

Audit Report

July 1, 1999 through June 30, 2000

GREEN LOCAL SCHOOL DISTRICT



*Certified Public Accountants
& Business Consultants*



STATE OF OHIO
OFFICE OF THE AUDITOR

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To the Board of Education
Green Local School District
Green, Ohio 44232

We have reviewed the Independent Auditor's Report of the Green Local School District, Summit County, prepared by Moore Stephens Apple, for the audit period July 1, 1999 to June 30, 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 Green Local School District is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

December 28, 2000

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY**

Audit Report – July 1, 1999 through June 30, 2000

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**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY**

Audit Report – July 1, 1999 through June 30, 2000

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Report of Independent Auditors

To the Board of Education
Green Local School District
Summit County
PO Box 218
1900 Greensburg Road
Green, Ohio 44232

We have audited the accompanying general purpose financial statements of the Green Local School District as of and for the year ended June 30, 2000. These general purpose financial statements are the responsibility of the Green Local School District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Green Local School District as of June 30, 2000 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated November 16, 2000 on our consideration of the Green Local School District'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.

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

Moore Stephens Apple

Akron, Ohio
November 16, 2000

General Purpose Financial Statements

Green Local School District
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2000

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	General	Fixed Assets	Long-Term Obligations	General	Long-Term Obligations	
ASSETS AND OTHER DEBITS:													
Assets:													
Equity in Pooled Cash and Investments	\$1,498,501	\$214,106	\$373,323	\$68,173	\$423,366	\$486,186	\$94,050	\$0	\$0	\$0	\$0	\$0	\$3,157,705
Restricted Assets:													
Cash and Cash Equivalents	442,380	0	0	0	0	0	0	0	0	0	0	0	442,380
Receivables													
Taxes	12,827,887	0	2,131,440	822,599	0	0	0	0	0	0	0	0	15,781,926
Accounts	29,400	0	5,152	3,091	0	69	0	0	0	0	0	0	37,712
Interest	1,117	0	0	0	0	0	0	0	0	0	0	0	1,117
Intergovernmental	4,650	0	0	0	0	0	0	0	0	0	0	0	4,650
Interfund	24,000	0	0	0	0	0	0	0	0	0	0	0	24,000
Inventory Held for Resale	0	0	0	0	18,902	0	0	0	0	0	0	0	18,902
Materials and Supplies													
Inventory	25,200	0	0	0	14,790	0	0	0	0	0	0	0	39,990
Prepaid Items	23,798	0	0	0	0	0	0	0	0	0	0	0	23,798
Fixed Assets (Net where applicable, of Accumulated Depreciation)	0	0	0	0	43,292	0	0	28,869,216	0	0	0	0	28,912,508
Other Debits:													
Amount available in debt service	0	0	0	0	0	0	0	0	0	0	378,475	0	378,475
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0	0	0	0	0	21,134,504	0	21,134,504
Total Assets and Other Debits	<u>\$14,876,933</u>	<u>\$214,106</u>	<u>\$2,509,915</u>	<u>\$893,863</u>	<u>\$500,350</u>	<u>\$486,255</u>	<u>\$94,050</u>	<u>\$28,869,216</u>	<u>\$21,512,979</u>	<u>\$21,512,979</u>	<u>\$28,869,216</u>	<u>\$21,134,504</u>	<u>\$69,957,667</u>

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2000

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	Account Groups		
								General Assets	Long-Term Obligations	
\$55,363	\$15,456	\$0	\$1	\$196	\$0	\$2,584	\$0	\$0	\$73,600	
2,586,230	75,988	0	0	63,218	0	0	0	0	2,725,436	
96,464	0	0	0	22,019	0	0	0	1,259,178	1,377,661	
440,963	8,008	0	0	26,165	58	0	0	142,774	617,968	
0	24,000	0	0	0	0	0	0	0	24,000	
0	0	0	0	0	0	82,357	0	0	82,357	
12,510,610	0	2,103,141	799,439	19,314	0	0	0	0	15,432,504	
0	0	0	0	0	188,813	0	0	0	188,813	
0	0	0	0	0	0	0	0	604,633	604,633	
1,620,001	0	0	0	0	0	0	0	656,674	2,276,675	
0	0	0	0	0	0	0	0	18,849,720	18,849,720	
17,309,631	123,452	2,103,141	799,440	130,812	188,871	84,941	0	21,512,979	42,253,367	

LIABILITIES, FUND EQUITY AND OTHER CREDITS:

Liabilities:

Accounts Payable
 Accrued Wages and Benefits
 Compensated Absences
 Intergovernmental Payable
 Interfund Payable
 Due to Others
 Deferred Revenue
 Claims Payable
 Capital Lease Payable
 Note Payable
 Bonds Payable

Total Liabilities

(Continued)

The accompanying notes are an integral part of these statements.
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Green Local School District
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2000

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	General	Fixed Assets	Long-Term Obligations	
Fund Equity and Other Credits:											
Investment in General Fixed Assets	0	0	0	0	0	0	0	0	28,869,216	0	28,869,216
Contributed Capital	0	0	0	0	103,559	0	0	0	0	0	103,559
Retained Earnings - Unreserved	0	0	0	0	265,879	297,384	0	0	0	0	563,263
Fund Balances											
Reserved for Property Taxes	317,277	0	28,299	23,160	0	0	0	0	0	0	368,736
Reserved for Encumbrances	187,899	47,966	0	14,470	0	0	1,399	0	0	0	251,734
Reserved for Inventory	25,200	0	0	0	0	0	0	0	0	0	25,200
Reserved for Budget Stabilization	357,921	0	0	0	0	0	0	0	0	0	357,921
Reserved for Textbooks and Materials	84,459	0	0	0	0	0	0	0	0	0	84,459
Reserved for Prepaid Items	23,798	0	0	0	0	0	0	0	0	0	23,798
Unreserved - Undesignated (Deficit)	(3,429,252)	42,688	378,475	56,793	0	0	7,710	0	0	0	(2,943,586)
Total Fund Equity (Deficit) and Other Credits	(2,432,698)	90,654	406,774	94,423	369,438	297,384	9,109	28,869,216	0	0	27,704,300
Total Liabilities, Fund Equity and Other Credits	\$14,876,933	\$214,106	\$2,509,915	\$893,863	\$500,350	\$486,255	\$94,050	\$28,869,216	\$21,512,979	\$69,957,667	

