ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM

SERVICE DELIVERY AREA NUMBER 26

AUDIT REPORT

FOR THE PERIOD JULY 1, 1998 THROUGH JUNE 30, 1999

James G. Zupka, Inc.
Certified Public Accountant

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM

SERVICE DELIVERY AREA NUMBER 26

AUDIT REPORT

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AUDIT REPORT
FOR THE PERIOD JULY 1, 1998 THROUGH JUNE 30, 1999

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STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215
Telephone 614-466-4514
800-282-0370
Facsimile 614-728-7398

Board of Trustees
Ashtabula Geauga Training and Employment Consortium
Ashtabula, Ohio

We have reviewed the Independent Auditor's Report of the Ashtabula Geauga Training and Employment Consortium, Cuyahoga County, prepared by James G. Zupka, C.P.A., Inc., for the audit period July 1, 1998 through June 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ashtabula Geauga Training and Employment Consortium is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

January 12, 2000

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Heights, Ohio 44125

Member American Institute of Certified Public Accountants (216) 475-6136 Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Ashtabula Geauga Training and
Employment Consortium
Ashtabula, Ohio

We have audited the accompanying general purpose financial statements of the Ashtabula Geauga Training and Employment Consortium (AGTEC), Service Delivery Area 26 (SDA #26) as of and for the year then ended June 30, 1999, as listed in the accompanying Table of Contents. These general purpose financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Ashtabula Geauga Employment and Training Consortium as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Ashtabula - Geauga Employment and Training Consortium will continue as a going concern. As discussed in Note 11 to the financial statements, AGTEC has received notification that legislation has been passed terminating the Ohio Bureau of Employment Services and consequently all grant funds will be subsequently transferred to the Ohio Department of Jobs and Family Services. The financial statements do not include any adjustments that might result from the outcome of this legislation.

In accordance with Government Auditing Standards, we have also issued our report dated December 16, 1999 on the consideration of the Ashtabula Geauga Training and Employment Consortium's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the general purpose financial statements. The supplemental data on pages 29 through 44 (as listed in the Table of Contents) are presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

James G. Zupka

December 16, 1999

James G. Zupka
Certified Public Accountant

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
COMBINED BALANCE SHEET - ALL FUND TYPE AND ACCOUNT GROUP
AS OF JUNE 30, 1999

	Governmental Fund Type	Account Groups		
ASSETS	Special Revenue	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
Cash and Cash Equivalents	$ 139,866	$ 0	$ 0	$ 139,866
Account Receivable	16,441	0	0	16,441
Due from Other Governments	109,415	0	0	109,415
Prepaid Items	3,390	0	0	3,390
Fixed Assets:				
Furniture, Fixtures and Equipment	0	203,648	0	203,648
Less: Accumulated Depreciation	0	(153,405)	0	(153,405)
Amount to be Provided for General Long-Term Obligations	0	0	7,510	7,510
TOTAL ASSETS	$ 269,112	$ 50,243	$ 7,510	$ 326,865
LIABILITIES				
Accounts Payable	$ 46,354	$ 0	$ 0	$ 46,354
Accrued Wages and Benefits	52,935	0	0	52,935
Compensated Absence Payable	30,884	0	7,510	38,394
Deferred Revenue	781	0	0	781
Total Liabilities	130,954	0	7,510	138,464
FUND EQUITY				
Investment in General Fixed Assets	0	50,243	0	50,243
Fund Balance:				
Unreserved/Undesignated	138,158	0	0	138,158
Total Fund Equity	138,158	50,243	0	188,401
TOTAL LIABILITIES AND FUND EQUITY	$ 269,112	$ 50,243	$ 7,510	$ 326,865

The notes to the general purpose financial statements are an integral part of these statements

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 1999

	Governmental Fund Type Special Revenue	Total (Memorandum Only)
REVENUES		
Intergovernmental	$ 1,895,943	$ 1,895,943
Interest	1,174	1,174
Program Income	37,337	37,337
Stand-In	5,000	5,000
Ashtabula County Commissioners	10,000	10,000
Total Revenues	1,949,454	1,949,454
EXPENDITURES		
Human Services:		
Administration	325,512	325,512
Direct Training/Retraining	1,200,589	1,200,589
Training Related and Support Services	185,051	185,051
Basic Readjustment Services	147,791	147,791
EDWAA Profiling	12,000	12,000
EDWAA Rapid Response	25,000	25,000
Program Income Expended	22,423	22,423
Job Club Expenditures	4,893	4,893
Core Services	301	301
Stand-In Expenditures:		
Administration	5,000	5,000
Direct Training	0	0
Total Expenditures	1,928,560	1,928,560
Excess (Deficiency) of Revenues Over Expenditures	20,894	20,894
Fund Balance at Beginning of Year	117,264	117,264
Fund Balance at End of Year	$ 138,158	$ 138,158

The notes to the general purpose financial statements are an integral part of these statements.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
SERVICE DELIVERY AREA NUMBER 26
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 1, 1998 THROUGH JUNE 30, 1999

NOTE 1: **DESCRIPTION OF ENTITY**

Ashtabula-Geauga Training and Employment Consortium (AGTEC), Service Delivery Area Number 26 (SDA #26), was established in 1983 by the State of Ohio Bureau of Employment Services as a Service Delivery Area, eligible to receive and administer funds granted to the SDA by the State, which has received federal grants under the Job Training Partnership Act (JTPA) of 1982. Ashtabula Geauga Training and Employment Consortium was established to administer all program funds awarded to SDA #26.

