



Dave Yost • Auditor of State

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY
JUNE 30, 2017**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

West Carrollton Secondary Academy
Montgomery County
430 East Pease Avenue
West Carrollton, Ohio 45449

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the West Carrollton Secondary Academy, Montgomery County, Ohio (the Academy), a component unit of the West Carrollton City School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Academy'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. 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 Academy'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 Academy's internal control. Accordingly, we express no such 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the West Carrollton Secondary Academy, Montgomery County, Ohio as of June 30, 2017, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 11 to the financial statements, the Academy ceased operations on June 30, 2017. We did not modify our opinion regarding this matter.

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 8, 2018, 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. 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 Academy's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

May 8, 2018

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

The management's discussion and analysis of West Carrollton Secondary Academy's (the "Academy") financial performance provides an overall review of the Academy's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the Academy's financial performance as a whole; readers should also review the notes to the basic financial statements and the financial statements to enhance their understanding of the Academy's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2017 are as follows:

- The Academy ceased operations effective June 30, 2017 resulting in no remaining net position at year-end.
- The Academy had operating revenues of \$565,520, operating expenses of \$593,276 and non-operating revenues of \$15,819 during fiscal year 2017. The total change in net position for the year was a decrease of \$11,937.

Using these Basic Financial Statements

This annual report consists of three parts; Management's Discussion and Analysis, the Financial Statements and the Notes to the Financial Statements. These statements are organized so the reader can understand the Academy's financial activities. The *Statement of Net Position* and *Statement of Revenues, Expenses and Changes in Net Position* provide information about the activities of the Academy, including all short-term and long-term financial resources and obligations.

Reporting the Academy's Financial Activities

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

The statement of net position and statement of revenues, expenses and changes in net position look at all financial transactions to determine how well the Academy has performed financially through June 30, 2017. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the Academy's *net position* and changes in that position. This change in net position tells the reader whether, for the Academy as a whole, the *financial position* of the Academy has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 7 and 8 of this report.

The statement of cash flows provides information about how the Academy finances and meets the cash flow needs of its operations. The statement of cash flows can be found on page 9 of this report.

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes to the basic financial statements can be found on pages 11-16 of this report.

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

The table that follows provides a summary of the Academy's net position at June 30, 2017 and June 30, 2016.

	Net Position	
	<u>2017</u>	<u>2016</u>
<u>Assets</u>		
Current assets	\$ 2,817	\$ 34,661
Total assets	<u>2,817</u>	<u>34,661</u>
<u>Liabilities</u>		
Current liabilities	<u>2,817</u>	<u>22,724</u>
Total liabilities	<u>2,817</u>	<u>22,724</u>
<u>Net Position</u>		
Unrestricted	<u>-</u>	<u>11,937</u>
Total net position	<u>\$ -</u>	<u>\$ 11,937</u>

Over time, net position can serve as a useful indicator of the Academy's financial position. The Academy discontinued operations and closed effective June 30, 2017, resulting in \$0 net position at year-end.

At June 30, 2017 the Academy had intergovernmental receivables consisting of amounts owed to the Academy from the Ohio Department of Education (see Note 7.C in the notes to the basic financial statements for detail). These assets are offset by a liability since the Academy has ceased operations.

The following table shows the changes in net position for fiscal years 2017 and 2016.

	<u>2017</u>	<u>2016</u>
<u>Operating revenues:</u>		
State Foundation	\$ 565,520	\$ 510,759
Total operating revenue	<u>565,520</u>	<u>510,759</u>
<u>Operating expenses:</u>		
Purchased services	581,528	487,810
Materials and supplies	2,158	2,015
Other	<u>9,590</u>	<u>6,354</u>
Total operating expenses	<u>593,276</u>	<u>496,179</u>
<u>Non-operating revenues:</u>		
Grants and subsidies	15,745	19,776
Interest revenue	<u>74</u>	<u>8</u>
Total non-operating revenues	<u>15,819</u>	<u>19,784</u>
Change in net position	(11,937)	34,364
Net position (deficit) at beginning of year	<u>11,937</u>	<u>(22,427)</u>
Net position (deficit) at end of year	<u>\$ -</u>	<u>\$ 11,937</u>

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

The Academy's main source of revenue is the State Foundation revenue, in an amount based upon the number of students attending the Academy. The Academy had 78 students in fiscal year 2017 compared to 72 in 2016. Most of the Academy's expenses are for purchased services; these expenses are primarily payments to the Academy's Sponsor (the West Carrollton City School District). The Sponsor, under the Sponsorship Contract, provides planning, instructional, administrative and technical services to the Academy. In addition, the Sponsor provides personnel services to the Academy under a purchased services basis. See Note 8 in the notes to the basic financial statements for more detail on the Sponsorship Contract.