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2000

	Governmental Fund Types				Fiduciary	Totals (Memorandum Only)
	General	Special	Debt	Capital	Fund Type	
	Revenue	Service	Projects	Trust	Expendable	
REVENUE:						
Taxes	\$12,227,399	\$0	\$1,556,136	\$549,393	\$0	\$14,332,928
Tuition and Fees	100,022	0	0	0	0	100,022
Intergovernmental	9,112,144	1,069,860	147,866	160,020	0	10,489,890
Interest	212,167	0	0	0	628	212,795
Extracurricular Activities	0	500,985	0	0	0	500,985
Other	24,964	22,078	52,201	13,875	1,078	114,196
Classroom Materials & Fees	102,779	1,915	0	0	0	104,694
Total Revenues	21,779,475	1,594,838	1,756,203	723,288	1,706	25,855,510
EXPENDITURES:						
Current						
Instruction						
Regular	10,842,461	331,361	0	505,379	3,556	11,682,757
Special	1,643,586	259,731	0	0	0	1,903,317
Vocational	324,418	797	0	0	0	325,215
Adult Continuing Education	0	1,120	0	0	0	1,120
Other	139,733	0	0	0	0	139,733
Support Services						
Pupil	1,176,845	389,220	0	300	4,672	1,571,037
Instructional Staff	986,417	185,873	0	0	0	1,172,290
Board of Education	28,084	0	0	0	0	28,084
Administration	1,517,682	9,068	76	42	0	1,526,868
Fiscal	493,215	0	17,642	10,104	0	520,961
Business	13,233	0	0	0	0	13,233
Operation and Maintenance of Plant						
Pupil Transportation	852,018	0	0	157,633	0	1,009,651
Central	103,194	40	0	0	0	103,234
Community Services	0	125,942	0	0	1,500	127,442
Extracurricular Activities	444,130	194,902	0	0	0	639,032
Debt Service						
Principal and Interest Retirement	0	0	2,028,564	0	0	2,028,564
Building Acquisition and Construction						
	0	2,560	0	120	0	2,680
Total Expenditures	20,918,391	1,500,614	2,046,282	946,701	9,728	25,421,716
Revenues Over (Under)						
Expenditures	861,084	94,224	(290,079)	(223,413)	(8,022)	433,794

(Continued)

The accompanying notes are an integral part of these statements.

Green Local School District
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 All Governmental Fund Types and Similar Trust Funds
 For the Fiscal Year Ended June 30, 2000

	Governmental Fund Types				Fiduciary	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Fund Type Expendable Trust	
OTHER FINANCING SOURCES (USES):						
Sale of Assets	11,166	0	0	0	0	11,166
Proceeds From Sale of Notes/Bonds	0	0	0	150,000	0	150,000
Operating Transfers - In	74	5,500	0	275,000	500	281,074
Operating Transfers - Out	(8,000)	0	0	(275,000)	0	(283,000)
Refund of Prior Year's Expense	24,803	252	0	0	0	25,055
Refund of Prior Year's Receipts	(24,050)	(1,087)	0	0	0	(25,137)
Total Other Financing Sources	<u>3,993</u>	<u>4,665</u>	<u>0</u>	<u>150,000</u>	<u>500</u>	<u>159,158</u>
Total Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	865,077	98,889	(290,079)	(73,413)	(7,522)	592,952
Fund Balances (Deficit) at Beginning of Year	(3,299,528)	(8,235)	696,853	167,836	16,631	(2,426,443)
Increase in Reserve for Inventory	<u>1,753</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,753</u>
Fund Balances (Deficit) at End of Year	<u><u>\$ (2,432,698)</u></u>	<u><u>\$90,654</u></u>	<u><u>\$406,774</u></u>	<u><u>\$94,423</u></u>	<u><u>\$9,109</u></u>	<u><u>\$ (1,831,738)</u></u>

