

CRIMINAL JUSTICE COORDINATING COUNCIL

**AUDITED FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION
AND AUDITORS' REPORTS**

DECEMBER 31, 2000

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STATE OF OHIO
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Criminal Justice Coordinating Council
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We have reviewed the Independent Auditor's Report of the Criminal Justice Coordinating Council, Lucas County, prepared by Gilmore, Jasion & Mahler, Ltd, for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

May 1, 2001

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INDEPENDENT AUDITORS' REPORT

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

We have audited the accompanying combined financial statements of the Criminal Justice Coordinating Council as of and for the year ended December 31, 2000 as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

Because of incomplete cost detail in the fixed asset accounting records, we were unable to form an opinion regarding the original cost of year 2000 general fixed asset disposals in the general fixed asset account group. The general fixed asset account group is included in the accompanying combined balance sheet at a cost of \$1,269,739.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to identify the cost of general fixed asset account group disposals, the financial statements referred to above present fairly, in all material respects, the financial position of the Criminal Justice Coordinating Council as of December 31, 2000, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report, dated March 16, 2001, on our consideration of the Criminal Justice Coordinating Council'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 performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the 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 financial statements taken as a whole.

GILMORE, JASON & MALLER, LTD

March 16, 2001

**CRIMINAL JUSTICE COORDINATING COUNCIL
COMBINED BALANCE SHEET
December 31, 2000**

	Governmental Fund Types		Fiduciary Fund Types
	General	Special Revenue	Agency
ASSETS AND OTHER DEBITS			
Current assets			
Cash	\$ 1,124,336	\$ 607,037	\$ 122,859
Accounts receivable	80,336	408,452	
Prepaid items	59,909	14,082	
Fixed assets			
Amount to be provided for accrued vacation and sick leave			
Total assets and other debits	\$ 1,264,581	\$ 1,029,571	\$ 122,859
LIABILITIES AND FUND EQUITIES			
Liabilities			
Accounts payable	\$ 131,015	\$ 206,425	\$ 0
Accrued wages and benefits	74,089		
Deferred revenue		409,530	
Total liabilities	205,104	615,955	
Fund equity and other credits			
Investment in general fixed assets			
Fund balances reserved for:			
Prepaid items	59,909	14,082	
Vested leave	142,407		
Encumbrances	222,548	34,429	
Budget stabilization	244,335		
Unreserved:			
Fund balances designated for:			
2001 funding	100,000		
Equipment replacement	100,000		
Unisys lease extension	65,000		
Data center remodeling	32,000		
Migration	30,000		
Undesignated	63,278	365,105	122,859
Total fund equity and other credits	1,059,477	413,616	122,859
Total liabilities and fund equities	\$ 1,264,581	\$ 1,029,571	\$ 122,859

<u>Account Groups</u>		<u>Total (Memorandum Only)</u>
<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$	\$	\$ 1,854,232
		488,788
		73,991
1,269,739		1,269,739
	<u>142,407</u>	<u>142,407</u>
<u>\$ 1,269,739</u>	<u>\$ 142,407</u>	<u>\$ 3,829,157</u>
\$	\$	\$ 337,440
	142,407	216,496
		409,530
<u>0</u>	<u>142,407</u>	<u>963,466</u>
1,269,739		1,269,739
		73,991
		142,407
		256,977
		244,335
		100,000
		100,000
		65,000
		32,000
		30,000
		<u>551,242</u>
<u>1,269,739</u>	<u>0</u>	<u>2,865,691</u>
<u>\$ 1,269,739</u>	<u>\$ 142,407</u>	<u>\$ 3,829,157</u>

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – ALL GOVERNMENTAL FUND TYPES
 For the Year Ended December 31, 2000**