AGTEC carried out the purpose of the Act by providing residents of the area with a variety of services authorized. The purpose of the Act is to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the general purpose financial statements of AGTEC.

A. **Basis of Presentation**

The financial reporting practices of AGTEC conform to generally accepted accounting principles as applicable to local governments.

The accounts of AGTEC are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Individual funds and account groups which are used by AGTEC and are summarized in the accompanying combined general purpose financial statements are classified as follows:

Governmental Funds

Special Revenue Funds - To account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Basis of Presentation** (Continued)

Account Groups

General Fixed Assets Account Group - To account for all fixed assets of AGTEC.

General Long-Term Debt Account Group - To account for long-term debt and other long-term liabilities of AGTEC.

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

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: interest earnings and intergovernmental revenue.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Measurement Focus and Basis of Accounting** (Continued)

AGTEC reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year

The measurement focus of governmental fund accounting is based on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related liability is incurred.

C. **Fixed Assets**

Fixed Assets include furniture, fixtures, and equipment purchased by AGTEC. At the time of purchase, such assets are recorded as expenditures in the Governmental Funds and are accounted for in the General Fixed Assets Account Group.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

JTP-Ohio Property Management Standards require that depreciation be computed on all non-expendable personal property having a useful life of more than two years and purchase price of $1,000 or more. The Ashtabula Geauga Employment and Training Consortium's capitalization policy is $1,000. The amount of depreciation is to be computed over 10 years or 10% of cost, which varies from generally accepted accounting principles. Depreciation is only recorded in the general fixed assets account group.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Budgetary Process**

AGTEC's annual budget is primarily a management tool that assists its users in analyzing financial activity for its fiscal year ending June 30.

AGTEC's primary funding source is federal and state grants which have grant periods that may or may not coincide with the Agency's fiscal year. These grants normally are for a twelve-month period, ending June 30. However, they can be awarded for periods longer than twelve months and IIB grants are on a fiscal year ending September 30.

Because of AGTEC's dependency on federal and state budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding. The annual budget differs from that of a local government in two respects:

1) the uncertain nature of grant awards from other entities
2) conversion of grant budgets to a fiscal year basis

The annual budget is subject to constant change within the fiscal year due to:

- Increases/decreases in actual grant awards from those estimated;
- Changes in grant periods;
- Unanticipated grant awards not included in the budget; and
- Expected grant awards which fail to materialize.

The Executive Board formally approved the annual budget, but greater emphasis is placed on complying with the grant budget, terms and conditions on a grant-by-grant basis. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.

Although the annual budget for the Special Revenue funds is reviewed and approved by the Executive Board, it is not a legally adopted budget and it is not subject to the budget procedures that are followed by the County Budget Commission.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

E. **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by AGTEC.

F. **Total Columns on Combined Statements**

Total columns on the financial statements are captioned "Totals - (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

NOTE 3: **EQUITY IN POOLED CASH AND INVESTMENTS**

State statutes classify monies held by AGTEC into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in AGTEC, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that AGTEC has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit account including, but limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

NOTE 3: **EQUITY IN POOLED CASH AND INVESTMENTS** (Continued)

Protection of AGTEC's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Legislation now permits interim monies to be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be directly issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds or other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and

6. The State Treasurer's investment pool (STAR Ohio).

7. Certain banker's acceptance and commercial paper notes for the period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

NOTE 3: **EQUITY IN POOLED CASH AND INVESTMENTS** (Continued)

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purchase of arbitrage, the use of leverage, and short selling are prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of AGTEC, and must be purchased with the expectation that it will be held until maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classified deposits and investments by categories of risk as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments, and Repurchase Agreements.*

Deposits

The Governmental Accounting Standards Board has established risk categories for deposits as follows:

Category 1 - Insured or collateralized with securities held by AGTEC or its agent in AGTEC's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in AGTEC's name.

Category 3 - Uncollateralized. (This included any bank balance that is collateralized with securities held by the pledging institution or its trust department or agent but not in AGTEC's name).

NOTE 3: **EQUITY POOLED CASH AND INVESTMENTS** (Continued)

Deposits (Continued)

		Book Balance	Bank Balance
Category 1	Star Bank	$ 100,000	$ 100,000
Category 3	Star Bank	39,516	88,754
Total Deposits		$ 139,516	$ 188,754

All deposits are carried at cost. At year end, cash on hand was $350 and the carrying amount of AGTEC's deposits was $139,516, and the bank balance was $188,754. Of the bank balance, $100,000 was insured and $88,754 was classified as Risk Category 3.

Investments

The Governmental Accounting Standards Board has established risk categories for investments as follows:

Category 1 - Investments that are insured or registered or for which the securities are held by AGTEC or its agent in AGTEC's name.

Category 2 - Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in AGTEC's name.

Category 3 - Uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in AGTEC's name.

AGTEC had no investments as of June 30, 1999.

NOTE 4: **DUE FROM OTHER GOVERNMENTS**

Due from Other Governments represents amounts owed to AGTEC from JTP-Ohio for grant funds earned but not received. As of June 30, 1999, the balance of Due from Other Governments in the governmental funds is $109,415.

NOTE 5: **FIXED ASSETS**

General Fixed Assets Account Group - A summary of the changes in general fixed assets during the year ended June 30, 1999 follows:

	Balance 6/30/98	Additions	Deletions	Balance 6/30/99
Equipment, Furniture & Fixtures	$ 200,136	$ 12,567	$ 9,055	$ 203,648
Accumulated Depreciation	(137,276)	(19,909)	(3,780)	(153,405)
Total	$ 62,860	$ (7,342)	$ 5,275	$ 50,243

NOTE 6: **DEFINED PENSION BENEFIT PLAN**

All of AGTEC's full-time employees participate in the Public Employees Retirement System, which is a cost-sharing, multiple-employer defined benefit pension plan.

