponsor, the parents of all students enrolled in the school, and the legislative office of education oversight. The report must be submitted within four months after the end of each school year. The school must collect and provide any data that the legislative office of education oversight requests in furtherance of any study or research that the general assembly requires the office to conduct.

The Academy failed to provide any evidence of the required annual report of its activities and progress in meeting the goals and standards as required by the above Ohio Revised Code Section, as well as, its financial status to the sponsor, the parents of all students enrolled in the Academy, and the legislative office of education oversight for the audit period.

FINDING NUMBER 2011-014

Noncompliance – Condition of Accounting Records

Ohio Administrative Code Section 117-2-02(A) provides that all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply,) document compliance with finance related legal and contractual requirements and prepare financial statement required by rule 117-2-03 of the Administrative Code.

Management is responsible for implementing and maintaining a system of controls designed to enable management to determine the accuracy of financial transactions of the Academy. Also, management is responsible for developing and maintaining complete and accurate financial records.

During our testing of the Academy's receipt and disbursement cycles, we noted the following errors and irregularities related to the Academy's records:

- GAAP financial statements (including notes to the financial statements and management's discussion and analysis) were not prepared for the audit period;
- Capital asset records were not maintained;
- The Academy has not developed and implemented procedures to record capital asset additions when purchased and deletions when disposed of throughout the year;
- There was no evidence the Board approved expenditures prior to being made, nor did they review the expenditures after they were made to ensure they were accurately recorded, necessary and for a proper public purpose;

**LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY
TRUMBULL COUNTY
SCHEDULE OF FINDINGS
JUNE 30, 2011
(Continued)**

**FINDING NUMBER 2011-014
(Continued)**

- No one independent of the purchasing process reviewed the activity to ensure the accuracy, appropriateness, or allowability of the expenditure;
- No evidence of the Board's or management's monitoring controls over the monthly and annual financial statements; the revenue and expenditures internal control process; the compliance with grant agreements for federal and state grants; ensuring that an adequate segregation of duties exists; and review of the monthly bank reconciliations;
- The Academy did not provide any receipt or disbursement ledgers for the audit period, since revenues and expenditures were not posted to the system;
- The Academy did not maintain the supporting documentation for student full-time equivalencies reported to the Ohio Department of Education;
- The Academy did not provide the Treasurer's contract covering the audit period;
- The Academy did not provide a Treasurer's bond for the Acting Treasurer;
- The Academy did not provide any personnel records;
- The Academy did not provide a formal policy governing the use of credit cards;
- The Academy did not provide a formal policy governing the reimbursement of travel expenses.

Failure to maintain records to support the financial statements impedes management's ability to make informed decisions as well as provide for the integrity of the Academy's financial statements and related assets.

Official's Response:

There was no official response provided by the Academy.

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Dave Yost • Auditor of State

Independent Accountants' Report on Applying Agreed-Upon Procedure

Liberty Exemplary Academic Design Academy
Trumbull County
326 E. Main Street
Ravenna, Ohio 44266

To the Governing Board:

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

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Liberty Exemplary Academic Design Academy (the "Academy") has updated its anti-harassment policy in accordance with Ohio Revised Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board did not amend its anti-harassment policy to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

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

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State
Columbus, Ohio

April 14, 2014

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LIBERTY EXEMPLARY ACADEMIC DESIGN ACADEMY

TRUMBULL 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
MAY 8, 2014**