Non-operating revenues consist of grants and subsidies and interest revenue. Grants and subsidies for the Academy consist of the IDEA Part B federal grant and the Academy's share of the casino tax revenue distributed by the State of Ohio.

Capital Assets

At June 30, 2017 and June 30, 2016, the Academy did not have any capital assets.

Contacting the Academy's Financial Management

This financial report is designed to provide a general overview of the West Carrollton Secondary Academy's finances and to show the Academy's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Ryan Slone, Treasurer, West Carrollton Secondary Academy, 430 East Pease Avenue, West Carrollton, Ohio 45449.

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**WEST CARROLLTON SECONDARY ACADEMY
(A COMPONENT UNIT OF WEST CARROLLTON CITY SCHOOL DISTRICT)
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2017

Assets:	
Current assets:	
Receivables:	
Intergovernmental	\$ 2,817
Total assets	<u> 2,817</u>
 Liabilities:	
Current liabilities:	
Intergovernmental payable	<u> 2,817</u>
Total liabilities.	<u> 2,817</u>
 Net position:	
Unrestricted	<u> -</u>
Total net position	<u><u> -</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WEST CARROLLTON SECONDARY ACADEMY
(A COMPONENT UNIT OF WEST CARROLLTON CITY SCHOOL DISTRICT)
MONTGOMERY COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Operating revenues:	
State Foundation	\$ 565,520
Total operating revenues	<u>565,520</u>
 Operating expenses:	
Purchased services.	581,528
Materials and supplies.	2,158
Other.	9,590
Total operating expenses.	<u>593,276</u>
 Operating loss	 <u>(27,756)</u>
 Non-operating revenues:	
Grants and subsidies.	15,745
Interest revenue	74
Total non-operating revenues	<u>15,819</u>
 Change in net position	 (11,937)
 Net position at beginning of year	 <u>11,937</u>
 Net position at end of year	 <u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WEST CARROLLTON SECONDARY ACADEMY
(A COMPONENT UNIT OF WEST CARROLLTON CITY SCHOOL DISTRICT)
MONTGOMERY COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Cash flows from operating activities:	
Cash received from State Foundation	\$ 583,844
Cash payments for contractual services	(596,416)
Cash payments for materials and supplies	(2,158)
Cash payments for other expenses	(9,590)
	<hr/>
Net cash used in operating activities	(24,320)
	<hr/>
Cash flows from noncapital financing activities:	
Cash received from grants and subsidies.	15,745
	<hr/>
Net cash provided by noncapital financing activities.	15,745
	<hr/>
Cash flows from investing activities:	
Interest received	74
	<hr/>
Net cash provided by investing activities	74
	<hr/>
Net decrease in cash and cash equivalents	(8,501)
Cash and cash equivalents at beginning of year . . .	8,501
Cash and cash equivalents at end of year	\$ -
	<hr/> <hr/>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (27,756)
Changes in assets and liabilities:	
Decrease in intergovernmental receivable	23,343
Decrease in intergovernmental payable	(19,907)
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Net cash used in operating activities.	\$ (24,320)
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 - DESCRIPTION OF THE ACADEMY

The West Carrollton Secondary Academy (the “Academy”) is a non-profit corporation established pursuant to the Ohio Revised Code Chapters 1702 and 3314 to address the needs of “at-risk” students aged 16-22 in grades 10-12 who have dropped out of high school or are at risk of dropping out of high school due to poor attendance, disciplinary problems, or suspensions. The Academy is nonsectarian in its programs, admission policies, employment practices and all other operations. The Academy may sue and be sued, acquire facilities as needed and contract for any services necessary for the operation of the Academy. The Academy is considered a component unit of the West Carrollton City School District for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61.