Public Employees Retirement System (the "PERS" of Ohio")

The following information was provided by the PERS of Ohio to assist AGTEC in complying with GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employers.*

1. **Pension Benefit Obligations**

All full-time employees of AGTEC participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

NOTE 6: **DEFINED PENSION BENEFIT PLAN** (Continued)

Public Employees Retirement System (the "PERS" of Ohio") (Continued)

1. **Pension Benefit Obligations** (Continued)

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for employees is 8.5%. The 1998 employer rate for local government employer units was 13.55% of covered payroll, 9.35% to fund the pension benefit obligation and 4.20% to fund health care. The contribution requirements of plan members and AGTEC are established and may be amended by the Public Employees Retirement Board. AGTEC's contributions to the PERS of Ohio for the years 1999, 1998, 1997 were $75,784, $69,304, and $59,359, respectively, which was equal to the required contributions for each year.

2. **Other Postemployment Benefits**

In addition to the pension benefit obligation described above, the PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions and requires employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the employer contribution rate (identified above) that was used to fund health care for the year ended June 30, 1999 was 4.20%, which amounted to $23,490 of covered payroll.

Other postemployment benefits are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely.

Expenditures for other postemployment benefits during 1998 were $440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future other postemployment benefits payments were $9,447,325,318. The number of benefit recipients eligible for other postemployment benefits at December 31, 1998 was 115,579.

NOTE 6: **DEFINED PENSION BENEFIT PLAN** (Continued)

Public Employees Retirement System (the "PERS" of Ohio") (Continued)

2. **Other Postemployment Benefits** (Continued)

During 1997, the Retirement Board adopted a new calculation method for determining employer contributions applied to other postemployment benefits. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

NOTE 7: **COMPENSATED ABSENCES**

Full-time employees are eligible for paid vacation leave according to the following eligibility guidelines:

Years of Service	Vacation	Hours Accrued Per 80 Hour Pay Period
Less than 1 year	None	None**
1 year up to 8 years	2 Weeks	3.1
8 years up to 15 years	3 Weeks	4.6
15 years up to 25 years	4 Weeks	6.2
25 years or more	5 Weeks	7.7

** No employee is eligible to take vacation leave until one year after their initial employment.

The liability for accumulated vacations $30,884 at June 30, 1999 for governmental fund types, which represents normal accumulations, has been recorded in the Special Revenue Fund.

Full-time employees earned 4.62 hours per pay period of sick leave. Upon retirement, employees with ten or more years of service will be compensated for 25% of unused time. The maximum payment will not exceed two-hundred forty (240) hours, or thirty (30) days. Such payment shall be based on the employee's rate at the time of retirement.

NOTE 7: **COMPENSATED ABSENCES** (Continued)

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences,* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, AGTEC provides a liability for unpaid accumulated sick leave for employees. The current portion of unpaid sick leave is the amount to be paid using available expendable reserves, and is reported as an accrued liability in the fund from which the individuals are paid. The remaining balance of the liability is reported in the general long-term obligation account group. At June 30, 1999, these amounts were $0 and $7,510, respectively.

NOTE 8: **CONTINGENT LIABILITIES**

Under the terms of federal and state grants, periodic audits are required and certain expenditures may be questioned as not appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. AGTEC's management believes disallowances, if any, will be immaterial.

There are no expenditures recommended for disallowance. Cost recommended for disallowance are those involving expenditures for which existing documentary evidence leads the auditor to conclude that the expenditures were in violation of legislative or regulatory requirements. These costs are disallowed by the Grantor unless the grantee is able to convince the Grantor that they were made in accordance with legal or regulatory requirements.

NOTE 8: **CONTINGENT LIABILITIES** (Continued)

There are no expenditures listed as questionable. Questionable costs are those involving the lack of or inadequacy of documentary support. Findings containing questionable costs do not necessarily mean that the costs were used for improper purposes, but that there was insufficient documentary evidence to allow a determination of their eligibility.

NOTE 9: **INSURANCE AND RISK MANAGEMENT**

AGTEC is exposed to various risks of loss related to torts, thefts of, damages to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During 1999, AGTEC contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Deductible
Nationwide Insurance Co.	General Liability	$ 250
Ohio Casualty Group of Insurance Co.	Blanket Employee Bond	$ 0

AGTEC pays the State Worker's Compensation system a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs.

AGTEC continued to carry commercial insurance for other risks of loss, including employee health and life insurance. Settled claims resulting from the above noted risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 10: **YEAR 2000 INFORMATION**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect AGTEC's operations as early as fiscal year 1999.

AGTEC has taken an inventory of its computer system and other equipment necessary to conducting operations and will identify such systems as being financial reporting, payroll, and employee benefits.

NOTE 10: **YEAR 2000 INFORMATION** (Continued)

AGTEC uses Peachtree Products software for its financial reporting, payroll, and employee benefits. Peachtree is responsible for remediating these systems. AGTEC has been assured by Peachtree that all software programs currently used by AGTEC are Year 2000 compliant.

The Bureau of Employment Services distributes a substantial sum of money to AGTEC in the form of JTPA funds. The Bureau of Employment Services is responsible for remediating these systems.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that AGTEC is or will be Year 2000 ready, that AGTEC's remediation efforts will be successful in whole or in part, or that parties with whom AGTEC does business will be Year 2000 ready.

