



**TRI-RIVERS EDUCATIONAL COMPUTER ASSOCIATION
MARION COUNTY**

SINGLE AUDIT (1999)

FOR THE YEARS ENDED JUNE 30, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance For the Year Ended June 30, 1999	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance For the Year Ended June 30, 1998	4
Notes to the Financial Statements	5
Schedule of Federal Awards Receipts and Expenditures	9
Notes to the Schedule of Federal Awards Receipts and Expenditures	10
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11
Report on Compliance with Requirements Applicable to the Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	13
Schedule of Findings and Questioned Costs	15
Corrective Action Plan	18

This Page Intentionally Left Blank



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

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Tri-Rivers Educational Computer Association
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Directors:

We have audited the accompanying financial statements of the Tri-Rivers Educational Computer Association, Marion County, Ohio, (the Association) as of and for the years ended June 30, 1999, and June 30, 1998. These financial statements are the responsibility of the Association'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.

As described Note 1, the Association prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balance of the Tri-Rivers Educational Computer Association, Marion County, Ohio, as of June 30, 1999, and June 30, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2000, on our consideration of the Association's internal control 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 financial statements of the Association, taken as a whole. The accompanying schedule of federal awards receipts and expenditures 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 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 1999 financial statement taken as a whole.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large loop at the end of the name.

JIM PETRO
Auditor of State

January 19, 2000

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN CASH BALANCE
FOR THE YEAR ENDED JUNE 30, 1999**

Cash receipts:	
Fees	\$2,125,627
Intergovernmental	1,619,087
Earnings on Investment	6,246
Miscellaneous	<u>93,741</u>
Total cash receipts	<u>3,844,701</u>
Cash disbursements:	
Salaries	1,694,989
Employee Benefits	455,115
Purchased Services	792,174
Supplies & Materials	661,845
Capital Outlay	636,638
Debt Service	84,890
Miscellaneous	<u>23,557</u>
Total cash disbursements	<u>4,349,208</u>
Total receipts over/(under) cash disbursements	<u>(504,507)</u>
Other financing receipts/(disbursements):	
Proceeds from Sale of Notes	350,000
Advances-in	517,974
Advances-out	<u>(14,952)</u>
Total other financing receipts/(disbursements):	<u>853,022</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	348,515
Cash Balance July 1, 1998	<u>83,809</u>
Cash Balance June, 30, 1999	<u><u>\$432,324</u></u>
Reserve for encumbrance, June 30, 1999	<u><u>\$114,826</u></u>

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN CASH BALANCE
FOR THE YEAR ENDED JUNE 30, 1998**

Cash receipts:	
Fees	\$1,725,758
Intergovernmental	768,326
Earnings on Investment	15,170
Miscellaneous	<u>239</u>
Total cash receipts	<u>2,509,493</u>
Cash disbursements:	
Salaries	806,849
Employee Benefits	225,488
Purchased Services	496,932
Supplies & Materials	1,010,646
Capital Outlay	313,167
Miscellaneous	<u>17,338</u>
Total cash disbursements	<u>2,870,420</u>
Total receipts over/(under) cash disbursements	<u>(360,927)</u>
Other financing receipts/(disbursements):	
Advances-in	<u>14,952</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(345,975)
Cash Balance July 1, 1997	<u>429,784</u>
Cash Balance June, 30, 1998	<u><u>\$83,809</u></u>
Reserve for encumbrance, June 30, 1998	<u><u>\$82,827</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Tri-Rivers Educational Computer Association, (the Association) is organized under Ohio Rev. Code Section 3313.92. The Association operates under a Board of Directors consisting of eight members representing the six counties in which The Association provides services. Each county annually appoints a superintendent from one of the school districts in the county to sit on the board. The superintendent and treasurer from the fiscal agent school district sit on the board for a perpetual term.

The Association provides computer systems for the needs of the member Boards of Education as authorized by state statute guidelines. The Association serves forty-two schools in Marion, Morrow, Knox, Delaware, Wyandot, and Muskingum Counties.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

C. Cash and Investments

The Association's cash is held and invested by the Tri-Rivers Joint Vocational School District (the District), who acts as custodian for the Association's monies. The Association's assets are held in the District's cash and investment pool.