The Academy was approved for operation under a Community School Sponsorship Contract (hereafter “Sponsorship Contract”) dated March 7, 2012 with the West Carrollton City School District (the “Sponsor”) for a period of five years commencing on July 1, 2012 and ending June 30, 2017. Pursuant to the Sponsor’s authority under Section 3314.08(G) of the Ohio Revised Code to provide the Academy with services, the Sponsor shall be the fiscal agent of the Academy and shall direct the Sponsor’s treasurer to serve as the Academy’s fiscal officer. The Sponsor shall evaluate the performance of the Academy according to the standards set forth in the Assessment and Accountability Plan. The Sponsor is not legally responsible for the final outcome of the community school. The Academy operates in a facility that is provided and maintained by the Sponsor at no cost to the Academy.

The Academy operates under the direction of a three-member Board of Directors appointed by the Sponsor. The Board of Directors is responsible for carrying out provisions of the contract which, include, but are not limited to, State-mandated provisions regarding student population, curriculum, academic goals, performance standards and admission standards.

The Academy has entered into an Agreement for the Provision of Services (hereafter “Service Agreement”) on May 15, 2013 with the West Carrollton City School District (the “District). The term of the Service Agreement commences July 1, 2012 and ends June 30, 2017. The Service Agreement between the Academy and the District is further described in Note 8.

The Academy ceased operations effective June 30, 2017; see Note 11 for detail.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the Academy 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 Academy's significant accounting policies are described below.

A. Basis of Presentation

The Academy’s basic financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows.

Enterprise reporting focuses on the determination of the change in net position, financial position and cash flows.

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. 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 position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Academy finances and meets the cash flow needs of its enterprise activities.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The accrual basis of accounting is utilized for reporting purposes.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded upon the accrual basis when the exchange takes place. Nonexchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the 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.

D. Budgetary Process

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, unless specifically provided in the Academy's contract with its Sponsor. 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.

E. Capital Assets

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their fair market value on the date donated. The Academy maintains a capitalization threshold of \$5,000. 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.

The Academy had no capital assets at June 30, 2017.

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its 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 applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

G. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity. For the Academy, these revenues are payments from the State Foundation Program. Operating expenses are necessary costs incurred to provide goods or services that are the primary activities of the Academy. All revenues and expenses not meeting this definition are reported as non-operating.

H. Intergovernmental Revenue

The Academy currently participates in the State Foundation Program through the Ohio Department of Education, the Federal IDEA Part B grant and other unrestricted grants-in-aid from the State of Ohio. Revenues from the State foundation program are recognized as operating revenue in the accounting period in which all eligibility requirements have been met. State foundation revenue for the fiscal year 2017 was \$565,520.

Revenues received from the remaining programs are recognized as non-operating revenues in the accompanying financial statements. Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility includes 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. Grant revenue for the fiscal year 2017 was \$15,745.

I. Estimates

The preparation of basic financial statements in conformity with GAAP 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.

J. Accrued Liabilities

The Academy has recognized certain amounts owed but unpaid as of June 30, 2017. These are reported as accrued liabilities in the accompanying financial statements.

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2017, the Academy has implemented GASB Statement No. 77, “*Tax Abatement Disclosures*”, GASB Statement No. 78, “*Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*”, GASB Statement No. 80, “*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*” and GASB Statement No. 82, “*Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73*”.

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government’s tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the Academy.

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the Academy.

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement applies to component units that are organized as not-for-profit corporations in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the Academy.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the Academy.

NOTE 4 - RECEIVABLES

Receivables at June 30, 2017 consist of \$2,817 owed to the Academy from the Ohio Department of Education, all of which will be collected within one year. See Note 7.C for more detail.

NOTE 5 - PURCHASED SERVICES

For the fiscal year ended June 30, 2017, purchased services expenses consisted of professional and technical services in the amount of \$581,528.

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 6 - RISK MANAGEMENT

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 contracted personnel; and natural disasters. For fiscal year 2017, the Academy was named as an additional insured party on the Sponsor's insurance policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There has been no significant reduction in amounts of insurance coverage from fiscal year 2016.

NOTE 7 - CONTINGENCIES

A. Grants

The Academy receives significant financial assistance from numerous federal, State and local 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 Academy. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Academy.

B. Litigation

The Academy is not involved in any litigation that, in the opinion of management, would have a material effect on the financial statements.

C. State Foundation Funding

The Ohio Department of Education (ODE) conducts reviews of enrollment data 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. As a result of the review after fiscal year-end, the Academy was owed \$2,817 from ODE, which is reported on the financial statement as an intergovernmental receivable.