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2000

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 11,378,091	\$ 11,802,544	\$ 424,453
Tuition and Fees	12,430	86,312	73,882
Intergovernmental	9,304,205	9,107,494	(196,711)
Interest	227,605	211,979	(15,626)
Extracurricular Activities	0	0	0
Classroom Materials & Fees	157,100	102,779	(54,321)
Other	29,075	9,691	(19,384)
Total Revenues	<u>21,108,506</u>	<u>21,320,799</u>	<u>212,293</u>
EXPENDITURES:			
Current			
Instruction			
Regular	10,811,664	10,753,236	58,428
Special	1,626,444	1,614,254	12,190
Vocational	331,285	327,336	3,949
Adult Continuing	0	0	0
Other	159,525	139,733	19,792
Support Services			
Pupil	1,180,016	1,173,296	6,720
Instructional Staff	1,028,432	983,556	44,876
Board of Education	32,118	28,439	3,679
Administration	1,632,765	1,601,555	31,210
Fiscal	521,080	504,827	16,253
Business	12,965	12,735	230
Operation and Maintenance of Plant	2,523,014	2,522,054	960
Pupil Transportation	854,245	854,050	195
Central	105,453	105,090	363
Food Service Operations	0	0	0
Community Service Operations	0	0	0
Extracurricular Activities	449,345	449,312	33
Building Acquisition and Construction	0	0	0
Debt Service			
Principal Retirement and Interest	0	0	0
Total Expenditures	<u>21,268,351</u>	<u>21,069,473</u>	<u>198,878</u>
Revenues Over (Under) Expenditures	<u>(159,845)</u>	<u>251,326</u>	<u>411,171</u>
OTHER FINANCING SOURCES (USES):			
Proceeds of Notes	1,000,000	1,000,000	0
Proceeds from Sale of Assets	0	11,166	11,166
Advances - In	0	0	0
Advances - Out	0	(24,000)	(24,000)
Refund of Prior Year Expenditures	23,735	24,901	1,166
Refund of Prior Year Receipt	(665)	(98)	567
Operating Transfer - In	0	74	74
Operating Transfers - Out	(8,000)	(8,000)	0
Total Other Financing Sources (Uses)	<u>1,015,070</u>	<u>1,004,043</u>	<u>(11,027)</u>
Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>855,225</u>	<u>1,255,369</u>	<u>400,144</u>
Fund Balances at Beginning of Year	348,805	348,805	0
Prior Year Encumbrances	110,955	110,955	0
Fund Balance at End of Year	<u>\$ 1,314,985</u>	<u>\$ 1,715,129</u>	<u>\$ 400,144</u>

The accompanying notes are an integral part of these statements

(Continued)

Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 1,784,874	\$ 1,859,624	\$ 74,750
0	0	0	0	0	0
1,213,798	1,069,860	(143,938)	148,802	147,866	(936)
0	0	0	0	0	0
475,635	501,014	25,379	0	0	0
2,900	1,915	(985)	0	0	0
22,155	22,078	(77)	0	0	0
<u>1,714,488</u>	<u>1,594,867</u>	<u>(119,621)</u>	<u>1,933,676</u>	<u>2,007,490</u>	<u>73,814</u>
390,034	321,829	68,205	0	0	0
371,063	291,531	79,532	0	0	0
800	797	3	0	0	0
2,450	1,421	1,029	0	0	0
0	0	0	0	0	0
434,047	415,690	18,357	0	0	0
228,949	215,628	13,321	0	0	0
0	0	0	0	0	0
14,105	9,041	5,064	170	76	94
0	0	0	18,020	17,642	378
0	0	0	0	0	0
0	0	0	0	0	0
3,155	0	3,155	0	0	0
815	40	775	0	0	0
220	220	0	0	0	0
147,852	128,684	19,168	0	0	0
196,237	196,012	225	0	0	0
5,993	5,984	9	4,443	4,443	0
0	0	0	2,338,563	2,338,563	0
<u>1,795,720</u>	<u>1,586,877</u>	<u>208,843</u>	<u>2,361,196</u>	<u>2,360,724</u>	<u>472</u>
(81,232)	7,990	89,222	(427,520)	(353,234)	74,286
0	0	0	0	0	0
0	0	0	0	0	0
0	24,000	24,000	0	0	0
0	(160,760)	(160,760)	0	0	0
252	252	0	0	0	0
(1,092)	(1,087)	5	0	0	0
4,920	5,500	580	75,388	0	(75,388)
0	0	0	0	0	0
<u>4,080</u>	<u>(132,095)</u>	<u>(136,175)</u>	<u>75,388</u>	<u>0</u>	<u>(75,388)</u>
(77,152)	(124,105)	(46,953)	(352,132)	(353,234)	(1,102)
208,417	208,417	0	726,557	726,557	0
69,724	69,724	0	0	0	0
<u>\$ 200,989</u>	<u>\$ 154,036</u>	<u>\$ (46,953)</u>	<u>\$ 374,425</u>	<u>\$ 373,323</u>	<u>\$ (1,102)</u>

(Continued)

Green Local School District
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2000

	Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 656,225	\$ 538,148	\$ (118,077)
Tuition and Fees	0	0	0
Intergovernmental	195,415	160,019	(35,396)
Interest	0	0	0
Extracurricular Activities	0	0	0
Classroom Materials & Fees	0	0	0
Other	64,644	10,784	(53,860)
Total Revenues	<u>916,284</u>	<u>708,951</u>	<u>(207,333)</u>
EXPENDITURES:			
Current			
Instruction			
Regular	528,349	506,813	21,536
Special	0	0	0
Vocational	0	0	0
Adult Continuing	0	0	0
Other	0	0	0
Support Services			
Pupil	0	0	0
Instructional Staff	582	300	282
Board of Education	0	0	0
Administration	50	42	8
Fiscal	10,200	10,104	96
Business	0	0	0
Operation and Maintenance of Plant	329,175	286,159	43,016
Pupil Transportation	157,700	157,633	67
Central	0	0	0
Food Service Operations	0	0	0
Community Service Operations	0	0	0
Extracurricular Activities	0	0	0
Building Acquisition and Construction	24,786	24,786	-
Debt Service			
Principal Retirement and Interest	0	0	0
Total Expenditures	<u>1,050,842</u>	<u>985,837</u>	<u>65,005</u>
Revenues Over (Under) Expenditures	<u>(134,558)</u>	<u>(276,886)</u>	<u>(142,328)</u>
OTHER FINANCING SOURCES (USES):			
Proceeds of Notes	150,000	150,000	0
Proceeds from Sale of Assets	0	0	0
Advances - In	0	0	0
Advances - Out	0	0	0
Refund of Prior Year Expenditures	0	0	0
Refund of Prior Year Receipt	0	0	0
Operating Transfer - In	275,000	275,000	0
Operating Transfers - Out	(275,000)	(275,000)	0
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Total Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>15,442</u>	<u>(126,886)</u>	<u>(142,328)</u>
Fund Balances at Beginning of Year	156,589	156,589	0
Prior Year Encumbrances	23,998	23,998	0
Fund Balance at End of Year	<u>\$ 196,029</u>	<u>\$ 53,701</u>	<u>\$ (142,328)</u>

The accompanying notes are an integral part of these statements.

