MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2000

JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

TABLE OF CONTENTS

This page intentionally left blank.

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

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Miami Valley Career Technology Center
Montgomery County
6800 Hoke Road
Clayton, Ohio 45315

To the Board of Education:

We have audited the accompanying financial statements of the Miami Valley Career Technology Center, Montgomery County, (the Center), as of and for the year ended June 30, 2000. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Ohio Administrative Code Section 117-2-01 requires the Center to prepare its annual financial report in accordance with generally accepted accounting principles. However, as discussed in Note 2, the Center prepared its financial statements on the basis of accounting formerly prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles. The accompanying financial statements omit assets, liabilities, fund equities, and disclosures that, while material cannot be determined at this time.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Center as of June 30, 2000, and its combined cash receipts and disbursements and its combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances, for the year then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2000 on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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

Jim Petro
Auditor of State

November 21, 2000

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

COMBINED STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	Governmental Fund Types			
	General	**Special Revenue**	**Capital Projects**	**Totals (Memorandum Only)**
Receipts				
Property and Other Taxes	$11,056,462			$11,056,462
Tuition and Fees	31,581	$1,600,702		1,632,283
Intergovernmental	8,389,421	2,383,787		10,773,208
Earnings on Investments	571,759		$6,050	577,809
Classroom Materials and Fees		173,818		173,818
Miscellaneous Receipts	148,913	16,359		165,272
Total Receipts	20,198,136	4,174,666	6,050	24,378,852
Disbursements				
Current:				
Instruction:				
Regular	2,389,714	2,578		2,392,292
Special	342,521			342,521
Vocational	7,600,929	192,518		7,793,447
Adult/Continuing		2,789,429		2,789,429
Support Services:				
Pupils	832,532	197,619		1,030,151
Instructional Staff	1,196,223	324,940		1,521,163
Board of Education	27,623			27,623
Administration	956,360	316,016		1,272,376
Fiscal	477,662			477,662
Business	493,987			493,987
Operation and Maintenance of Plant	2,281,038	48,128		2,329,166
Pupil Transportation	92,138			92,138
Central	452,432	474,506		926,938
Capital Outlay			1,355,129	1,355,129
Intergovernmental		117,727		117,727
Total Disbursements	17,143,159	4,463,461	1,355,129	22,961,749
Excess of Receipts Over/(Under) Disbursements	3,054,977	(288,795)	(1,349,079)	1,417,103
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	10,289			10,289
Sale of Assets	750			750
Advances - In	265,390	276,335		541,725
Advances - Out	(287,210)	(254,515)		(541,725)
Operating Transfers - In		239,111	936,000	1,175,111
Operating Transfers - Out	(1,200,111)			(1,200,111)
Total Other Financing Sources (Uses)	(1,210,892)	260,931	936,000	(13,961)
Excess of Receipts and Other Sources Over/ (Under) Disbursements and Other Uses	1,844,085	(27,864)	(413,079)	1,403,142
Cash Fund Balances at Beginning of Year	9,267,575	354,197	587,208	10,208,980
Cash Fund Balances at End of Year (A)	$11,111,660	$326,333	$174,129	$11,612,122
Reserved for Encumbrances	$1,364,880	$209,462	$97,531	$1,671,873

(A)=See note 13 for General Fund Statutory Reserved Fund Balances.