NOTE 8 - SERVICE AGREEMENT

The Academy has entered into a Service Agreement with the West Carrollton City School District (the District). Under the Service Agreement, the District agrees to provide the Academy with certain supervisory/administrative, fiscal, and technical services sufficient to substantially implement, in cooperation with the Academy, the Academy's obligations pursuant to the Sponsorship Contract, including the following: (1) fiscal services; payroll services; EMIS services; and others agreed-upon by both parties, (2) facility services, including the provision and maintenance of the facilities in which the Academy is located, together with utility service, and insurance related to the same, (3) other nonteaching personnel services, as requested by the Academy and agreed to by the District, and (4) technology related services. In addition, the District shall provide the Academy with teaching staff, equipment, instructional materials, curriculum and educational strategy, as determined to be appropriate by the District (as the Academy's Sponsor).

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 8 - SERVICE AGREEMENT - (Continued)

The price for services rendered by the Sponsor to the Academy is established by the Sponsorship Agreement. For the services rendered, the Academy shall pay the District all of the amounts received by the Academy from the State of Ohio for operating expenses, less the following amounts: (1) those amounts payable by the Academy to the District pursuant to the Sponsorship Contract or another agreement (e.g., for teaching and certain administrative services), (2) those amounts payable by the Academy to third-parties pursuant to contracts properly entered into between the Academy and such third-parties, if and as permitted by the Sponsorship Contract and with the consent of the District is required, and (3) that amount, if any, needed in order for the Academy to carryover from one fiscal year to the next a total cash balance of \$2,000. Such fees shall be paid by the Academy to the District according to a schedule agreed to by the parties, but not less than two times per fiscal year.

All services are to be provided on a purchased services basis. The Academy paid \$566,377 to the Sponsor for educational, fiscal and administrative services for the fiscal year ended June 30, 2017.

NOTE 9 - JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Educational Technology Association (META) Solutions

The Academy was a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium. META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs. The governing board of META consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each District's degree of control is limited to its representation on the Board. The Academy paid META \$3,950 for services provided during the fiscal year. Financial information can be obtained from David Varda, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

NOTE 10 - FEDERAL TAX-EXEMPT STATUS

In accordance with the options granted under existing Ohio law and the Academy's relationship with the Sponsor, the School is considered a governmental entity not subject to tax and is not required to file for not-for-profit tax-exempt status under Section 501 (c)(3) of the Internal Revenue Code.

NOTE 11 - DISCONTINUED OPERATIONS

The Academy ceased operations effective June 30, 2017 based on a joint resolution passed by the Academy's Board of Directors and the Academy's Sponsor, West Carrollton City School District. The Academy has been dissolved and the bank account balance at June 30, 2017 was \$0. The Academy's program has been transitioned at the beginning of the 2017-2018 school year for the program to be operated as a program of West Carrollton City School District.



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

West Carrollton Secondary Academy
Montgomery County
430 East Pease Avenue
West Carrollton, Ohio 45449

To the Board of Directors:

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 West Carrollton Secondary Academy, Montgomery County, (the Academy), a component unit of the West Carrollton City School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements and have issued our report thereon dated May 8, 2018, wherein we noted the Academy ceased operations on June 30, 2017.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and a significant deficiency.

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 a 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 Academy's financial statements. We consider findings 2017-001 and 2017-002 described in the accompanying schedule of findings to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2017-003 described in the accompanying schedule of findings to be a significant deficiency.

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, 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 instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2017-001 through 2017-007.

Academy's Response to Findings

The Academy's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not subject the Academy's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 Academy's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

May 8, 2018

**WEST CARROLLTON SECONDARY ACADEMY
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
JUNE 30, 2017**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2017-001

Material Weakness and Non-Compliance

Ohio Rev. Code Section 3314.08 (H) requires, in part, the department of education shall adjust the amounts subtracted and paid under division (C) of this section to reflect any enrollment of students in community schools for less than the equivalent of a full school year. The state board of education within ninety days after April 8, 2003, shall adopt in accordance with Chapter 119 of the Revised Code to adopt rules governing the payments to community schools under this section including initial payments in a school year, adjustments and reductions made in subsequent periodic payments to community schools and corresponding deductions from school district accounts as provided under division (C) of this section.