(Continued)

Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 13,819,190	\$ 14,200,316	\$ 381,126
0	0	0	12,430	86,312	73,882
0	0	0	10,862,220	10,485,239	(376,981)
650	629	(21)	228,255	212,608	(15,647)
0	0	0	475,635	501,014	25,379
0	0	0	160,000	104,694	(55,306)
3,170	1,078	(2,092)	119,044	43,631	(75,413)
<u>3,820</u>	<u>1,707</u>	<u>(2,113)</u>	<u>25,676,774</u>	<u>25,633,814</u>	<u>(42,960)</u>
6,825	4,956	1,869	11,736,872	11,586,834	150,038
0	0	0	1,997,507	1,905,785	91,722
0	0	0	332,085	328,133	3,952
0	0	0	2,450	1,421	1,029
0	0	0	159,525	139,733	19,792
5,137	4,821	316	1,619,200	1,593,807	25,393
0	0	0	1,257,963	1,199,484	58,479
0	0	0	32,118	28,439	3,679
55	0	55	1,647,145	1,610,714	36,431
0	0	0	549,300	532,573	16,727
0	0	0	12,965	12,735	230
0	0	0	2,852,189	2,808,213	43,976
0	0	0	1,015,100	1,011,683	3,417
0	0	0	106,268	105,130	1,138
0	0	0	220	220	0
1,575	1,500	75	149,427	130,184	19,243
0	0	0	645,582	645,324	258
0	0	0	35,222	35,213	9
0	0	0	2,338,563	2,338,563	0
<u>13,592</u>	<u>11,277</u>	<u>2,315</u>	<u>26,489,701</u>	<u>26,014,188</u>	<u>475,513</u>
<u>(9,772)</u>	<u>(9,570)</u>	<u>202</u>	<u>(812,927)</u>	<u>(380,374)</u>	<u>432,553</u>
0	0	0	1,150,000	1,150,000	0
0	0	0	0	11,166	11,166
0	0	0	0	24,000	24,000
0	0	0	0	(184,760)	(184,760)
0	0	0	23,987	25,153	1,166
0	0	0	(1,757)	(1,185)	572
0	500	500	355,308	281,074	(74,234)
0	0	0	(283,000)	(283,000)	0
<u>0</u>	<u>500</u>	<u>500</u>	<u>1,244,538</u>	<u>1,022,448</u>	<u>(222,090)</u>
(9,772)	(9,070)	702	431,611	642,074	210,463
14,589	14,589	0	1,454,957	1,454,957	0
2,193	2,193	0	206,870	206,870	0
<u>\$ 7,010</u>	<u>\$ 7,712</u>	<u>\$ 702</u>	<u>\$ 2,093,438</u>	<u>\$ 2,303,901</u>	<u>\$ 210,463</u>

Green Local School District
Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings - All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2000

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total (Memorandum Only)</u>
OPERATING REVENUES:			
Sales	\$634,787	\$0	\$634,787
Charges for Services	<u>0</u>	<u>1,808,818</u>	<u>1,808,818</u>
Total Operating Revenues	<u>634,787</u>	<u>1,808,818</u>	<u>2,443,605</u>
OPERATING EXPENSES:			
Salaries and Wages	304,391	5,636	310,027
Fringe Benefits	73,058	0	73,058
Contract Services	24,451	0	24,451
Cost of Sales	443,718	0	443,718
Depreciation	9,565	0	9,565
Other	0	8,758	8,758
Claims	0	1,506,224	1,506,224
Capital Outlay	<u>3,822</u>	<u>9,624</u>	<u>13,446</u>
Total Operating Expenses	<u>859,005</u>	<u>1,530,242</u>	<u>2,389,247</u>
Operating Loss	<u>(224,218)</u>	<u>278,576</u>	<u>54,358</u>
NON-OPERATING REVENUES:			
Investment Income	21,632	0	21,632
Donated Commodities	77,628	0	77,628
Operating Grants	119,883	0	119,883
Refund of Prior Year's Expenditures	25	0	25
Refund of Prior Year's Receipts	0	(2,923)	(2,923)
Other	<u>25,795</u>	<u>0</u>	<u>25,795</u>
Total Non-Operating Revenues	<u>244,963</u>	<u>(2,923)</u>	<u>242,040</u>
Net Income (Loss)	20,745	275,653	296,398
Retained Earnings at Beginning of Year	<u>245,134</u>	<u>21,731</u>	<u>266,865</u>
Retained Earnings at End of Year	<u><u>\$265,879</u></u>	<u><u>\$297,384</u></u>	<u><u>\$563,263</u></u>

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenues, Expenses, and Changes
in Fund Equity - Budget Basis and Actual
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2000