NOTE 11: **GRANT FUNDING**

As of June 30, 2000, the Bureau of Employment Services will be terminated and core services will be transferred to the Ohio Department of Jobs and Family Services. On July 1, 2000, JTPA participants will be transferred and serviced through the Ohio Department of Jobs and Family Services. The County Commissioner will be the grant recipient and will be custodian of financial information and equipment. At this time, it is undetermined if AGTEC will be the subrecipient of the grant funds.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
SERVICE DELIVERY AREA NUMBER 26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDING JUNE 30, 1999

Federal Grantor/ Pass Through Grantor/ Program Titles	Grant Period	CFDA Number	Allocation	Transfers	Revenue	Expenditures	Unexpended Allocation
United States Department of Labor							
Ohio Bureau of Employment Services							
Title II							
0-P7-26-00-01	07/01/97-06/30/98	17.250	$ 37,751	$ 0	$ 37,751	$ 37,751	$ 0
0-P8-26-00-01	07/01/98-06/30/99	17.250	491,930	0	451,664	451,664	40,266
1-P7-26-00-01	07/01/97-06/30/98	17.250	3,541	0	3,541	3,541	0
1-P8-26-00-01	07/01/98-06/30/99	17.250	31,881	0	27,408	27,408	4,473
Y-P7-26-00-01	07/01/97-06/30/98	17.250	9,525	0	9,525	9,525	0
Y-P8-26-00-01	07/01/98-06/30/99	17.250	70,247	50,000	119,466	119,466	781
4-P7-26-00-01	07/01/97-06/30/98	17.250	4,044	0	4,044	4,044	0
4-P8-26-00-01	07/01/98-06/30/99	17.250	46,469	0	44,312	44,312	2,157
3-96-26-00-01	01/01/98-12/31/98	17.250	3,550	0	3,550	3,550	0
3-97-26-00-01	01/01/99-12/31/99	17.250	47,563	0	25,598	25,598	21,965
5-98-26-00-01	10/01/97-09/30/98	17.250	498,029	(50,000)	448,029	448,029	0
5-99-26-00-01	10/01/98-09/30/99	17.250	372,125	0	116,400	116,400	255,725
Total CFDA #17.250			1,616,655	0	1,291,288	1,291,288	325,367
Title III							
A-97-26-00-01	07/01/97-06/30/98	17.246	38,415	0	38,415	38,415	0
A-98-26-00-01	07/01/98-06/30/99	17.246	338,548	0	290,142	290,142	48,406
B-98-26-00-00	07/01/98-06/30/99	17.246	276,098	0	276,098	276,098	0
Total CFDA #17.246			653,061	0	604,655	604,655	48,406
TOTAL FEDERAL AWARDS			$ 2,269,716	$ 0	$ 1,895,943	$ 1,895,943	$ 373,773

Grant Period - Period of Subgrant.
Allocations - Amounts allocated in current and unexpended amounts allocated in prior years respectively.
Transfers - Allowable transfers as defined by the JTPA Regulations.
Revenue and Expenditures - Should be reported net of program income.
Unexpended Allocations - Amount left to carry forward to following fiscal year.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 1999

NOTE A: **SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of Ashtabula Geauga Training and Employment Consortium's federal award programs. The schedule has been prepared on the GAAP (accrual) basis of accounting.

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Heights, Ohio 44125

ember American Institute of Certified Public Accountants (216) 475-6136 Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Trustees of
Ashtabula Geauga Training and
Employment Consortium

We have audited the general purpose financial statements of the Ashtabula Geauga Training and Employment Consortium (AGTEC) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 16, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance
As part of obtaining reasonable assurance about whether AGTEC's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting
In planning and performing our audit, we considered AGTEC's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to the management of AGTEC in a separate letter dated December 16, 1999.

This report is intended solely for the information and use of the Board of Trustees, management, others within the Organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

December 16, 1999

James G. Zupka

James G. Zupka
Certified Public Accountant

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Heights, Ohio 44125

Member American Institute of Certified Public Accountants (216) 475-6136 Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Trustees of
Ashtabula Geauga Training and
Employment Consortium

Compliance

We have audited the compliance of the Ashtabula Geauga Training and Employment Consortium (AGTEC) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. AGTEC's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of AGTEC's management. Our responsibility is to express an opinion on AGTEC's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the AGTEC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on AGTEC's compliance with those requirements.

In our opinion, AGTEC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of AGTEC is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered AGTEC's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We noted other matters involving the internal control over financial reporting that we have reported to the management of Ashtabula Geauga Training and Employment Consortium in a separate letter dated December 16, 1999.

This report is intended solely for the information and use of the Board of Trustees, management, others within the Organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James G. Zupka

December 16, 1999

James G. Zupka
Certified Public Accountant

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
SERVICE DELIVERY AREA NUMBER 26
STATUS OF PRIOR AUDIT CITATIONS AND RECOMMENDATIONS
JULY 1, 1998 THROUGH JUNE 30, 1999

The prior audit report as of June 30, 1998 included no citations. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
SERVICE DELIVERY AREA NUMBER 26
GENERAL COMMENTS

The accompanying general purpose financial statements reflect activity and balances of as June 30, 1999.

The Ashtabula Geauga Training and Employment Consortium was cooperative and available for questions and assistance during regular working hours.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505
JUNE 30, 1999

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

1999(I)	Type of Financial Statement Opinion	Unqualified
1999(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
1999(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
1999(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
1999(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
1999(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
1999(v)	Type of Major Programs' Compliance Opinion	Unqualified
1999(vi)	Are there any reportable findings under Section 510?	No
1999(vii)	Major Programs (list):	Job Training Partnership Act (JTPA) Title II and Dislocated Workers Title III
1999(viii)	Dollar Threshold: Type A/B Programs	Type A: $300,000 Type B: NONE
1999(ix)	Low Risk Auditee?	Yes

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

   None.