Ohio Rev. Code Section 3314.08 (H)(2) provides in part, 'A student shall be considered to be enrolled in a community school for the period of time beginning on the later of the date on which the school both has received documentation of the student's enrollment from a parent and the student has commenced participation in learning opportunities as defined in the contract with the sponsor, or thirty days prior to the date on which the student is entered into the education management information system established under section 3301.0714 of the Revised Code. For purposes of applying this division and divisions (H)(3) and (4) of this section to a community school student, "learning opportunities" shall be defined in the contract, which shall describe both classroom-based and non-classroom-based learning opportunities and shall be in compliance with criteria and documentation requirements for student participation which shall be established by the department. Any student's instruction time in non-classroom-based learning opportunities shall be certified by an employee of the community school.'

Ohio Rev. Code Section 3314.08 (H)(3) includes the following: "The department shall determine each community school student's percentage of full-time equivalency based on the percentage of learning opportunities offered by the community school to that student, reported either as number of hours or number of days, is of the total learning opportunities offered by the community school to a student who attends for the school's entire school year. However, no internet- or computer-based community school shall be credited for any time a student spends participating in learning opportunities beyond ten hours within any period of twenty-four consecutive hours. Whether it reports hours or days of learning opportunities, each community school shall offer not less than nine hundred twenty hours of learning opportunities during the school year."

In addition, **Ohio Rev. Code Section 3314.03 (A)(11)(a)** states, in part, "The school will provide learning opportunities to a minimum of twenty-five students for a minimum of nine hundred twenty hours per school year."

The Academy offered six hundred ninety-six hours of in class instruction during the 2016-2017 school year. The remaining two hundred twenty-four hours offered was attributed to online courses completed outside of the classroom and employment credit for students working a job or internship. Documentation was maintained by the Academy to support the employment status of students receiving credit through working their job or internship and differentiation between online courses being completed during School hours included in the in-class instruction hours and online courses being completed outside of School hours to supplement the total hours of required instruction. However, the supplemental hours earned did not support a total of 920 hours during the school year.

FINDING NUMBER 2017-001
(Continued)

The Academy's procedures to track FTE during fiscal year 2017 was to assess FTE based on the period between a student's enrollment date and withdraw date, if applicable, or last day of school. If a student was enrolled the entire school year the Academy reported an FTE of 1 for the student in EMIS; similarly, if a student was enrolled for a period of 60 days out of a possible 174 days, the Academy reported an FTE of .34 out of 1 for the student in EMIS. The Academy did have the ability to monitor online activity based on date, and time of computer system log on and log off; however, the Academy did not have procedures in place to document time spent on online activities. The Academy did not have an additional manual tracking method in place to capture the actual time spent on online learning activities.

The Academy did attempt to collect the credit students received for time spent at job employment to supplement the total hours of learning activities. Payroll check stubs were maintained in student files. However, the Academy did not have procedures in place to document credit received for time spent on employment opportunities. The Academy did not have policies or procedures in place during the audit period to capture the duration of time a student was engaged in all learning opportunities offered by the Academy.

The Academy's inability to provide sufficient documentation to support the FTE requirements for durational engagement for each student in EMIS could result in a potential liability owed to ODE for overfunding. The quantitative impact of a potential liability, if any, could not be readily determined at this time by AOS.

In addition, this issue will be referred to Ohio Department of Education for further evaluation.

The Academy should review the statutory requirements to determine what documentation is needed to support the FTE data reported for each student. Furthermore, the Academy should consider using ODE's most recent FTE manual as further guidance to determine what information ODE considers to be needed to support FTE. Once the Academy has an understanding of what is required to support FTE, the Academy should develop policies and procedures to capture the duration of time spent by students on computer, as well as time spent on non-computer learning opportunities.

Officials' Response:

The Academy DID have a procedure in place for documenting time spent at job employment to supplement the total hours of learning activities. Our procedure dealt with verifying hours with students and recording that information in a spreadsheet. We learned after the 2015-16 audit and in the middle of the 2016-17 school year that this process was deemed as insufficient. This is one more example of not being provided clear directives on processes until an audit is performed and being told that we are out of compliance. Additionally, being asked during the auditing process how we know that a student is really working online when the system does have a timeout feature or how we know that a student is really reading the material when they are online leaves the impression that the state's objective is more than accountability. How does any online provider know that a student is reading material on a screen in their home while in the program?