D. Budgetary Process

Budget

Prior to the start of each fiscal year the Board of Directors approves a budget for the Association. The budget includes an estimate of the amounts expected to be received and expended by the Association during the fiscal year.

Encumbrances

The Association reserves (encumbers) appropriations when commitments are made.

A summary of 1999 and 1998 budgetary activity appears in Note 2.

E. Property, Plant, and Equipment

Acquisitions of property, plant, and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

F. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Association.

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending June 30, 1999 and June 30, 1998 follows:

1999 Budgeted vs. Actual Receipts

<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
<u>\$5,759,066</u>	<u>\$4,712,675</u>	<u>(\$1,046,391)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$4,339,302</u>	<u>\$4,478,986</u>	<u>(\$139,684)</u>

1998 Budgeted vs. Actual Receipts

<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
<u>\$2,572,052</u>	<u>\$2,524,445</u>	<u>(\$47,607)</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$2,225,873</u>	<u>\$2,953,247</u>	<u>(\$727,374)</u>

3. RETIREMENT SYSTEM

The Association's full-time employees belong to the School Employees Retirement System (SERS) of Ohio. SERS is a cost-sharing, multiple-employer defined benefit plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of SERS contributed 9% of their gross salaries. The Association contributed an amount equal to 14% of participants' gross salaries. The Association has paid all contributions required through June 30, 1999.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

4. RISK MANAGEMENT

The District has obtained commercial insurance, which includes coverage for the Association, for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

The District also provides health insurance and dental and vision coverage to full-time employees of the Association through its self insurance program.

5. YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Association's operations.

The Association has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 Issue and that are necessary to conducting the Association's operations. The Association has identified such systems as being financial reporting, payroll, and educational statistics reporting.

Testing and validation of the Association's critical systems have been performed by external vendors; however, testing and validation have yet to be completed using the Association's hardware and operating system.

To the best of management's knowledge and belief, as of January 19, 2000, the Association experienced no interruption of operations or services related to the year 2000 issue. However, because of the unprecedented nature of the year 2000 issue, matters may yet arise and parties with whom the Association does business may also experience year 2000 readiness issues that are, as yet, unknown.

This Page Intentionally Left Blank

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999**

Federal Grantor/ Pass Through Grantor Program Title	CFDA #	Pass Through Entity Number	Receipts	Disbursements
U.S. DEPARTMENT OF EDUCATION				
<i>Passed through Chugach Local School District</i>				
Technology Innovation Challenge Grant	84.303	N/A	\$587,376	\$508,458
<i>Passed through the Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	84.010	065268 C1-AF 99	198,061	244,146
Goals 2000 State and Local Education Systemic Improvement	84.276	065268 G2-SP 99	170,000	151,880
Total Federal Awards			<u>\$955,437</u>	<u>\$904,484</u>

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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



**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Tri-Rivers Educational Computer Association
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Directors:

We have audited the financial statements of the Tri-Rivers Educational Computer Association, Marion County, Ohio, (the Association) as of and for the years ended June 30, 1999, and June 30, 1998, and have issued our report thereon dated January 19, 2000. 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 Association'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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Association in a separate letter dated January 19, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Association'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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Association's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items 1999-10651-001 and 1999-10651-002.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also 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 Association in a separate letter dated January 19, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized loop at the end.

JIM PETRO
Auditor of State

January 19, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Tri-Rivers Educational Computer Association
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Directors:

Compliance

We have audited the compliance of the Tri-Rivers Educational Computer Association, Marion County, Ohio, (the Association) 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, 1999. The Association's major federal program is 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 its major federal program is the responsibility of the Association's management. Our responsibility is to express an opinion on the Association'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 Association'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 Association's compliance with those requirements.

As described in item 1999-10651-004 in the accompanying schedule of findings and questioned costs, the Association did not comply with requirements regarding cash management that are applicable to its Technology Innovation Challenge Grant. Compliance with such requirements is necessary, in our opinion, for the Association to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the Association 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, 1999. We noted certain instances of noncompliance that do not require inclusion in this report that we have reported to management of the Association in a separate letter dated January 19, 2000.