	<u>Governmental Fund Types</u>		<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Revenues			
Local government:			
City of Toledo	\$ 2,049,273	\$ 41,497	\$ 2,090,770
Lucas County	561,511	30,383	591,894
Grants	98,589	1,457,251	1,555,840
Contracts	421,712	190,704	612,416
Agency equipment	0	237,579	237,579
Interest	43,224	0	43,224
Course fees	10,554	0	10,554
Other	<u>50,669</u>	<u>6,651</u>	<u>57,320</u>
Total revenues	3,235,532	1,964,065	5,199,597
Expenditures			
Personnel	1,903,613	0	1,903,613
Computer services	530,938	506,921	1,037,859
Grant allocations	0	1,457,733	1,457,733
Support cost	343,163	0	343,163
Consultants	149,110	0	149,110
Capital outlay	17,130	0	17,130
Supplies	28,136	0	28,136
Other	<u>67,009</u>	<u>0</u>	<u>67,009</u>
Total expenditures	<u>3,039,099</u>	<u>1,964,654</u>	<u>5,003,753</u>
Excess (deficiency) of revenues over expenditures	196,433	(589)	195,844
Fund balance – January 1, 2000	<u>863,044</u>	<u>414,205</u>	<u>1,277,249</u>
Fund balance – December 31, 2000	<u>\$ 1,059,477</u>	<u>\$ 413,616</u>	<u>\$ 1,473,093</u>

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2000**

Note 1—Summary of significant accounting policies

Description of the entity

The Criminal Justice Coordinating Council (CJCC) is an entity organized under Chapter 167 of the Ohio Revised Code (ORC) to promote cooperation and coordination between and among separate governmental units and agencies for improving the criminal justice system in the Toledo/Lucas County area through planning, analysis, technical assistance, training, and information management. The CJCC provides these services through the Northwest Ohio Regional Information System (NORIS), the Criminal Justice Training and Education Center (CJTEC), the Regional Planning Unit (RPU), and the NORIS Data Center (NORDC), as more fully discussed below:

- NORIS: Operates a regional criminal justice information system for local criminal justice agencies and units of government. The CJCC provides the necessary computer services through NORDC.
- CJTEC: Provides basic and continuing education training in the areas of law enforcement, courts, corrections, juvenile justice, alcoholism and drug counseling, social work, and other related services. The Council Members of CJCC voted to disband CJTEC as of December 31, 2000.
- RPU: Provides planning, analysis, and coordination to local criminal justice agencies and units of government.
- NORDC: Provides a computer service center, and computer hardware and data communication services to local criminal justice agencies.

Basis of accounting

All financial transactions for the governmental funds of the CJCC are reported on the modified accrual basis of accounting. Under this accounting method, revenues are recognized when they become both measurable and available, and expenditures are generally recognized when the related fund liability is incurred. Agency fund assets and liabilities are recognized on the modified accrual basis of accounting, since this fund is custodial in nature and does not involve measurement of results of operations.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments on the expenditure of resources are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund types. Encumbrances outstanding at year-end are reported as reservations of fund balances, since they do not constitute expenditures or liabilities.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 1–Summary of significant accounting policies – continued

Fund accounting

The CJCC maintains its accounting records in accordance with the principles of fund accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The CJCC uses the following fund types and account groups:

Governmental fund type

General fund: This fund accounts for the general operating revenues and expenditures of the CJCC not recorded elsewhere. The primary revenue sources are local government fees and contracts.

Special revenue fund: This fund type is used to account for specified governmental revenues requiring separate accounting because of legal or regulatory provisions. Activity of the Action Fund and the NORIS Agency Fund is included in the Special Revenue Fund. The Action Fund includes revenues and expenditures related to various federal grants.

Fiduciary fund type

Agency fund: This fund type is used to account for and maintain assets held in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Activity of the Metro Drug Task Force and the Toledo Police Department (TPD) Vice Unit accounts is included in this fund.

Account groups

General fixed assets account group: This account group is used to present the general fixed assets of the CJCC utilized in its general operations. General fixed assets include furniture, fixtures, equipment, vehicles, computer equipment, and building improvements.

General long-term debt account group: This account group is used to account for all long-term obligations of the CJCC, including all long-term accrued vacation and sick leave pay.

Total (memorandum only) columns

Total columns on the combined statements are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Such data is not comparable to a consolidation, since interfund eliminations have not been made.

Accounts receivable

Accounts receivable are comprised of grants, contracts, and other receivables. Receivables are considered fully collectible at December 31, 2000, and reflect market value.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 1–Summary of significant accounting policies – continued

Prepaid items

Prepaid items and the portion of the fund balance reserved for prepaid items represent the portion of leases and computer license agreements, paid in or prior to 2000 that expire in 2001 or later.

Fixed assets

All fixed assets which are acquired for general governmental purposes are reported as expenditures in the fund that finances the asset acquisition, and are capitalized in the General Fixed Assets Account Group. Fixed assets are recorded at cost. The CJCC has elected not to record depreciation in the General Fixed Assets Account Group, in accordance with generally accepted accounting principles for governmental entities.