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

MIAMII VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

COMBINED STATEMENT OF CASH RECEIPTS
CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	Proprietary Fund Type	Fiduciary Fund Types		
	Enterprise	**Non-Expendable Trust**	**Agency**	**Totals (Memorandum Only)**
Operating Receipts:				
Earnings on Investments		$602	$1,214	$1,816
Extracurricular Activities			80,914	80,914
Classroom Materials and Fees	$245,841			245,841
Miscellaneous Receipts			44,055	44,055
Total Operating Receipts	245,841	602	126,183	372,626
Operating Disbursements:				
Purchased Services			74,998	74,998
Supplies and Materials	277,132		12,438	289,570
Capital Outlay			23,970	23,970
Other Objects			220,138	220,138
Total Operating Disbursements	277,132	0	331,544	608,676
Excess of Operating Receipts Over/(Under) Operating Disbursements	(31,291)	602	(205,361)	(236,050)
Non-Operating Receipts:				
Federal And State Grants			166,112	166,112
Excess of Receipts Over/(Under) Disbursements Before Other Financing Sources (Uses)	(31,291)	602	(39,249)	(69,938)
Other Financing Sources (Uses):				
Advances - In			10,875	10,875
Advances - Out			(10,875)	(10,875)
Transfers - In			25,000	25,000
Total Other Financing Sources (Uses)	0	0	25,000	25,000
Excess of Receipts Over/(Under) Disbursements	(31,291)	602	(14,249)	(44,938)
Cash Fund Balances at Beginning of Year	256,762	10,495	114,291	381,548
Cash Fund Balances at End of Year	$225,471	$11,097	$100,042	$336,610
Reserved for Encumbrances	$13,915	$0	$6,069	$19,984

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

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

COMBINED STATEMENT OF RECEIPTS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2000

Fund Types/Funds	Budget	Actual	Variance Favorable (Unfavorable)
Governmental			
General Fund	$20,209,161	$20,209,175	$14
Special Revenue Funds	4,412,495	4,413,777	1,282
Capital Project Fund	942,050	942,050	0
Proprietary			
Enterprise Fund	245,807	245,841	34
Fiduciary			
Non-Expendable Trust Fund	602	602	0
Agency Funds	317,650	317,295	(355)
Totals (Memorandum Only)	$26,127,765	$26,128,740	$975

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

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

COMBINED STATEMENT OF DISBURSEMENTS AND ENCUMBRANCES COMPARED WITH EXPENDITURE AUTHORITY FOR THE YEAR ENDED JUNE 30, 2000

Fund Types/Funds	Prior Year Carryover Appropriations	2000 Appropriations	Total	Actual 2000 Disbursements	Encumbrances Outstanding at 6/30/00	Total	Variance Favorable (Unfavorable)
Governmental							
General Fund	$1,052,300	$18,994,800	$20,047,100	$18,343,270	$1,364,880	$19,708,150	$338,950
Special Revenue Funds	43,851	3,771,204	3,815,055	4,463,461	209,461	4,672,922	(857,867)
Capital Project Fund	461,555	943,000	1,404,555	1,355,129	97,531	1,452,660	(48,105)
Proprietary							
Enterprise Fund	52,084	300,000	352,084	277,132	13,915	291,047	61,037
Fiduciary							
Non-Expendable Trust Fund		1,000	1,000			0	1,000
Agency Funds	10,676	356,796	367,472	331,544	6,069	337,613	29,859
Totals (Memorandum Only)	$1,620,466	$24,366,800	$25,987,266	$24,770,536	$1,691,856	$26,462,392	($475,126)

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. DESCRIPTION OF REPORTING ENTITY

Miami Valley Career Technology Center, the Center, is a joint vocational school as defined by Section 3311.18 of the Ohio Revised Code and is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A vocational school exposes high school and adult students to academic preparation and job training which lead to employment and/or further education upon graduation from high school. Miami Valley Career Technology Center includes twenty-seven member school districts throughout Montgomery, Butler, Champaign, Darke, Miami, Preble, Shelby and Warren counties. The first official body designated as the Miami Valley Career Technology Center Board of Education was formed in November 1967.

The Center operates under a board comprised of seventeen individuals. These individuals are elected or appointed to the Center's board by the member school districts, except in counties with few member school districts. These counties have the County Educational Service Center appoint an individual to the Board, rather than having all member school districts in the county appointing an individual.

The Center is a jointly governed organization, legally separate from other organizations. The Board of Education of the Miami Valley Career Technology Center is not directly elected, although no School District appoints a voting majority of the Board. None of the school districts that appoint Board members are financially accountable for the Miami Valley Career Technology Center.

The reporting entity is comprised of the Center, component units and other organizations that are included to insure that the financial statements of the Center are not misleading. The Center consists of all funds, departments, boards and agencies that are not legally separate from the Center. For Miami Valley Career Technology Center District, this includes general operations, preschool and student related activities of the Center.