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

   None.

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
AS OF JUNE 30, 1999

	JTPA	JTPA Program Income	Non Federal	Total
ASSETS				
Cash and Cash Equivalents	$ 8,564	$ 121,603	$ 9,699	$ 139,866
Accounts Receivable	9,585	6,856	0	16,441
Due from Other Governments -				
Power Ohio	109,415	0	0	109,415
Prepaid Items	3,390	0	0	3,390
TOTAL ASSETS	$ 130,954	$ 128,459	$ 9,699	$ 269,112
LIABILITIES				
Accounts Payable	$ 46,354	$ 0	$ 0	$ 46,354
Accrued Wages and Benefits	52,935	0	0	52,935
Compensated Absences Payable	30,884	0	0	30,884
Deferred Revenue	781	0	0	781
Total Liabilities	130,954	0	0	130,954
FUND EQUITY				
Fund Balance:				
Unreserved/Undesignated	0	128,459	9,699	138,158
Total Fund Equity	0	128,459	9,699	138,158
TOTAL LIABILITIES AND FUND EQUITY	$ 130,954	$ 128,459	$ 9,699	$ 269,112

ASHTABULA GEAUGA TRAINING AND EMPLOYMENT CONSORTIUM
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	JTPA	JTPA Program Income	Non Federal	Total
REVENUES				
Intergovernmental	$1,895,943	$ 0	$ 0	$1,895,943
Interest	0	1,174	0	1,174
Program Income	0	37,337	0	37,337
Stand-In Revenues	5,000	0	0	5,000
Ashtabula County Commissioners	0	0	10,000	10,000
TOTAL REVENUES	1,900,943	38,511	10,000	1,949,454
EXPENDITURES				
Human Services:				
Administration	325,512	0	0	325,512
Direct Training/Retraining	1,200,589	0	0	1,200,589
Training Related and Support Services	185,051	0	0	185,051
Basic Readjustment Services	147,791	0	0	147,791
EDWAA Profiling	12,000	0	0	12,000
EDWAA Rapid Response	25,000	0	0	25,000
Program Income Expensed	0	22,423	0	22,423
Job Club Expenditures	0	4,893	0	4,893
Core Services	0	0	301	301
Stand-In Expenditures:				
Administration	5,000	0	0	5,000
Direct Training	0	0	0	0
TOTAL EXPENDITURES	1,900,943	27,316	301	1,928,560
Excess (Deficiency) of Revenues over Expenditures	0	11,195	9,699	20,894
Fund Balance at Beginning of Year	0	117,264	0	117,264
Fund Balance at End of Year	$ 0	$ 128,459	$ 9,699	$ 138,158

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title IIA, 77%
For the Period ending June 30, 1999

0-P6 (Yr. Before Prior Yr.)	Totals	Administration Maximum 20%	Direct Training Minimum 50%	Training Related & Supportive Services Maximum 30%
Allocation				
Allocation Amount	398,844	$79,769	$199,422	$119,653
Transfer From IIC	0	0	0	0
Total Allocation	398,844	79,769	199,422	119,653
Expenditures				
Expenditures 07/01/96-06/30/97	333,683	79,769	153,261	100,653
Expenditures 07/01/97-06/30/98	65,161	0	46,161	19,000
Total Expenditure	398,844	79,769	199,422	119,653
Unexpended Funds	0	0	0	0
Percentage of Allocation	100.00%	20.00%	50.00%	30.00%
Budget				
PY'97 Budget	65,161	0	46,161	19,000
Percentage Achieved	100.00%	100.00%	100.00%	100.00%
0-97 (Prior Year)				
Allocation				
Allocation Amount	$405,882	$81,176	$324,706	
Transfer From IIC	0	0	0	
Total Allocation	405,882	81,176	324,706	
Expenditures				
Expenditures 07/01/97-06/30/98	368,131	81,176	286,955	
Expenditures 07/01/98-06/30/99	37,751	0	37,751	
Total Expenditure	405,882	81,176	324,706	
Unexpended Funds	0	0	0	
Percentage of Allocation	100.00%	20.00%	80.00%	
Budget				
PY'98 Budget	37,751	0	37,751	
Percentage Achieved	100.00%	100.00%	100.00%	
0-98 (Current Year)				
Allocation				
Allocation Amount	$491,930	$98,386	$393,544	
Transfer From IIC	0	0	0	
Total Allocation	491,930	98,386	393,544	
Expenditures				
Expenditures 07/01/98-06/30/99	451,664	96,979	354,685	
Total Expenditure	451,664	96,979	354,685	
Unexpended Funds	40,266	1,407	38,859	
Percentage of Allocation	91.81%	19.71%	72.10%	
Budget				
PY'98 Budget	491,930	98,386	393,544	
Percentage Achieved	91.81%	98.57%	90.13%	
85% Analysis				
Expenditures	451,664			
Obligations	0			
Total	451,664			
Percentage Achieved	91.81%			

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title IIA, 5% O.W.
For the Period ending June 30, 1999