Internal Control Over Compliance

The management of the Association 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 Association'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.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Association's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 1999-10651-003.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report that we have reported to management of the Association in a separate letter dated January 19, 2000.

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

January 19, 2000

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505**

JUNE 30, 1999

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)?	Yes
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	Yes
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA 84.303: Technology Innovation Challenge Grant
(d)(1)(viii)	Dollar Threshold: Type AIB Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505**

**JUNE 30, 1999
(Continued)**

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

Finding Number	1999-10651-001
-----------------------	-----------------------

Salary Authorization

The Board of Directors should authorize the hiring and approve the salaries for all newly hired employees. The Board should further authorize all salary increases for Association employees.

Salaries were not authorized by the Board of Directors for the employees selected for testing. Without specific Board authorization, the possibility exists that unauthorized payments to employees may be made.

We recommend that prior to the start of each fiscal year, the Board of Directors authorize the salaries of all Association employees to eliminate any uncertainty regarding the proper amounts to be paid to each employee. We further recommend that specific Board authorization be made for any salary increases or bonuses paid during each fiscal year

Finding Number	1999-10651-002
-----------------------	-----------------------

Cash Flow Management

As of June 30, 1999, the Association had a significant amount of outstanding fees due from member school districts. The Board of Directors should monitor these outstanding fees and make every effort to collect the fees in a timely manner.

During fiscal year 1999, Tri-Rivers Joint Vocational School, the Association's fiscal agent, was forced to advance funds in the amount of \$517,974 to the Association in order to avoid the Association reporting a deficit fund balance.

We recommend that the Board of Directors monitor the outstanding fees and take appropriate action to collect those fees, since advances by Tri-Rivers Joint Vocational School District may not legally be made to the Association.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

1. Transaction Approval

Finding Number	1999-10651-003
CFDA Title and Number	Technology Innovation Challenge Grant CFDA # 84.303
Federal Award Number / Year	R303A980236 10/1/1998 - 9/30/2003
Federal Agency	U.S. Department of Education
Pass-Through Agency	Chugach Local School District

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505**

**JUNE 30, 1999
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)

Reportable Condition

Requisitions for grant expenditures should be approved by the Director or the Assistant Director of the Association to ensure that expenditures being requested are allowable under the grant requirements.

Thirty-two percent of requisitions tested lacked a signature of the Director or the Assistant Director specifically authorizing the expenditure. The remaining sixty-eight percent of the requisitions tested were stamped with the Director's signature, and access to that signature stamp is not restricted. Without authorization for grant expenditures, the possibility exists that expenditures may be made for goods or services prohibited by grant regulations.

We recommend that all requisitions for grant expenditures be approved by the Association's Director or Assistant Director. We further recommend that if signature stamps are used to authorize such requisitions, that the access of those signature stamps be restricted to prevent possible unauthorized use.

2. Cash Management

Finding Number	1999-10651-004
CFDA Title and Number	Technology Innovation Challenge Grant CFDA # 84.303
Federal Award Number / Year	R303A980236 10/1/1998 - 9/30/2003
Federal Agency	U.S. Department of Education
Pass-Through Agency	Chugach Local School District

Noncompliance Finding/ Reportable Condition/Questioned Cost: \$78,918

Section 2.2 of the Sub-Contract Agreement with Chugach School District states that payments will be made on a reimbursement basis. Subcontractor (Tri-Rivers Educational Computer Association) must submit a "Request for Reimbursement" form to Chugach School District, with supporting documentation comprised of a detailed listing to include date paid, vendor name, amount, and account code.

As of June 30, 1999, the Association had requested reimbursement of \$587,376, although documented expenditures amounted to \$508,458. Therefore, the \$78,918 difference is considered to be a questioned cost.

We recommend that the Association limits its reimbursement requests to the amounts spent.

CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
1999-10651-002	The Assistant Director or Director will begin approving all grant requisitions .	Immediately	Linda Phillips, Asst. Director
1999-10651-003	The Assistant Director or Director will begin approving all grant requisitions .	Immediately	Linda Phillips, Asst. Director



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

TRI-RIVERS EDUCATIONAL COMPUTER ASSOCIATION

MARION 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
MARCH 9, 2000**