Component units are legally separate organizations for which the Center is financially accountable. The Center is financially accountable for an organization if the Center appoints a voting majority of the organization's governing board and (1) the Center is able to significantly influence the programs or services performed or provided by the organization; or (2) the Center is legally entitled to or can otherwise access the organization's resources; the Center is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Center is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Center in that the Center approves the budget, the issuance of debt, or the levying of taxes for the organization. The Center has no component units.

The Center is associated with four jointly governed organizations, one related organization and one public entity risk pool. These organizations are discussed in Note 9 to the financial statements. These organizations are:

Jointly Governed Organizations:
- Southwestern Ohio Educational Purchasing Cooperative
- Southwestern Ohio Instructional Technology Association
- Ohio Association of Joint Vocational School Superintendents
- The Dayton Area Superintendent's Association

Related Organization:
- Miami Valley Career Technology Center Education Foundation

1. DESCRIPTION OF REPORTING ENTITY (Continued)

Public Entity Risk Pool:
Southwestern Ohio Educational Purchasing Cooperative Workers' Compensation Group Rating Plan

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ohio Admin. Code Section 117-2-01, requires the Center to prepare its annual financial report in accordance with generally accepted accounting principles. However, as discussed in Note 2B, Miami Valley Career Technology Center prepares its financial statements on a basis of accounting formerly permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles. The accompanying financial statements omit assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. The more significant of the Center's accounting policies are described below.

A. Basis of Presentation - Fund Accounting

The Center uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Center functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash receipts and disbursements and other financial resources and uses which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations.

For financial statement presentation purposes, the various funds of the Center are grouped into the following generic fund types under the broad fund categories: governmental, proprietary, and fiduciary.

1. Governmental Fund Types

Governmental funds are those through which most governmental functions of the Center are financed. The acquisition, use, and balances of the Center's expendable financial resources (except those accounted for in the proprietary fund and trust fund) are accounted for through governmental funds. The following are the Center's governmental fund types:

General Fund

The General Fund is the operating fund of the Center and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Center for any purposes provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds).

2. Proprietary Fund Type

A proprietary fund is used to account for the Center's ongoing activities which are similar to those found in the private sector. The Center has the following proprietary fund type:

Enterprise Fund

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

3. Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the Center in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Center's fiduciary funds include nonexpendable trust and agency funds.

B. Basis of Accounting

Although required by Ohio Administrative Code Section 117-2-01 to prepare its annual financial report in accordance with generally accepted accounting principles, the Center chooses to prepare its financial statements on a basis of accounting formerly permitted by the Auditor of State. This basis of accounting is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligation is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved.)

These statements include adequate disclosures of material matters, as formerly prescribed or permitted by the Auditor of State.

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. For FY 2000, the Center's level of budgetary control for the General Fund is at the object level within each function. The legal level of budgetary control for all other funds is at the fund level. Any budgetary modifications to a fund at the appropriate level for that fund may only be made by resolution of the Board of Education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advances in and Advances out are not required to be budgeted since they represent a temporary cash flow of resource and are intended to be repaid.

1. Tax Budget

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Montgomery County Budget Commission for rate determination.

2. Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources which states the projected receipts of each fund. Prior to June 30, the Center must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in receipts are identified by the Treasurer. The amounts reported in the Combined Statement of Receipts - Budget and Actual reflect the amounts in the final amended certificate issued during fiscal year 2000.

3. Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education. The Board's passed the appropriation resolution at the fund, function and object level, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the Center. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of disbursements and encumbrances may not exceed the appropriation totals at the legal level of control. Any revisions that alter the total of any appropriation at the fund, function or object level, for the General Fund, and at the fund level for all other funds, must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts, set forth in the most recent certificate of estimated resources.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The budget figures which appear in the Combined Statement of Disbursements and Encumbrances Compared with Expenditure Authority, represent the final appropriation amounts, including any supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

4. Encumbrances

The Center is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve the portion of the applicable appropriation.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be appropriated.