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for Services	\$ 589,300	\$ 634,787	\$ 45,487
Interest	18,960	21,632	2,672
Operating Grants	130,550	152,130	21,580
Total Revenues	<u>738,810</u>	<u>808,549</u>	<u>69,739</u>
EXPENSES:			
Salaries and Wages	295,440	295,365	75
Fringe Benefits	73,155	73,058	97
Contract Services	32,665	32,585	80
Supplies	363,816	363,788	28
Claims	0	0	0
Capital Outlay	64,990	64,882	108
Total Expenses	<u>830,066</u>	<u>829,678</u>	<u>388</u>
Revenues Over (Under) Expenses	<u>(91,256)</u>	<u>(21,129)</u>	<u>70,127</u>
OTHER FINANCING SOURCES (USES)			
Advances - In	0	0	0
Advances - Out	0	0	0
Refund of Prior Years Expenditures	1,155	25	(1,130)
Refund of Prior Years Receipts	0	0	0
Other	15,175	25,795	10,620
Total Other Financing Sources	<u>16,330</u>	<u>25,820</u>	<u>9,490</u>
Total Revenues and Other Financing Sources (Uses) Over (Under) Expenses	<u>(74,926)</u>	<u>4,691</u>	<u>79,617</u>
Fund Balances at Beginning of Year	391,552	391,552	0
Prior Year Encumbrances	1,628	1,628	0
Fund Balances at End of Year	<u>\$ 318,254</u>	<u>\$ 397,871</u>	<u>\$ 79,617</u>

The accompanying notes are an integral part of these statements.

Internal Service Funds			Total (Memorandums Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 589,300	\$ 634,787	\$ 45,487
0	0	0	18,960	21,632	2,672
0	0	0	130,550	152,130	21,580
0	0	0	738,810	808,549	69,739
5,640	5,636	4	301,080	301,001	79
0	0	0	73,155	73,058	97
1,595,759	1,595,687	72	1,628,424	1,628,272	152
9,011	8,958	53	372,827	372,746	81
0	0	0	0	0	0
9,700	9,624	76	74,690	74,506	184
1,620,110	1,619,905	205	2,450,176	2,449,583	593
(1,620,110)	(1,619,905)	205	(1,711,366)	(1,641,034)	70,332
0	160,760	160,760	0	160,760	160,760
0	0	0	0	0	0
0	0	0	1,155	25	(1,130)
(3,000)	(2,923)	77	(3,000)	(2,923)	77
1,600,640	1,824,756	224,116	1,615,815	1,850,551	234,736
1,597,640	1,982,593	384,953	1,613,970	2,008,413	394,443
(22,470)	362,688	385,158	(97,396)	367,379	464,775
115,679	115,679	0	507,231	507,231	0
7,284	7,284	0	8,912	8,912	0
<u>\$ 100,493</u>	<u>\$ 485,651</u>	<u>\$ 385,158</u>	<u>\$ 418,747</u>	<u>\$ 883,522</u>	<u>\$ 464,775</u>

Green Local School District
 Combined Statement of Cash Flows
 All Proprietary Fund Types
 For the Fiscal Year Ended June 30, 2000

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)
Cash flows from operating activities:			
Operating Income (Loss)	\$ (224,218)	\$ 278,576	\$ 54,358
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities			
Depreciation	9,565	0	9,565
Donated commodities in cost of sales	80,539	0	80,539
Change in assets and liabilities that increase (decrease) cash flow from operations			
Accounts receivable	0	15,939	15,939
Intergovernmental receivable	32,247	0	32,247
Accounts payable	187	0	187
Claims payable	0	(89,186)	(89,186)
Accrued wages and benefits	6,094	0	6,094
Compensated absences	2,931	0	2,931
Intergovernmental payable	(8,019)	58	(7,961)
Interfund receivable	0	160,760	160,760
Net cash provided by (used in) operating activities	<u>(100,674)</u>	<u>366,147</u>	<u>265,473</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	<u>(36,477)</u>	<u>0</u>	<u>(36,477)</u>
Cash flows from noncapital financing activities:			
Operating grants received	119,883	0	119,883
Other non-operating revenue	<u>47,452</u>	<u>(2,923)</u>	<u>44,529</u>
Net cash provided by noncapital financing activities	<u>167,335</u>	<u>(2,923)</u>	<u>164,412</u>
Net increase in cash and cash equivalents	30,184	363,224	393,408
Cash and cash equivalents - beginning of year	<u>393,182</u>	<u>122,962</u>	<u>516,144</u>
Cash and cash equivalents - end of year	<u>\$ 423,366</u>	<u>\$ 486,186</u>	<u>\$ 909,552</u>
Noncash capital, investing and related financing activities:			
Donated commodities received	\$ 77,628	\$ 0	\$ 77,628

The accompanying notes are an integral part of these statements.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources.

1. *Description of the Entity*

The Green Local School District (the District) 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. The District is a local district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under a five member elected Board of Education and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) as of October 1, 1999 was 3,778. The District employed 264 certificated employees and 149 non-certificated employees.

The District's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the District's ability to exercise significant oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations, and the accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criteria involves considering whether the activity benefits the District and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units.

The following organizations are described due to their relationship with the District:

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. *Description of the Entity - Continued*

The District is associated with certain organizations which are defined as Jointly Governed Organizations. These organizations include the Northeast Ohio Network for Education Technology (NEONET) and Interval Opportunity School. These organization are more fully described in Note L to the general purpose financial statements.

2. *Basis of Presentation - Fund Accounting*

The District uses funds and account groups 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 District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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

Governmental Fund Types:

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

General Fund - This fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

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

2. *Basis of Presentation - Fund Accounting* - (Continued)

in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - These funds are established 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.

Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - These funds are 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 and trust funds).

Proprietary Fund Types:

Proprietary funds are used to account for the District's ongoing activities which are similar to those found in the private sector. The following are the District's proprietary fund types:

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has 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.