FINDING NUMBER 2017-002

Material Weakness and Non-Compliance

Ohio Rev. Code Section 3314.08(H)(2) states, in part, that a student shall be considered to be enrolled in a community school for the period of time beginning on the later of the date on which the school both has received documentation of the student's enrollment from a parent and the student has commenced participation in learning opportunities as defined in the contract with the sponsor, or thirty days prior to the date on which the student is entered into the education management information system established under section 3301.0714 of the Revised Code. For purposes of applying this division and divisions (H)(3) and (4) of this section to a community school student, "learning opportunities" shall be defined in the contract, which shall describe both classroom-based and non-classroom-based learning opportunities and shall be in compliance with criteria and documentation requirements for student participation which shall be established by the department of education. Any student's instruction time in non-classroom-based learning opportunities shall be certified by an employee of the community school. A student's enrollment shall be considered to cease on the date on which any of the following occur:

1. The community school receives documentation from a parent terminating enrollment of the student.
2. The community school is provided documentation of a student's enrollment in another public or private school.
3. The community school ceases to offer learning opportunities to the student pursuant to the terms of the contract with the sponsor or the operation of any provision of this chapter.

The Executive Director of the West Carrollton Secondary Academy (the Academy) stated that for fiscal year 2017 each student had a Credit Checklist, which documents the student's progress and goals for timely graduation.

During the audit, it was noted that one of the ten student enrollments tested did not have an enrollment form on file and therefore did not have clear documentation relating to the timeliness of enrollment and beginning learning opportunities. Also, for this same student no birth certificate or proof of residency was maintained in the student's file.

During the audit, it was noted that two of the five student withdrawals tested did not have withdrawal forms on file and therefore did not have clear documentation relating to the timeliness of withdrawal and ending learning opportunities.

The following was also noted during attendance testing:

- One out of ten students tested did not have a credit checklist in their student file or available electronically
- Three out of ten students tested did not have report cards or official transcripts in their student file
- Ten out of ten students tested did not have student education plans in their student file
- Ten out of ten students tested did not have student logs/attendance records in their student file

The lack of timely enrollments and withdrawals and missing student file documentation could lead to inaccurate reporting of FTE to the Ohio Department of Education, which could cause improper funding to the Academy and inaccurate financial statements.

In addition, this issue will be referred to the Ohio Department of Education for further evaluation.

**FINDING NUMBER 2017-002
(Continued)**

The Academy should take steps to ensure that enrollment and withdrawal procedures are made timely, are supported by proper documentation, and adhere to ODE guidelines and the Academy's policies. The Academy should also implement procedures to maintain all relevant student file information for accurate FTE reporting to ODE.

Officials' Response:

"The lack of timely enrollments and withdrawals and missing student documentation" in a PAPER format within a folder is the issue, not the accuracy of student data. The paperwork in the folder is secondary to the actual enrollment or withdrawal date used for calculating FTE that is kept within our student information system and used in communicating with the State. Making sure that paperwork was kept in a folder was addressed before the decision to close the West Carrollton Secondary Academy.

FINDING NUMBER 2017-003

Significant Deficiency and Non-Compliance

Ohio Rev. Code Section 3314.03(A)(29)(d) states in part that each contract entered into between a sponsor and the governing authority of a community school shall specify the following "The school's attendance requirements, including how the school will document participation in learning opportunities."

Upon review of the Academy's contract with the West Carrollton City School District (the Sponsor), we noted that Exhibit 1 to the contract defines extensively the educational plan utilized by the Academy. The contract, however, does not specify how the Academy intends to comply with documenting the "criteria for student participation" pursuant to requirements established by the Ohio Department of Education, and, therefore, how the Sponsor effectively may monitor such compliance.

This exclusion could result in the failure of the Academy to comply fully with Ohio law, and with requirements and standards established by the Ohio Department of Education. These potential failures could affect the Sponsor's ability to continue sponsoring schools in the future as well as have a potential impact on the Academy's funding from the Ohio Department of Education.

In addition, this issue will be referred to the Ohio Department of Education for further evaluation.