6. Budgetary Noncompliance

Ohio Rev. Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. Disbursements and encumbrances exceeded appropriations at the fund level for the following funds:

Fund	Excess
018 Public School	$456
400 State Programs	$138,488
004 Building	$48,105
012 Adult Education	$780,166
014 Rotary	$5,073

Also, disbursements and encumbrances exceeded appropriations at the object level in the General Fund in 22 accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Pooled Cash and Investments

To improve cash management, the Center maintains a cash and investment pool used by all funds. Monies for all funds, including the proprietary fund, are maintained in this account or temporarily used to purchase short term investments. Individual fund integrity is maintained through Center records. Each fund type's portion of this pool is displayed on the "Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances." During fiscal year 2000, investments were limited to a repurchase agreement, U.S. Treasury Notes, Federal Agency Instrumentalities and STAR Ohio. All investments of the Center had a maturity of five years or less. Investment earnings are allocated as authorized by State statute.

E. Property, Plant and Equipment

Fixed assets acquired or constructed are recorded as disbursements in the year of acquisition or construction. These items are not reflected as assets on the accompanying financial statements.

F. Total Columns on Financial statements

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

3. DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District 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 the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or money market deposit accounts.

Inactive deposits are public deposits that the Board of Education 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 accounts including, but not 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.

Protection of the Center's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

3. DEPOSITS AND INVESTMENTS (Continued)

Interim monies can 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 and 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 direct 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 and 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;

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

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

8. Under limited circumstances, corporate debt interests rated in either of the two highest rating 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 purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Center, and must be purchased with the expectation that it will be held to 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.

Cash on Hand - At fiscal year end, the Center had $1,000 in undeposited cash on hand which is included on the "Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances."

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements."

3. DEPOSITS AND INVESTMENTS (Continued)

Deposits - At fiscal year end, the carrying amount of the Center's deposits was $4,704,209 and the bank balance was $5,302,075. The bank balance included a payroll account balance of $258,099. Of the bank balance $300,000 was covered by federal depository insurance and $5,002,075 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the Center to a successful claim by the Federal Deposit Insurance Corporation.

Investments - During 2000, the Center continued to diversify its investment portfolio to gain a higher rate of return while still maintaining liquidity and minimizing risk. Investments included a repurchase agreement, U.S. Treasury Notes, Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Notes, and Star Ohio.

The Center's investments are categorized below to give an indication of the level of risk assumed by the entity at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Center. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Center's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or by its trust department but not in the Center's name. STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Unclassified	Carrying Value	Fair Value
Repurchase Agreement	$1,890,796		$1,890,796	$1,890,796
Federal Home Loan Bank Notes	347,524		347,524	347,837
Federal Farm Credit Bank Notes	49,990		49,990	49,870
Federal Home Loan Mortgage Notes	124,806		124,806	123,750
Federal National Mortgage Association Notes	496,539		496,539	496,032
U.S. Treasury Notes	99,754		99,754	99,188
STAR Ohio		$4,234,114	4,234,114	4,234,114
Total	$3,009,409	$4,234,114	$7,243,523	$7,241,587

4. PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility propertytaxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The assessed values upon which fiscal year 2000 taxes were collected are:

	Second Half School District Fiscal Year
Real Property - Commercial/ Industrial	$981,457,670
Real Property - Residential/ Agriculture	3,819,083,410
Real Property - Public Utility	1,108,610
Personal Property - General	706,332,520
Personal Property - Public Utilities	349,450,370
Total Assessed Value	$5,857,432,580

	Full Rate	Residential/ Agriculture	Commercial/ Industrial
Tax rate per $1,000 of Assessed Valuation	2.58	2.00	2.28

5. RISK MANAGEMENT

A. Property and Liability

The Center is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2000, the Center contracted with Chubb Insurance for building and personal property insurance. The Center also contracted with Nationwide Insurance for automobile coverage. Coverages provided by insurance companies are as follows:

5. RISK MANAGEMENT (Continued)

A. Property and Liability (Continued)

Building and Contents - replacement cost ($5,000 deductible)	$44,526,638
Boiler and Machinery ($5,000 deductible)	14,000,000
Crime Insurance ($1,000 deductible)	20,000
Automobile Liability ($250 deductible)	214,002
Uninsured Motorists ($250 deductible)	214,002
General Liability	
Per occurrence	1,000,000
Total per year	38,700,000

Settled claims have not exceeded this commercial coverage in any of the past five years. There have been no significant reductions in insurance coverage.