Internal Service Funds - These funds account for the financing of services provided by one department or agency to another department or agency of the District on a cost-reimbursement basis.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

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

2. *Basis of Presentation - Fund Accounting - (Continued)*

Fiduciary Fund Types:

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. These include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the District, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the District except those accounted for in the proprietary fund types.

3. *Measurement Focus and Basis of Accounting*

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the combined

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

3. *Measurement Focus and Basis of Accounting* – Continued

balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the District is sixty days after year end. In applying the accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, tuition, grants and entitlements.

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise in the governmental funds when a potential revenue does not meet with the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2000 and delinquent property taxes, whose availability is indeterminate, and which are intended to finance fiscal year 2001 operations, have been recorded as deferred revenue as more fully described in Note C.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

3. *Measurement Focus and Basis of Accounting* – Continued

period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

4. *Budgetary Data*

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund types. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. Unbilled service charges receivable is recognized as revenue at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities nonoperating revenue.

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 the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each function. Any budgetary modification at this level may only be made by resolution of the Board of Education.

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 Summit County Budget Commission for rate determination.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Data* - (Continued)

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District 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 revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2000.

Appropriations:

By October 1, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation resolution, the Board may pass a temporary resolution to meet the ordinary expenses of the District. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental fund appropriations were legally enacted, however, the amount of the increases were not significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications. Formal budgetary integration is employed as a management control device during the year for all funds, consistent with statutory provisions.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

4. *Budgetary Data* - (Continued)

Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Prior year encumbrances are reappropriated by the District when current year appropriations are passed by the Board of Education. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balances for subsequent year expenditures for governmental funds. At year end, the District's transfers in/out did not agree by \$1,926 on a non-GAAP basis. This is a result of a \$1,926 "transfers out" being made from the General Fund to the Agency Fund. Agency fund activity is not disclosed in the financial statements.

Lapsing of Appropriations:

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

Budgetary Basis of Accounting:

While the District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis); the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget Basis and Actual - All Governmental Fund Types and Similar Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget Basis and Actual - All Proprietary Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with state statute. The major differences between the budget basis and the GAAP basis are:

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Budgetary Basis of Accounting - Continued

1. Revenues are reported when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosure for proprietary fund types (GAAP basis).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

**Total Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
Governmental Fund Types and Similar Trust Funds**

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$865,077	\$ 98,889	\$(290,079)	\$ (73,413)	\$(7,522)
Net Adjustment for Revenue					
Accruals	(458,676)	29	(58,712)	(14,337)	1
Net Adjustment for Expenditure					
Accruals	(151,082)	(86,263)	(4,443)	(39,136)	(1,549)
Advances - In	0	24,000	0	0	0
Advances - Out	(24,000)	(160,760)	0	0	0
Proceeds from sale of notes	1,000,000	0	0	0	0
Other	24,050	0	0	0	0
Budget Basis	<u>\$1,255,369</u>	<u>\$(124,105)</u>	<u>\$(353,234)</u>	<u>\$(126,886)</u>	<u>\$(9,070)</u>

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Data - Continued*

**Net Income (Loss)/Excess Revenue and
Other Financing Sources (Uses) Over (Under) Expenses,
Proprietary Fund Types**

	Enterprise	Internal Service
GAAP Basis	\$20,745	\$275,653
Net Adjustment for Revenue Accruals	32,247	15,938
Commodities Received	(77,628)	0
Net Adjustment for Expense Accruals	(60,777)	(89,663)
Commodities Used	80,539	0
Depreciation	9,565	0
Advances	0	160,760
Budget Basis	\$ 4,691	\$362,688

5. *Pooled Cash and Investments*

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is represented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

During the fiscal year 2000, investments were limited to STAROhio and repurchase agreements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2000. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash and Investments* - Continued

June 30, 2000.

Legal Requirements:

State statutes require the classification of moneys held by the 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 District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts or in money market deposit accounts.

Inactive deposits are public deposits 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 deposits 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 accounts, including passbook accounts.

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash and Investments* - Continued
 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; and
 6. The State Treasurer's investment pool (STAROhio).

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 District, 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 investment to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash and Investments* - Continued

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3 "Deposits with Financial Institutions (including Repurchase Agreements), and Reverse Agreements".

Deposits:

At year end, the carrying amount of the District's cash deposits was \$(146,516) and the bank balance was \$8,235. Of the bank's balance:

1. \$8,235 was covered by the federal depository insurance.

Investments:

The District's investments are required to be categorized to give an indication of the level of risk assumed by the district at year end.

Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name.

Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the District's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash and Investments* - Continued

	Category 3	Carrying Value	Fair Value
Repurchase Agreement - U.S. Government Securities	\$ 2,545,000	\$ 2,545,000	\$ 2,545,000
Investment in State Treasurer's Investment Pool (STAROhio)	0	1,201,601	1,201,601
	\$ 2,545,000	\$ 3,746,601	\$ 3,746,601

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting."

A reconciliation between the classifications of cash and investments on the financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$3,600,085	\$ 0
Investments:		
Repurchase Agreement	(2,545,000)	2,545,000
STAROhio	(1,201,601)	1,201,601
GASB Statement No. 3	\$ (146,516)	\$ 3,746,601

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. *Inventory*

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types when used. Reported materials and supplies inventory are equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory in the enterprise funds consists of purchased food, donated commodities and school supplies held for resale.

7. *Fixed Assets and Depreciation*

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year.

Donated fixed assets are recorded at their fair market values as of the date donated. The District has established a capitalization threshold for fixed assets at \$500. Books, records, movies, and other learning aids kept at the District Library are also included for reporting purposes. The District does not possess any infrastructure.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. The District's policy is not to capitalize interest costs incurred as part of construction.