Accumulated unpaid vacation and sick leave

Accumulated unpaid vested vacation and sick pay are recorded as accrued wages and benefits on the financial statements. The CJCC employees accumulate sick leave at a rate of 15 days per year. Upon retirement, if the employee has completed twenty or more years of service with the CJCC, reimbursement for sick leave shall be at one-half (50%) of the employee's final rate of pay up to a maximum of 500 hours of accumulated but unused sick leave. Payments at retirement for accumulated sick leave are calculated using the rate of compensation at the date of retirement.

The CJCC employees accumulate vacation leave at a rate of between two and five weeks per year, depending on their length of service. The CJCC policy restricts employees from carrying forward more than 240 hours of vacation leave per calendar year. Any unused leave is paid out upon termination or retirement.

Deferred revenues

Block grant advances that have been received are deferred until expended to subrecipients.

Fund balances

The combined balance sheet of the CJCC includes reserves of fund equity for encumbrances, prepaid expenses, vested leave and budget stabilization. In addition, management has identified designations of fund equity as presented in the combined balance sheet.

Note 2–Funding and revenue recognition

Local government appropriations

Annually, the CJCC applies to the City of Toledo and Lucas County to obtain funds for operations. These governmental entities then approve an annual appropriation for the CJCC which may or may not be equal to the requested amount. The appropriated funds are received by the CJCC throughout the year, and are recorded as revenue in the year to which the appropriations relate. For the year ended December 31, 2000, 40% and 11% of total revenues were received from the City of Toledo and Lucas County, respectively.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 2–Funding and revenue recognition – continued

Grants

The CJCC receives funds, which are administered through the Office of Criminal Justice Services, from federal grants. The federal grants provide for the funds to be distributed to the CJCC and to other agencies and units of government for use in providing specified services.

Contracts

The services of NORIS, CJTEC and RPU are provided to various agencies and units of government under annual contract agreements. Revenue from contracts is primarily recorded ratably over the contract periods.

Agency equipment

Agency equipment revenues represent reimbursement for computer hardware and other equipment purchased on behalf of local criminal justice agencies by the NORIS Agency Fund.

Note 3–Cash and investments

General and special revenue funds

Cash resources of the general and special revenue funds are combined to form a pool of cash and cash equivalents. The CJCC considers highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Deposits are carried at cost. The carrying amount of deposits is separately displayed on the combined balance sheet as “Cash.”

Ohio statutes require that deposits be placed in eligible banks located in Ohio. Any public depository in which the CJCC places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such, municipal corporation or other authority.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	\$ 100,000	\$ 100,000
Category 3	<u>1,631,373</u>	<u>1,710,929</u>
	<u>\$ 1,731,373</u>	<u>\$ 1,810,929</u>

At December 31, 2000, FDIC covered \$100,000 of CJCC’s deposits (bank balances). All remaining deposits were classified as Category 3 pursuant to GASB Statement No. 3, “Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements.” Category 3 deposits are collateralized with securities held by the pledging institution’s trust department but not in the CJCC’s name. The carrying value of all cash deposits approximates fair value.

Agency funds

Agency fund cash accounts represent bank balance deposits totaling \$111,731 insured to \$100,000 by the National Credit Union Administration, and several petty cash and discreet cash on hand funds which were unsecured at December 31, 2000.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 4–Agency fund

A summary of the changes in the assets and liabilities of the agency fund is as follows:

Metro Drug Task Force and TPD Vice Unit	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Assets:				
Cash	\$ 90,728	\$ 181,227	\$ 149,096	\$ 122,859
Fund Balance:				
Undesignated	\$ 90,728	\$ 181,227	\$ 149,096	\$ 122,859

Note 5–General fixed assets

A summary of the changes in the general fixed assets, by asset type, is as follows:

	Balance January 1, 2000	Additions	Disposals	Balance December 31, 2000
Leasehold improvements	\$ 14,989	\$	\$	\$ 14,989
Furniture and fixtures	123,941			123,941
Computer equipment	1,049,502	3,741		1,053,243
Office equipment	59,694			59,694
Vehicles	17,872			17,872
Total	<u>\$ 1,265,998</u>	<u>\$ 3,741</u>	<u>\$ 0</u>	<u>\$ 1,269,739</u>

In 2000 the CJCC disposed of certain fixed assets. Due to incomplete cost detail in the fixed asset records, costs related to the disposal of such assets could not be identified and are therefore not recorded in the above summary.