1-P6 (Yr. Before Prior Yr.)	Totals	Administration Maximum 20%	Direct Training Minimum 50%	Training Related & Supportive Services Maximum 30%
Allocation				
Allocation Amount	$25,694	$5,139	$12,847	$7,708
Transfer From IIC	0	0	0	0
Total Allocation	25,694	5,139	12,847	7,708
Expenditures				
Expenditures 07/01/96-06/30/97	21,892	5,139	9,352	7,401
Expenditures 07/01/97-06/30/98	3,802	0	3,495	307
Total Expenditure	25,694	5,139	12,847	7,708
Unexpended Funds	0	0	0	0
Percentage of Allocation	100.00%	20.00%	50.00%	30.00%
Budget				
PY'97 Budget	3,802	0	3,495	307
Percentage Achieved	100.00%	100.00%	100.00%	100.00%
1-97 (Prior Year)				
Allocation				
Allocation Amount	$26,175	$5,235	$20,940	
Transfer From IIC	0	0	0	
Total Allocation	26,175	5,235	20,940	
Expenditures				
Expenditures 07/01/97-06/30/98	22,634	5,235	17,399	
Expenditures 07/01/98-06/30/99	3,541	0	3,541	
Total Expenditure	26,175	5,235	20,940	
Unexpended Funds	0	0	0	
Percentage of Allocation	100.00%	20.00%	80.00%	
Budget				
PY'98 Budget	3,541	0	3,541	
Percentage Achieved	100.00%	100.00%	100.00%	
1-98 (Current Year)				
Allocation				
Allocation Amount	$31,881	$6,376	$25,505	
Transfer From IIC	0	0	0	
Total Allocation	31,881	6,376	25,505	
Expenditures				
Expenditures 07/01/98-06/30/99	27,408	5,866	21,542	
Total Expenditure	27,408	5,866	21,542	
Unexpended Funds	4,473	510	3,963	
Percentage of Allocation	85.97%	18.40%	67.57%	
Budget				
PY'98 Budget	31,881	6,376	25,505	
Percentage Achieved	85.97%	92.00%	84.46%	
85% Analysis				
Expenditures	27,408			
Obligations	0			
Total	27,408			
Percentage Achieved	85.97%			

Analysis of Cost Limitations and Budget to Actual, Title IIC
For the Period ending June 30, 1999

Attachment B

Y-P6 (Yr. Before Prior Yr.)	Totals	Administration Maximum 20%	Direct Training Minimum 50%	Training Related & Supportive Services Maximum 30%
Allocation				
Allocation Amount	$61,499	$12,300	$30,750	$18,449
Transfer From IIB	40,000	0	40,000	0
Total Allocation	101,499	12,300	70,750	18,449
Expenditures				
Expenditures 07/01/96-06/30/97	81,193	12,300	66,881	2,012
Expenditures 07/01/97-06/30/98	20,306	0	3,869	16,437
Total Expenditure	101,499	12,300	70,750	18,449
Unexpended Funds	0	0	0	0
Percentage of Allocation	100.00%	12.12%	69.71%	18.18%
Budget				
PY'97 Budget	20,306	0	3,869	16,437
Percentage Achieved	100.00%	100.00%	100.00%	100.00%
Y-97 (Prior Year)				
Allocation				
Allocation Amount	$60,463	$12,093	$48,370	
Transfer From IIB	92,500	18,500	74,000	
Total Allocation	152,963	30,593	122,370	
Expenditures				
Expenditures 07/01/97-06/30/98	143,438	30,593	112,845	
Expenditures 07/01/98-06/30/99	9,525	0	9,525	
Total Expenditure	152,963	30,593	122,370	
Unexpended Funds	0	0	0	
Percentage of Allocation	100.00%	20.00%	80.00%	
Budget				
PY'98 Budget	9,525	0	9,525	
Percentage Achieved	100.00%	100.00%	100.00%	
Y-98 (Current Year)				
Allocation				
Allocation Amount	$70,247	$14,049	$56,198	
Transfer From IIB	50,000	10,000	40,000	
Total Allocation	120,247	24,049	96,198	
Expenditures				
Expenditures 07/01/98-06/30/99	119,466	23,268	96,198	
Total Expenditure	119,466	23,268	96,198	
Unexpended Funds	781	781	0	
Percentage of Allocation	99.35%	19.35%	80.00%	
Budget				
PY'98 Budget	120,247	24,049	96,198	
Percentage Achieved	99.35%	96.75%	100.00%	
85% Analysis				
Expenditures	119,466			
Obligations	0			
Total	119,466			
Percentage Achieved	99.35%			

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title IIA, 8%
For the Period ending June 30, 1999

4-P6 (Yr. Before Prior Yr.)	Totals	Administration Maximum 20%	Direct Training Minimum 50%	Training Related & Supportive Services Maximum 30%
Allocation				
Allocation Amount	$38,054	$7,611	$27,943	$2,500
Transfer From IIC	0	0	0	0
Total Allocation	38,054	7,611	27,943	2,500
Expenditures				
Expenditures 07/01/96-06/30/97	30,227	7,611	21,944	672
Expenditures 07/01/97-06/30/98	7,827	0	5,999	1,828
Total Expenditure	38,054	7,611	27,943	2,500
Unexpended Funds	0	0	0	0
Percentage of Allocation	100.00%	20.00%	73.43%	6.57%
Budget				
PY'97 Budget	7,827	0	5,999	1,828
Percentage Achieved	100.00%	100.00%	100.00%	100.00%
4-97 (Prior Year)				
Allocation				
Allocation Amount	$38,482	$7,696	$30,786	
Transfer From IIC	0	0	0	
Total Allocation	38,482	7,696	30,786	
Expenditures				
Expenditures 07/01/97-06/30/98	34,438	7,696	26,742	
Expenditures 07/01/98-06/30/99	4,044	0	4,044	
Total Expenditure	38,482	7,696	30,786	
Unexpended Funds	0	0	0	
Percentage of Allocation	100.00%	20.00%	80.00%	
Budget				
PY'98 Budget	4,044	0	4,044	
Percentage Achieved	100.00%	100.00%	100.00%	
4-98 (Current Year)				
Allocation				
Allocation Amount	$46,469	$9,293	$37,176	
Transfer From IIC	0	0	0	
Total Allocation	46,469	9,293	37,176	
Expenditures				
Expenditures 07/01/98-06/30/99	44,312	8,208	36,104	
Total Expenditure	44,312	8,208	36,104	
Unexpended Funds	2,157	1,085	1,072	
Percentage of Allocation	95.36%	17.66%	77.69%	
Budget				
PY'98 Budget	46,469	9,293	37,176	
Percentage Achieved	95.36%	88.32%	97.12%	
85% Analysis				
Expenditures	44,312			
Obligations	0			
Total	44,312			
Percentage Achieved	95.36%			