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line basis over an estimated useful life of five to ten years.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. *Intergovernmental Revenues*

For governmental funds, intergovernmental revenue, such as grants awarded on a non-reimbursement basis and entitlements, are recorded as receivables and revenues when measurable and available. Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements received for proprietary fund operating purposes are recognized as non-operating revenues in the accounting period in which they are earned and become measurable. The District currently participates in several State and Federal programs, categorized as follows:

Entitlements

General Fund

State Foundation Program

Non-Reimbursable Grants

Special Revenue Funds

Title I

Title VI

Drug Free Schools

Public Preschool

Special Education - Title VI-B - Handicapped Children

Venture Capital Grant

E.M.I.S. Subsidy

Disadvantaged Pupil Impact Aid

Parent Mentorship

Eisenhower Grant

Goals 2000

Reimbursable Grants

General Fund

Driver Education

Proprietary Funds

National School Lunch Program

Government Donated Commodities

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. *Intergovernmental Revenues - Continued*

Grants and entitlements amounted to approximately 37 percent of the District's operating revenue during the 2000 fiscal year.

9. *Prepaid Items*

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

10. *Short-Term, Interfund Assets/Liabilities*

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Short-term interfund loans are classified as interfund receivables/payables.

11. *Compensated Absences*

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

11. *Compensated Absences*

For governmental funds, the District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The District records a liability for accumulated unused sick leave for classified employees after one year of current service with the District and for certified employees and administrators after one year of service. The current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Employees earn vacation at rates specified by Union Contractual Agreement based on credited service. Administrative and 260 day employees are entitled to vacation ranging from 10 to 20 days.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service. This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to thirty-three and one-third percent of the value of the first 132 days of sick leave. The total maximum is 44 days. At June 30, 2000, a current liability of \$96,464 and \$22,019 in the general and enterprise funds, respectively, has been provided for earned but unused sick leave severance. Also, the District has recorded an estimated long-term liability of \$1,259,178 for severance pay and sick leave payable. The amount has been recorded in the general long-term obligations account group since the liability will not require the use of current expendable available financial resources. These amounts are included in Compensated Absences on the Combined Balance Sheet.

12. *Contributed Capital*

Contributed capital represents resources from other funds, other governments and private sources provided to enterprise funds and is not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

13. *Long-Term Debt*

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable, available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Under Ohio Law, a debt retirement fund must be created and used for the payment of all debt principal and interest. Generally accepted accounting principles require the allocation of the debt liability among the debt service fund and the general long-term obligations account group, with principal and interest payments on matured general long-term debt reported in the debt service fund. To comply with GAAP reporting requirements, the District's debt retirement fund has been split among the appropriate funds and account group. Debt service fund resources used to pay both the principal and interest have also been allocated accordingly.

14. *Interfund Transactions*

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

15. *Fund Equity*

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available, spendable resources and, therefore, are not available for expenditure. Undesignated fund balance indicates that portion of fund equity which is available for reappropriation in future periods. Fund equity reserves are established for property taxes, encumbrances, inventory, budget stabilization, textbooks and materials and prepaid items.

16. PROPRIETARY FUND ACCOUNTING

Under the guidelines of GASB Statement No. 20, "Accounting and Financial Reporting and Other Governmental Entities that use Proprietary Fund Accounting", the District has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities.

17. ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

18. TOTAL COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS

Total columns on the general purpose financial statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE B - FUND DEFICITS

Fund balances at June 30, 2000 included the following individual fund deficits:

DEFICIT FUND BALANCES	
General Fund	\$2,432,698
Special Revenue Funds	
Gifted Learners	403
Foreign Language	17,244
Ohio Reads	11,150
Title VI-B	3,994
Title I	39,456
Chapter II	1,619

The general fund's deficit balance resulted from adjustments for accrued liabilities. Property tax and State entitlement monies received in July and August are sufficient to cover this deficit and will be used to liquidate these liabilities.

The special revenue and internal service deficit fund balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE C - PROPERTY TAX

Real property taxes are levied on assessed values which equal 35% of appraised value. The County Auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 1999.

Real property taxes become a lien on all non-exempt real property located in the County on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE C - PROPERTY TAX – Continued

The full tax rate applied to real property for tax (calendar) year 1999 was \$40.29 per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$28.85 per \$1,000 of assessed valuation for real property classification as residential/agricultural and \$28.85 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio.

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for tax (calendar) year 2000 was \$40.29 per \$1,000 of assessed valuation.

Real Property – 1999 Valuation	
Residential/Agricultural	\$339,897,160
Commercial/Industrial	83,836,490
Public Utilities	34,190
Minerals	294,240
Tangible Personal Property - 1999 Valuation	
General	37,423,005
Public Utilities	18,863,460
Total Valuation	\$480,338,545

The Summit County Treasurer collects property tax on behalf of all taxing districts within the County. The Summit County Auditor periodically remits to the taxing districts their portions of the taxes collected.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE C - PROPERTY TAX – Continued

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2000. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2000 and recognized as revenue was \$368,736.

NOTE D – RISK MANAGEMENT

1. *Property Insurance*

The District is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2000, the District contracted with Wausau Insurance for property and inland marine, Nationwide for liability insurance, and Harcum-Hyre Insurance for fleet insurance.