B. Workers' Compensation

For fiscal year 2000, the Center participated in the Southwestern Ohio Educational Purchasing Cooperative Workers' Compensation Group Rating Plan (GRP), a workers' compensation insurance pool (Note 9). The intent of the GRP is to achieve the benefit of a reduced premium for the Center by virtue of its grouping and representation with other participants in the GRP.

The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Anthem Comp Services, provides administrative, cost control, and actuarial services to the GRP.

6. DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

6. DEFINED BENEFIT PENSION PLANS (Continued)

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2000, 5.5 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were $215,365 $194,545 and $186,918 respectively.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 2000, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were $1,583,932, $1,464,333 and $1,466,032, respectively.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2000, five members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

7. POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

7. POSTEMPLOYMENT BENEFITS (Continued)

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2000, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled 896,671 for fiscal year 2000.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1999, (the latest information available) the balance in the Fund was $2,783 million. For the year ended June 30, 1999, net health care costs paid by STRS were $249,929,000 and STRS had 95,796 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2000, employer contributions to fund health care benefits were 8.50 percent of covered payroll, an increase from 6.30 percent for fiscal year 1999. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay was established at $12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2000 fiscal year equaled $127,053.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 1999 (the latest information available), were $126,380,984 and the target level was $189.6 million. At June 30, 1999, SERS had net assets available for payment of health care benefits of $188.0 million. SERS has approximately 51,000 participants currently receiving health care benefits.

8. EMPLOYEE BENEFITS

A. Insurance Benefits

The Center provides life insurance and accidental death and dismemberment insurance to most employees through Connecticut General Life Insurance. Medical/surgical benefits are provided through United Health Care and Anthem. Dental Insurance is provided through Community Mutual.

8. EMPLOYEE BENEFITS (Continued)

B. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 225 days for all employees, except for administrative personnel who can accumulate unlimited days, but the total that can be used for sick leave cannot exceed 236 days. Upon retirement and ten or more years of service with Miami Valley Career Technology Center, a payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 76 days for all employees, except for administrative personnel supervisors, who can receive payment for 100 days. In addition, unused personal days during Miami Valley Career Technology Center service may be added to sick leave for conversion purposes. The liability for compensated absences is not reflected in the accompanying financial statements.

C. Special Termination Benefits

Employees who retired June 30, 2000, with at least 10 years experience were given a special termination benefit. For employees with at least ten years of service with the Center, the benefit was $10,000. For employees with at least twenty years of service with the Center, the benefit was $15,000. The employee must have at least ten years of service with the Center, and the final five years must be consecutive and be in a paid status immediately prior to retirement. Also, the benefit is only available for those employees who first become eligible to retire during fiscal year 1999. Notice of retirement must be given by March 30 for the special termination benefit to be payable. The benefit will be paid in two equal installments, with the first installment to be paid on the first business day in the following January. The second installment will be paid by the following June 30. The liability for special termination benefits is not reflected in the accompanying financial statements.

9. JOINTLY GOVERNED ORGANIZATIONS, RELATED ORGANIZATION AND PUBLIC ENTITY RISK POOL

A. Jointly Governed Organizations

1. Southwestern Ohio Educational Purchasing Cooperative

The Southwestern Ohio Educational Purchasing Cooperative (SOEPC) is a purchasing cooperative made up of nearly 100 school districts in 12 counties. The Montgomery County Educational Service Center acts as the Fiscal Agent for the group. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

9. JOINTLY GOVERNED ORGANIZATIONS, RELATED ORGANIZATION AND PUBLIC ENTITY RISK POOL (Continued)

A. Jointly Governed Organizations (Continued)

1. Southwestern Ohio Educational Purchasing Cooperative (Continued)

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts by the Fiscal Agent. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. During fiscal year 2000, the Miami Valley Career Technology Center paid $11,995 to SOEPC.