Note 6–Lease commitments

Operating leases

The CJCC currently rents office facilities for \$16,314 per month under a month-to-month agreement. Rent expense for the year ended December 31, 2000 was \$195,765. All expenses for operating and maintaining the facilities are paid by the CJCC. The CJCC is in the process of renegotiating this lease to reflect reduced square footage needs because of the disbanding of CJTEC. The proposed office lease agreement contains an early cancellation option which allows the CJCC to cancel the lease at its option for a payment of \$50,000. The proposed lease agreement is for a base rent amount of \$124,103 for the two year period ending March 31, 2003. Rent amounts have been agreed upon in principle and are reflected in the future rental commitments disclosure below.

The CJCC leases two vehicles, each with three-year lease terms and monthly payments of \$380. All expenses for operating and maintaining the vehicles are paid by the CJCC. Lease expense was \$9,120 for the year ended December 31, 2000.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 6–Lease commitments – continued

The CJCC leases computer equipment and capitalized engineering costs under a long-term lease with three payment schedules. Total lease expenses for the year ended December 31, 2000 under these payment schedules are summarized below:

Schedule One	\$ 33,474
Schedule Two	34,294
Schedule Three	110,213

At December 31, 2000, all payment obligations under these schedules had been satisfied.

The minimum future annual rental commitment under all CJCC leases (including the renegotiated commitment under the revised office lease) at December 31, 2000 is as follows:

<u>Year</u>	<u>Total</u>
2001	\$ 102,197
2002	130,943
2003	<u>31,026</u>
	<u>\$ 264,166</u>

Note 7–Pension obligations

The employees of the CJCC are covered by the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code (ORC) provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for PERS. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4262, calling (614)-466-2085 or accessing the PERS web site at www.opers.org.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. During 2000, the employer contribution rate was 13.55% of covered payroll for the period January through June 2000 and a temporary employer rollback rate of 9.565% for the period July through December 2000. The CJCC's contributions to PERS for the years ending December 31, 2000, 1999 and 1998 were \$160,037, \$205,646 and \$187,002, respectively, and were equal to the required contribution for those years.

All benefits are established by legislature pursuant to Ohio Revised Code Chapter 145. Members are eligible for retirement benefits at age 60 with 5 years or 60 contributing months of service credit, at age 55 with 25 or more years of service credit, or at any age with 30 or more years of service credit. The annual benefit is based on 2.1 percent of final average salary multiplied by the actual years of service for the first 30 years of service credit and 2.5 percent for years of service in excess of 30 years. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit amounts. Upon reaching minimum retirement age, benefits are vested at the time of eligibility for monthly benefits.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS – CONTINUED
December 31, 2000

Note 7–Pension obligations – continued

Public Employees Retirement System of Ohio provides post-retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund post employment health care through their contributions to PERS.

Other Post-employment Benefits (OPEB) are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets are expected to be sufficient to sustain the program indefinitely. Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the net assets available for future OPEB payments were \$11,163,213,257.

Note 8–Ohio public employees deferred compensation program

The CJCC employees participate in a statewide deferred compensation plan created in accordance with Internal Revenue Code section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred wages and any earned income are not subject to taxes until actually received by the employee.

Note 9–Insurance

The CJCC maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Property and equipment are 90% coinsured. A liability policy covers all employees, elected and appointed officials, board members, and volunteers.

Note 10–Settlement

On October 17, 1997, the CJCC entered into a settlement agreement with a computer consultant it sued for breach of contract. Under the terms of the agreement, the CJCC received a settlement of \$800,000. The settlement is to be received in quarterly installments of \$7,500 plus the proceeds from an escrow account and any proceeds received from the settling defendant's bankruptcy trustee. The agreement also permits the settling defendant to fully satisfy their liability at September 30, 2002 by making a one-time lump sum payment of \$150,000, provided that all previous minimum payments have been made. Amounts related to the settlement are recorded as revenue when they are received. In 2000, the CJCC received three quarterly payments of \$7,500, totaling \$22,500, which were paid to the County of Lucas to reimburse the County for funds it paid to the CJCC for the consultant. The amount of proceeds, if any, that will be received when the bankruptcy is settled is undeterminable.

CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2000

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Grantor's Number</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Passed through the Office of Criminal Justice Services:				
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	83-48-981000	98JJ-1085 99JJ-1095	\$ 43,476 97,191
Juvenile Justice Administration	16.540	83-48-981000	98-JJ-SII-0287 99-JJ-SII-0287	3,315 <u>15,000</u>
Total Juvenile Justice Delinquency Prevention Block (Title II)				158,982
Juvenile Justice Delinquency Prevention Block (Title V)	16.548	83-48-981000	98JV-1086	<u>47,257</u>
Total Juvenile Justice Delinquency Prevention Block (Title V)				47,257
Narcotics Control Block Grant	16.579	83-48-981000	97DG-1077 98DG-1087 99DG-1097 00DG-1007	11,992 181,626 738,837 37,500
Anti-Drug Administration	16.579	83-48-981000	98-DG-ADM-7575	<u>69,102</u>
Total Narcotics Control Block				1,039,057
Violence Against Women Act Block	16.588	83-48-981000	97WF-1078 98WF-1088 99WF-1098	540 156,756 153,474
Violence Against Women Act Administration	16.588	83-48-981000	97-WF-VAW-8826	<u>17,000</u>
Total Violence Against Women Act Block				<u>327,770</u>
Total all Federal Financial Assistance				<u>\$ 1,573,066</u>

The accompanying notes are an integral part of this schedule.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS
December 31, 2000**

Note 1–Basis of presentation

The federal grant operations are included in the scope of the Office of Management and Budget’s (OMB) Circular A-133 audit (Single Audit). The Single Audit was performed in accordance with the provisions of the OMB *Compliance Supplement for Single Audits of States, Local Government, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the combined financial statements.

The accompanying schedule of expenditures of federal awards includes all federal grants to the CJCC which had activity during the year ended December 31, 2000. This schedule has been prepared on the cash basis of accounting. Grant revenues are recorded for financial reporting purposes when the CJCC has met the qualifications for the respective grants. Certain funds are passed on to subrecipients upon receipt.

Note 2–Subrecipient grants

The CJCC provided disbursements under federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided To Subrecipients</u>
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	\$ 140,667
Juvenile Justice Delinquency Prevention Block (Title V)	16.548	47,257
Narcotics Control Block	16.579	969,955
Violence Against Women Act Block	16.588	<u>310,770</u>
		<u>\$ 1,468,649</u>

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

We have audited the basic financial statements of the Criminal Justice Coordinating Council (CJCC) as of and for the year ended December 31, 2000, and have issued our report thereon, dated March 16, 2001, in which we expressed a qualified opinion for the effects of not recording fixed asset disposals in the general fixed asset group as result of incomplete cost detail in the fixed asset accounting records. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Criminal Justice Coordinating Council'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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Criminal Justice Coordinating Council'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, which we have reported to management of the CJCC in a separate letter dated March 16, 2001.

This report is intended solely for the information and use of the Council members, the CJCC's management, 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.

GILMORE, JASON & MAHLER, LTD

March 16, 2001

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

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

Compliance

We have audited the compliance of the Criminal Justice Coordinating Council (CJCC) with the types of compliance requirements described in the U.S. Office of Management and Budget's (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs, for the year ended December 31, 2000. The Criminal Justice Coordinating Council's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Criminal Justice Coordinating Council's management. Our responsibility is to express an opinion on the Criminal Justice Coordinating Council's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above, that could have a direct and material effect on a major federal program, occurred. An audit includes examining, on a test basis, evidence about the CJCC'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 CJCC's compliance with those requirements.

In our opinion, the CJCC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the CJCC 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 CJCC'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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Council Members, the CJCC management, 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.

GILMORE, JASON & MAHLER, LTD

March 16, 2001

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2000**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Qualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	No
Type of auditors’ report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	No

Identification of major programs

CFDA Number	Name of Federal Program
16.579	Narcotics Control Block
Dollar threshold used to distinguish between type A and type B programs	\$300,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
For the Year Ended December 31, 2000**

Section III – Federal Award Findings and Questioned Costs

None

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF STATUS OF PRIOR YEAR (1999) AUDIT FINDINGS**

There were no reportable findings for the year ended December 31, 1999.



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OFFICE OF THE AUDITOR

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CRIMINAL JUSTICES COORDINATING COUNCIL

LUCAS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 10, 2001**