The Sponsor and the Academy should develop a contract that provides specific definitions and procedures that will help ensure compliance with the various Ohio Rev. Code Sections, as well as the various requirements of the Ohio Department of Education.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2017-004

Non-Compliance

Ohio Admin. Code Section 3301-69-02(B)(2) provides, in part, regulations governing excuses for absence from school for the following reasons:

1. Illness of the child. (The approving authority may require the written statement of a physician/mental health professional if it is deemed appropriate.)
2. Illness in the family necessitating the presence of the child. (The approving authority may require the written statement of a physician and an explanation as to why the child's absence was necessary, if it is deemed appropriate.)
3. Quarantine of the home. (The absence of a child from school under this condition is limited to the length of quarantine as determined by the proper health officials.)
4. Death of a relative. (The absence arising from this condition is limited to a period of eighteen school hours unless a reasonable cause may be shown by the applicant child for a longer absence.)
5. Medical or dental appointment. (The approving authority may require the written statement of a physician or dentist if it's deemed appropriate.)
6. Observance of religious holidays. (Any child shall be excused if his/her absence was for the purpose of observing a religious holiday consistent with his/her truly held religious beliefs.)
7. College visitation. (The approving authority may require verification of the date and time of the visitation by the college, university, or technical college.)
8. Emergency or other set of circumstances in which the judgment of the superintendent of schools constitutes a good and sufficient cause for absence from school. Pursuant to division (C) of section 3321.04 of the Revised Code, the board of education of the school district or governing authorities of a private or parochial school may in the rules governing the discipline in such schools, prescribe the authority by which and the manner in which any child may be excused for absence from such school for good and sufficient reasons.

Additionally, **Ohio Admin. Code Section 3301-69-02(B)(1)** states, in part, that the parent or guardian must provide an explanation for the absence, which shall be recorded by the approving authority of the school and shall include the date and time of the absence.

We tested all absences for ten students during the fiscal year. All excused absences in the applicable student's file indicated a reason for the absence that met one of the criteria listed above; however, 14 of the 44.5 excused absences had no written documentation of a discussion or phone call with a parent or guardian maintained in the student files to support the reason for the absences.

Failure to maintain adequate support for all recorded excused absences may result in unapproved and/or unallowed excused absences and inaccurate monitoring of student attendance and full-time equivalent (FTE) documentation.

In addition, this issue will be referred to the Ohio Department of Education for further evaluation.

The Academy should maintain documentation related to all excused absences in accordance with allowable reasons. Such support should be maintained in the applicable student's file and should include, but not be limited to, a written note from the student's parent or guardian, or a log documenting a phone call between the student's parent or guardian and the Academy. The log should contain the date of the absence, the date of the phone call, name of the Academy personnel involved with the phone call, the name of the parent or guardian involved with the phone call, and the reason for the absence. The Academy should develop and implement procedures to adequately support all excused absences.

**FINDING NUMBER 2017-004
(Continued)**

Officials' Response:

Considering how late in the 2016-17 school year that the 2015-16 audit was finalized, there was significant improvement in this area in the 2016-17 school year, to address compliance for 2016-17.

FINDING NUMBER 2017-005

Non-Compliance

Ohio Rev. Code Section 3302.41(A) states, in part, any community school established under Chapter 3314 of the Revised Code may operate all or part of a school using a blended learning model. If a school is operated using a blended learning model or is to cease operating using a blended learning model, the superintendent of the school or district or director of the school shall notify the department of education of that fact not later than the first day of July of the school year for which the change is effective. If any community school is already operated using a blended learning model on the effective date of this section, the superintendent of the school or district may notify the department within ninety days after the effective date of this section of that fact and request that the school be classified as a blended learning school.

The Academy offered blended learning opportunities to enrolled students during fiscal year 2017. However, the Academy did not send a declaration that it offered blended learning opportunities to the Ohio Department of Education (ODE) for fiscal year 2017.

In addition, this issue will be referred to the Ohio Department of Education for further evaluation.

The Academy should implement procedures to annually report to the Ohio Department of Education its intent to offer blended learning opportunities. Failure to do so could result in ODE not properly classifying the Academy as a brick and mortar school with blended learning opportunities.

Officials' Response:

When we were in the process of creating the West Carrollton Secondary Academy we consulted the State regarding the classification of "blended." We were told by a state representative NOT to designate our school as blended since the classification was not fully defined by the State. We were told that labeling ourselves in this manner could result in additional requirements that we are not designed to meet once the classification was fully defined. There were more questions surrounding what blended meant than answers, so we followed the advice from the Community Schools office. We have shared this throughout various audits, along with our concerns over the disjointed methods of communication from the Community Schools office.