To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, Robert Brown, who serves as Director, at 1831 Harshman Road, Dayton, Ohio 45424.

2. Southwestern Ohio Instructional Technology Association

The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation formed under Section 1702.01 of the Ohio Revised Code. The purpose of the corporation is to serve the educational needs of the area through television programming for the advancement of educational programs.

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties, i.e., Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene and Butler Counties elect two representatives per area. All others elect one representative per area. All superintendents except for those from educational service centers vote on the representatives after the nominating committee nominates individuals to run. One at-large non-public representative is elected by the non-public school SOITA members as the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay all fees, charges, or other assessments as established by the SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state of local government, for a public purpose. Payments to SOITA are made from the General Fund. During fiscal year 2000, the Center paid $689 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Steve Strouse, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

9. JOINTLY GOVERNED ORGANIZATIONS, RELATED ORGANIZATION AND PUBLIC ENTITY RISK POOL (Continued)

3. Ohio Association of Joint Vocational School Superintendents

The Ohio Association of Joint Vocational School Superintendents (OAJVSS) is a not-for-profit organization. The purpose of the OAJVSS is to encourage and foster the ideal of vocational education as a worthy and integral part of the total educational system. The governing body of the organization is the Executive Committee. The Executive Committee consists of the Board of Directors and officers. The Board of Directors consists of five members selected by the membership of OAJVSS. Members of the Board of Directors serve staggered three year terms. The Board of Directors is responsible for electing officers of the organization. Officers include a President, a Vice-President, a Secretary and a Treasurer. All member districts are required to pay membership fees.

Payments to OAJVSS are made from the General Fund. During fiscal year 2000, the Center paid $2,160 to OAJVSS.

To obtain financial information, write to the Ohio Association of Joint Vocational School Superintendents, Ed Perkins, who serves as President, at the Warren County Career Center, 3525 North State Route 48, Lebanon, Ohio 45036.

4. The Dayton Area Superintendent's Association

The Dayton Area Superintendent's Association (DASA) is an organization formed by area school Superintendents. The purpose of the organization is to serve as a forum for practicing superintendents to present problems, seek solutions, reach consensus and take appropriate action to resolve issues. The organization also shares information among its members and provides, on a contractual basis, inservice education for the school management team.

Membership in the organization is open to the greater Dayton area school system superintendents, assistant superintendents, directors, and professional staff members of institutions of higher education, and/or Region IX of the Buckeye Association of School Administrators. Region IX presently includes Champaign, Clark, Darke, Greene, Miami, Montgomery, Preble, Shelby, and Warren Counties.

The Executive Committee is comprised of eight representatives of DASA member schools or institutions. The members of the Executive Committee are elected annually in each county. The County Superintendent of each county is responsible for the nomination and election of their representative.

All member schools are obligated to pay all dues and fees established by the Executive Committee. During fiscal year 2000, the Center paid $1,515 to DASA from the General Fund. To obtain financial information, write to The Dayton Area Superintendent's Association, Buddy Coffey, who serves as DASA Executive Secretary, at 451 West Third Street, Dayton, Ohio 45422-1040.

9. JOINTLY GOVERNED ORGANIZATIONS, RELATED ORGANIZATION AND PUBLIC ENTITY RISK POOL (Continued)

B. Related Organization

Miami Valley Career Technology Center Education Foundation - The Miami Valley Career Technology Center Education Foundation is a legally separate body politic. The board members of the Miami Valley Career Technology Center Education Foundation are appointed by the Center. The Center is not able to impose its will of the Miami Valley Career Technology Center Education Foundation and no financial benefit and/or burden relationship exists. The Miami Valley Career Technology Education Foundation is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. The Education Foundation provided funds to students in the amount of $4,640 to help students pay for fees to attend the Miami Valley Career Technology Center during fiscal year 2000. To obtain financial information write to the Miami Valley Career Technology Center Education Foundation, Debbie Whitton, who serves as Treasurer, at 6800 Hoke Road, Clayton, Ohio 45315-9740.