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title 5% INCENTIVE
For the Period ending June 30, 1999

3-P6 (Yr. Before Prior Yr.)	Totals	Administration	Direct Training Minimum 50%	Training Related & Supportive Services Maximum 30%
Allocation				
Allocation Amount	20,019	$20,019	$0	$0
Total Allocation	20,019	20,019	0	0
Expenditures				
Expenditures 07/01/97-06/30/98	16,469	16,469	0	0
Expenditures 07/01/98-06/30/99	3,550	3550		
Total Expenditure	20,019	20,019	0	0
Unexpended Funds	0	0	0	0
Percentage of Allocation	100.00%	100.00%		
Budget				
PY'98 Budget	3,550	3,550		
Percentage Achieved	100.00%	100.00%		
3-97 (Prior Year)				
Allocation				
Allocation Amount	$47,563	$47,563		
Transfer From IIC	0	0		
Total Allocation	47,563	47,563		
Expenditures				
Expenditures 07/01/98-06/30/99	25,598	25,598		
Total Expenditure	25,598	25,598		
Unexpended Funds	21,965	21,965		
Percentage of Allocation	53.8%	53.8%		
Budget				
PY'98 Budget	47,563	47,563		
Percentage Achieved	53.8%	53.8%		

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title IIB
For the Period ending June 30, 1998

5-97 (Yr. Before Prior Yr.)	Totals	Administration Maximum 20%	Program Services
Allocation			
Allocation Amount	$498,719	$99,743	$398,976
Transfer To IIC	(92,500)	(18,500)	(74,000)
Total Allocation	406,219	81,243	324,976
Expenditures			
Expenditures 10/1/96-06/30/97	61,437	61,437	0
Expenditures 10/1/96-09/30/97	322,095	12,422	309,673
Expenditures 10/1/97-09/30/98	22,687	7,384	15,303
Total Expenditure	406,219	81,243	324,976
Unexpended Funds	0	0	0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY'97 Budget	344,782	19,806	324,976
Percentage Achieved	100.00%	100.00%	100.00%
5-98 (Prior Year)			
Allocation			
Allocation Amount	$570,726	$114,145	$456,581
Transfer To IIC	(50,000)	(10,000)	(40,000)
Total Allocation	520,726	104,145	416,581
Expenditures			
Expenditures 10/1/97-06/30/98	72,697	29,324	43,373
Expenditures 07/1/98-06/30/99	448,029	74,821	373,208
Total Expenditure	520,726	104,145	416,581
Unexpended Funds	0	0	0
Percentage of Allocation	100.00%	20.00%	80.00%
Budget			
PY'98 Budget	448,029	74,821	373,208
Percentage Achieved	100.00%	100.00%	100.00%
5-99 (Current Year)			
Allocation			
Allocation Amount	$487,125	$97,425	$389,700
Transfer to IIC	(115,000)	(23,000)	(92,000)
Total Allocation	372,125	74,425	297,700
Expenditures			
Expenditures 10/1/98-6/30/99	116,400	44,925	71,475
Total Expenditure	116,400	44,925	71,475
Unexpended Funds	255,725	29,500	226,225
Percentage of Allocation	31.28%	12.07%	19.21%
Budget			
PY'99 Budget	372,125	74,425	297,700
Percentage Achieved	31.28%	60.36%	75.99%

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title III EDWAA
For the Period ending June 30, 1999

A-P6 (Yr. Before Prior Yr.)	Totals	Administration Maximum 15%/20	Direct Training Minimum 50%	Supportive Services Maximum 30%	Basic Readjustment
Allocation					
Allocation Amount	$284,923	$42,686	$142,300	$20,000	79,937
Transfer From IIC	0	0	0	0	0
Total Allocation	284,923	42,686	142,300	20,000	79,937
Expenditures					
Expenditures 07/01/96-06/30/97	244,395	34,242	141,873	14,412	53,868
Expenditures 07/01/97-06/30/98	40,528	8,444	427	5,588	26,069
Total Expenditure	284,923	42,686	142,300	20,000	79,937
Unexpended Funds	0	0	0	0	0
Percentage of Allocation	100.00%	14.98%	49.94%	7.02%	28.06%
Budget					
PY'97 Budget	40,528	8,444	427	5,588	26,069
Percentage Achieved	100.00%	100.00%	100.00%	100.00%	100.00%
A-97 (Prior Year)					
Allocation					
Allocation Amount	$325,807	$65,161	$260,646		
Transfer From IIC	0	0	0		
Total Allocation	325,807	65,161	260,646		
Expenditures					
Expenditures 07/01/97-06/30/98	287,392	49,403	237,989		
Expenditures 07/01/98-06/30/99	38,415	15,758	22,657		
Total Expenditure	325,807	65,161	260,646		
Unexpended Funds	0	0	0		
Percentage of Allocation	100.00%	20%	80%		
Budget					
PY'98 Budget	38,415	15,758	22,657		
Percentage Achieved	100.00%	100.00%	100.00%		
A-98 (Current Year)					
Allocation					
Allocation Amount	$338,548	$67,710	$270,838		
Transfer From IIC	0	0	0		
Total Allocation	338,548	67,710	270,838		
Expenditures					
Expenditures 07/01/98-06/30/99	290,142	51,034	239,108		
Total Expenditure	290,142	51,034	239,108		
Unexpended Funds	48,406	16,676	31,730		
Percentage of Allocation	85.70%	15.07%	70.63%		
Budget					
PY'98 Budget	338,548	67,710	270,838		
Percentage Achieved	85.70%	75.37%	88.28%		
85% Analysis					
Expenditures	290,142				
Obligations	0				
Total	290,142				
Percentage Achieved	85.70%				