FINDING NUMBER 2017-006

Non-Compliance

Article IV Section J of the Academy's Sponsorship Contract states, in part, that the Academy shall provide learning opportunities to a minimum of twenty five students for a minimum of nine hundred and twenty hours per school year.

During fiscal year 2017, the Academy offered six hundred ninety-six hours of in class instruction during the 2016-2017 school year. The remaining two hundred twenty-four hours offered was attributed to online courses completed outside of the classroom and employment credit for students working a job or internship. However, the time spent on online courses completed outside of the classroom and employment opportunities was not sufficient to meet the minimum required number hours of instruction.

The Academy should take appropriate steps to verify that the minimum hours of instruction are provided to students each year.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2017-007

Non-Compliance

Ohio Rev. Code Section 3314.074 (A) states that if any community school established under this chapter permanently closes and ceases its operation as a community school, the assets of that school shall be distributed first to the retirement funds of employees of the school, employees of the school, and private creditors who are owed compensation, and then any remaining funds shall be paid to the department of education for redistribution to the school districts in which the students who were enrolled in the school at the time it ceased operation were entitled to attend school under section 3313.64 or 3313.65 of the Revised Code. The amount distributed to each school district shall be proportional to the district's share of the total enrollment in the community school.

Upon closing, the Academy transferred all of its assets to its sponsor, the West Carrollton City School District. The Ohio Department of Education (ODE) did not approve a contract accepting this varying method of asset distribution from that prescribed by the Ohio Revised Code.

The Academy should implement procedures to verify that all remaining assets are transferred in accordance with the Ohio Revised Code, unless otherwise approved by ODE, upon closing. Failure to do so could result in the misappropriation of assets to entities not entitled to said assets.

Officials' Response:

Since all of the Academy's students are West Carrollton School District students, and per the Provision of Services agreement approved in 2013 between the Academy and District, the parties intended that substantially all of the funds received by the Academy, and not otherwise payable to the District pursuant to the Community School Contract or other obligations, be paid to the District as compensation for the services provided hereunder by the District. The Academy's attorney was in constant contact with an ODE attorney during the closing process, and the Academy was closed in the manner recommended by our attorney.

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West Carrollton Secondary Academy

3400 Student Street, West Carrollton, Ohio 45449, Phone: 937-859-5121 x8802, Fax: 937-435-2315

Heather Pinto, Executive Director

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS JUNE 30, 2017

Finding Number	Finding Summary	Status	Additional Information
2016-001	Ohio Rev. Code §3314.08(H) Enrollment of Students in Community Schools; Ohio Rev. Code §3314.08(H)(2) Enrollment Documentation and Learning Opportunities; Ohio Rev. Code §3314.08 (H)(3) Calculation of Full-Time Equivalency; Ohio Rev. Code §3314.03(A)(11)(a) Minimum Requirements for Learning Opportunities	Not corrected; re-issued as Finding 2017-001	Pay stubs were maintained in student files for 2016-2017 school year to support students working a job or internship. Given the timing of the prior audit and its findings occurring in the Spring of 2017, and the focus at that time of closing the Academy program, changes were not made to the hours that were being reported.
2016-002	Ohio Rev. Code §3314.08(H)(2) Enrollment and Attendance Documentation; Ohio Admin. Code §3301-69-02(B)(1) and 3301-69-02(B)(2) Excuses for Absences and Documentation of Absences	Partially corrected; re-issued as Findings 2017-002 and 2017-004	Proper documentation has been collected and added to student files to address compliance for the 2016-2017 school year.
2016-003	Ohio Rev. Code §3314.03 (A)(29)(d) Sponsor Contract – Documentation of Learning Opportunities	Not corrected; re-issued as Finding 2017-003	Given the timing of the prior audit and its findings occurring in the Spring of 2017, and the focus at that time of closing the Academy program, changes were not made.
2016-004	Ohio Rev. Code §3302.41(A) Declaration of Blended Learning Opportunities to Ohio Department of Education (ODE)	Not corrected; re-issued as Finding 2017-005	Policies and procedures have been put into place to notify ODE of intent to offer blended learning opportunities.

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Dave Yost • Auditor of State

WEST CARROLLTON SECONDARY ACADEMY

MONTGOMERY 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
DECEMBER 18, 2018**