C. Public Entity Risk Pool

Southwestern Ohio Educational Purchasing Cooperative - The Center participates in the Southwestern Ohio Educational Purchasing Cooperative Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by an eleven-member Executive Committee consisting of the Chairperson, the Vice-Chairperson, a representative from the Montgomery County Educational Service Center and eight other members elected by majority vote of all member school districts. The Chief Administrator of GRP serves as the coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

10. OHIO SCHOOLS COUNCIL

The Center participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight-year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued $119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

11. CONTINGENCIES

A. Grants

The Center received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Center at June 30, 2000.

12. STATE SCHOOL FUNDING DECISION

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program," which provides significant amounts of monetary support to the Center. During the fiscal year ended June 30, 2000, the Center received $7,095,872 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly...," including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

As of the date of these financial statements, the Center is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program (these programs) and on its financial operations.

13. STATUTORY RESERVES

The Center is required by state law to set aside certain general fund amounts, as defined, into various reserves. During the fiscal year ended June 30, 2000, the reserve activity was as follows:

	Textbook Reserve	Capital Maintenance Reserve	Budget Stabilization Reserve	Total
Set-aside Cash Balance as of June 30, 1999	$0	$0	$226,314	
Current Year Set-aside Requirement	478,307	478,307	159,436	
Additional amount designated for budget stabilization			114,250	
Qualifying Disbursements	(1,333,189)	(852,467)	0	
Total	(854,882)	(374,160)	500,000	
Cash Balance Carried Forward to FY 2001	$0	$0	$500,000	$500,000
Total Restricted General Fund Balance				$500,000

Although the Center had qualifying disbursements during the year that reduced the set-aside amounts below zero, negative amounts are not presented as being carried forward to the next fiscal year. The textbooks and instructional materials qualifying expenditures in excess of the set-aside requirements ($854,882) may be carried forward to offset future years' set-aside requirements.

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2000

Federal Grantor / Pass Through Grantor / Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
U.S. DEPARTMENT OF EDUCATION				
(Passed through State Department of Education)				
Adult Education - State Grant Program	051284 AB-S1-00	84.002		$100,337
	051284 AB-SL-00		$12,651	7,374
	051284 AB-S1-99C		23,959	23,959
	051284-AB-SS-99			1,785
	051284-AB-S1-99		91,902	13,196
Total Adult Education - State Grant Program			128,512	146,651
Vocational Education - Basic Grants to States	051284-20-C1-00	84.048	635,476	747,501
	051284-20-C2-00		126,014	148,252
	051284-20			10,000
	051284-20-A4-99		10,123	
	051284-20-C1-99		103,039	
	051284-20-C2-99		22,452	
Total Vocational Education - Basic Grants to States			897,104	905,753
Eisenhower Professional Development State Grants	051284-MS-S1-00	84.281	1,126	200
	051284-MS-S1-98			2,578
	051284-MS-S1-99			467
Total Eisenhower Professional Development State Grants			1,126	3,245
Innovative Education Program Strategies	051284-C2-S1-00	84.298	2,351	
	051284-C2-S1-99		1,181	6,172
Total Innovative Education Program Strategies			3,532	6,172
(Direct Receipt)				
Federal Pell Grant Program	N/A	84.063	93,612	93,612
Totals			$1,123,886	$1,155,433

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

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2000

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the Center's federal awards programs. The schedule has been prepared on the cash basis of accounting.

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

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Miami Valley Career and Technology Center
Montgomery County
6800 Hoke Road
Clayton, Ohio 45315

To the Board of Education:

We have audited the financial statements of Miami Valley Career Technology Center, Montgomery County, (the Center), as of and for the year ended June 30, 2000, and have issued our report thereon dated November 21, 2000, wherein we noted that the Center prepared its financial statements on the basis of accounting formerly prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles. 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 the Center's 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2000-10357-001 and 2000-10357-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the Center in a separate letter dated November 21, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 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 operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Center in a separate letter dated November 21, 2000.

This report is intended for the information and use of management, the Board of Education, 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.