Attachment B

Analysis of Cost Limitations and Budget to Actual, Title III EDWAA Incentive
For the Period ending June 30, 1999

B-97 (Prior Year)	Totals	Administration	Direct Training	Profiling	Basic Readjustment	Rapid Response
Allocation						
Allocation Amount	$216,879	$35,976	$86,840	$12,000	$57,063	$25,000
Total Allocation	216,879	35,976	86,840	12,000	57,063	25,000
Expenditures						
Expenditures 07/01/97-06/30/98	216,879	35,976	86,840	12,000	57,063	25,000
Total Expenditure	216,879	35,976	86,840	12,000	57,063	25,000
Unexpended Funds	0	0	0	0	0	0
Percentage of Allocation	100.00%	16.59%	40.04%	5.53%	26.31%	11.53%
Budget						
PY'97 Budget	216,879	35,976	86,840	12,000	57,063	25,000
Percentage Achieved	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
85% Analysis						
Expenditures	216,879					
Obligations	0					
Total	216,879					
Percentage Achieved	100.00%					
B-98 (Current Year)						
Allocation						
Allocation Amount	276,098	47,820	133,300	12,000	57,978	25,000
Total Allocation	276,098	47,820	133,300	12,000	57,978	25,000
Expenditures						
Expenditures 07/01/98-06/30/99	276,098	47,820	133,300	12,000	57,978	25,000
Total Expenditure	276,098	47,820	133,300	12,000	57,978	25,000
Unexpended Funds	0	0	0	0	0	0
Percentage of Allocation	100.00%	17.32%	48.28%	4.35%	21.00%	9.05%
Budget						
PY'98 Budget	276,098	47,820	133,300	12,000	57,978	25,000
Percentage Achieved	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
85% Analysis						
Expenditures	276,098					
Obligations	0					
Total	276,098					
Percentage Achieved	100.00%					

Attachment C

Ashtabula Geauga Training and Employment Consortium
Schedule of Stand-in-Costs
For the Period Ending June 30, 1999

Title II	Administration	Direct Training	Support	Total
O.W. 1-98-26-00-01	$5,000.00	$0.00	$0.00	$5,000.00
Total CFDA #17.250	$5,000.00	$0.00	$0.00	$5,000.00

Attachment D

Ashtabula Geauga Training and Employment Consortium
Schedule of Program Income
For the Period Ending June 30, 1999

Title II	Earned Admin.	Earned Program Services	Earned Total	Expended Admin.	Expended Program Services	Expended Total	Balance
0-98-26-00-00	$7,702	$30,809	$38,511	$0	$27,316	$27,316	$11,195

Attachment E

Ashtabula Geauga Training and Employment Consortium
Service Delivery Area Number 26
Schedule of Variances
For the Period Ending June 30, 1999

Title II Program	JTP Ohio	Audit Report	Variance	
Title IIA 77%				
0-97-26-00-01	37,751	37,751	0	
0-98-26-00-01	451,664	451,664	0	
Title IIA 5% O.W.				
1-97-26-00-01	3,541	3,541	0	
1-98-26-00-01	27,408	27,408	0	
Title IIC				
Y-97-26-00-01	9,525	9,525	0	
Y-98-26-00-01	119,466	119,466	0	
Title IIA 8%				
4-97-26-00-01	4,044	4,044	0	
4-98-26-00-01	44,312	44,312	0	
Title IIA 5% Inc.				
3-97-26-00-0	3,550	3,550	0	
3-98-26-00-0	25,598	25,598	0	
Title IIB				
5-98-26-00-0	520,726	448,029	72,697	1
5-99-26-00-0	116,400	116,400	0	
Total CFDA #17.250	1,363,985	1,291,288	72,697	
Title III Program				
Title III Formula				
A-97-26-00-01	38,415	38,415	0	
A-98-26-00-01	290,142	290,142	0	
Governor's Reserve				
B-98-26-00-0	276,098	276,098	0	
Total CFDA #17.246	604,655	604,655	0	
GRAND TOTALS	1,968,640	1,895,943	72,697	

1 Power Ohio changed their method of reporting IIB expenses when they skipped a reporting year, eliminating Program Year '96 on the State reporting system. This caused expenses to be reported in the incorrect year. This advertent error was made only when transferring information to Power Ohio. All reporting errors were corrected in Program Year '98.

STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

ASHTABULA GEAUGA EMPLOYMENT AND TRAINING CONSORTIUM

ASHTABULA 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.

By: Susan Babbitt

Date: JAN 20 2000