Jim Petro
Auditor of State

November 21, 2000

STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Miami Valley Career Technology Center
Montgomery County
6800 Hoke Road
Clayton, Ohio 45315

To the Board of Education:

Compliance

We have audited the compliance of Miami Valley Career Technology Center, Montgomery County, (the Center), 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 its major federal program for the year ended June 30, 2000. The Center's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Center's management. Our responsibility is to express an opinion on the Center'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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Center'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 the Center's compliance with those requirements.

In our opinion, the Center complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control over Compliance

The management of the Center 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 the Center'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.

This report is intended for the information of management, Board of Education 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.

Jim Petro
Auditor of State

November 21, 2000

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2000

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unqualified
(d)(1)(ii)	**Were there any material control weakness conditions reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material non-compliance at the financial statement level (GAGAS)?**	Yes
(d)(1)(iv)	**Were there any material internal control weakness conditions reported for major federal programs?**	No
(d)(1)(iv)	**Were there any other reportable internal control weakness conditions reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unqualified
(d)(1)(vi)	**Are there any reportable findings under § .510?**	No
(d)(1)(vii)	**Major Programs (list):**	Vocational Education, CFDA #84.048
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $300,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	Yes

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

FINDING NUMBER 2000-10357-001

GAAP Reporting Requirement

Ohio Administrative Code Section 117-2-01 requires the Miami Valley Career Technology Center to prepare its financial statements in accordance with generally accepted accounting principles. However, the Center prepared its financial statements on the basis of accounting formerly prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles. The accompanying financial statements omit assets, liabilities, fund equity and disclosures that, while material cannot be determined at this time. The Center can be fined and various other legal administrative remedies may be taken against the Center.

FINDING NUMBER 2000-10357-002

Restrictions on the Appropriation and Expenditure of Money

Ohio Rev. Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. All funds, other than agency funds, are legally required to be budgeted and appropriated. For FY 2000, the Center's level of budgetary control for the General Fund is at the object level within each function. The legal level of budgetary control for all other funds is at the fund level.

For those funds where the legal level of control is at the fund level, disbursements and encumbrances exceeded appropriations at the fund level for the following funds:

Fund	Excess
018 Public School	$456
400 State Programs	$138,488
004 Building	$48,105
012 Adult Education	$780,166
014 Rotary	$5,073

For the General Fund, which utilizes a legal level of control at the fund-function-object level, our tests of compliance noted additional variances. For the following 22 out of 30 accounts tested in the General Fund, disbursements and encumbrances exceeded appropriations at the object level:

Account	Excess
Regular Instruction/Purchased Services	$21
Special Instruction/Supplies and Materials	$616
Vocational Program/Purchased Services	$16,251
Support Services-Pupils/Purchased Services	$23,049
Support Services-Instructional Staff/Supplies and Materials	$1,122
Support Services-Instructional Staff/Purchased Services	$1,541
Support Services-Instructional Staff/Capital Outlay	$50,782
Fiscal Services/Purchased Services	$17,809
Fiscal Services/Supplies and Materials	$1,383
Fiscal Services/Capital Outlay	$7,509
Fiscal Services/Other	$21,942
Support Services-Business/Purchased Services	$68,721
Support Services-Business/Supplies and Materials	$4,419
Support Services-Business/Capital Outlay	$2,347
Operation and Maintenance of Plant Services/Purchased Services	$407,041
Operation and Maintenance of Plant Services/Supplies and Materials	$7,219
Operation and Maintenance of Plant Services/Capital Outlay	$408,708
Support Services-Pupil Transportation/Capital Outlay	$44,334
Support Services-Central/Purchased Services	$1,255
Support Services-Central/Supplies and Materials	$4,563
Support Services-Central/Capital Outlay	$6,218
Support Services-Central/Capital Outlay-replacement	$111,872

Additionally, the Center's appropriations, as presented in its general ledger budgetary accounting system, did not agree to the board approved appropriation resolution. These procedures do not allow the board or management to properly monitor budgetary activity during the year. To ensure compliance with the above referenced section of code, the District should record appropriations, based on board approved resolutions, into the general ledger budgetary system in a timely manner.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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

MIAMI VALLEY CAREER TECHNOLOGY CENTER

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 28, 2000