Coverage provided by Wausau, Nationwide, and Harcum-Hyre are as follows:

Building and Contents –	
Replacement cost (\$1,000 deductible)	\$72,012,000
Inland Marine Coverage (\$1,000 deductible)	
Boiler and Machinery (\$1,000 deductible)	
Crime Insurance	1,000
Automobile Liability (\$100 deductible)	1,000,000
Uninsured Motorists (\$100 deductible)	2,000,000
General Liability	
Per Occurrence	2,000,000
Total per year	5,000,000

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE D – RISK MANAGEMENT- Continued

2. *Medical Self-Insurance*

The District has established a medical self-insurance fund which is accounted for in the internal service fund. The purpose of this fund is to pay medical and dental claims of the District's employees and their covered dependents and minimize the total cost of medical insurance to the District. A third party administrator, Professional Claims Management, Inc. located in Canton, Ohio, reviews and pays all claims. For the plan year ended June 30, 2000, medical claims exceeding \$50,000 per covered individual, per year, or \$1,487,923 in the aggregate per year are covered through private insurance carriers. The self-insurance fund is funded by expenditures for health insurance out of the general fund and enterprise fund.

The claims liability of \$188,813 reported in the fund at June 30, 2000 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims cost, including estimates of cost relating to incurred but not reported claims, be reported. Changes in the fund's claims liability amount in fiscal year 1999 and 2000 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
1999	\$282,317	\$1,585,731	\$1,590,049	\$277,999
2000	277,999	1,506,224	1,595,410	188,813

NOTE E - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2000 follows:

Furniture and Equipment	\$ 214,484
Less Accumulated Depreciation	(171,192)
Net Fixed Assets	<u>\$ 43,292</u>

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE E - FIXED ASSETS - Continued

A summary of the changes in general fixed assets during fiscal year 2000 follows:

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Land and Buildings	\$ 21,390,333	\$ 37,148	\$ 0	\$ 21,427,481
Furniture and Equipment	4,824,731	223,716	1,844	5,046,603
Vehicles	1,474,299	153,633	0	1,627,932
Library Books	767,200	0	0	767,200
Total	<u>\$ 28,456,563</u>	<u>\$ 414,497</u>	<u>\$ 1,844</u>	<u>\$ 28,869,216</u>

As of June 30, 2000, the District had no significant construction in progress. Also, as of June 30, 2000, the District did not acquire any Enterprise assets that required a change to contributed capital.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE F - LONG-TERM OBLIGATIONS

1. Long-term obligations of the District as of June 30, 2000 were as follows:

	Outstanding July 1, 1999	Additions	Reductions	Outstanding June 30, 2000
Intergovernmental Payable	\$ 156,252	\$ 142,774	\$ 156,252	\$ 142,774
Capital Lease Payable, 14.8%	1,018,840	31,173	445,380	604,633
Compensated Absences	1,224,608	34,570	0	1,259,178
Bonds:				
Facilities Improvement Bonds, 1999, 4.9%	19,144,996	0	700,000	18,444,996
Bus Bonds, Series 1995, 6.0%	17,500	0	17,500	0
Bus Bonds, Series 1996	60,000	0	20,000	40,000
Bus Bonds, Series 1997	85,714	0	14,286	71,428
Bus Bonds, Series 1999, 5.48%	150,000	0	6,704	143,296
Bus Bonds – 2000	0	150,000	0	150,000
Total Bonds	<u>19,458,210</u>	<u>150,000</u>	<u>758,490</u>	<u>18,849,720</u>
Notes:				
Energy Conservation Improvement Notes, 1993, 4.75%	356,000	0	83,000	273,000
Energy Conservation Improvement Note, 1995, 5.35%	400,000	0	60,000	340,000
Energy Conservation Note, Series 1999, 4.98%	45,800	0	2,126	43,674
Total Notes	<u>801,800</u>	<u>0</u>	<u>145,126</u>	<u>656,674</u>
Total Long-term obligations	<u>\$22,659,710</u>	<u>\$358,517</u>	<u>\$1,505,248</u>	<u>\$21,512,979</u>

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE F - LONG-TERM OBLIGATIONS – Continued

2. *General Fund – Tax Anticipation Notes Payable*

Tax Anticipation Note, Series 2000, 4.38%	\$	0	\$1,000,000	\$	0	\$ 1,000,000
Tax Anticipation Note, Series 1998, 4.38%		310,000	0		103,333	206,667
Tax Anticipation Note, Series 1998, 4.38%		310,000	0		103,333	206,667
Tax Anticipation Note, Series 1998, 4.38%		310,000	0		103,333	206,667
Total Notes	\$	<u>930,000</u>	<u>\$1,000,000</u>	\$	<u>309,999</u>	<u>\$ 1,620,001</u>

Facilities Improvement Bonds

The District issued \$19,500,000 of bonds on April 1, 1994 at 4.9% with a maturity on 2019. These bonds were issued for the construction of a new high school. Improvements were also made to four other school buildings. On April 1, 1999, the District issued \$16,934,996 in General Obligation bonds with interest rates ranging from 3.20% to 5.00% to advance refund a portion of the 1994 series bonds.

School Bus Bonds

The District issued bonds in 1995, 1996, 1997, 1999 and 2000 for the purchase of buses.

On June 15, 1995, the District issued bonds for \$125,000. The bonds will mature on June 1 in each of the years from 1996 through 1998 and on June 1 in 1999 and 2000.

In 1997, the District issued the 1996 A series in the amount of \$100,000. The bonds were issued on February 18, 1997 and will mature on February 18, 2002.

In 1997, the District issued the 1997 series in the amount of \$100,000. The bonds were issued on June 25, 1997 and will mature on July 2, 2004.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE F - LONG-TERM OBLIGATIONS – Continued

School Bus Bonds - Continued

In 1999, the District issued the 1999 series in the amount of \$150,000. The bonds were issued on June 1, 1999 and will mature on June 1, 2014.

In 2000, the District issued the 2000 series in the amount of \$150,000. The bonds were issued on May 1, 2000 and will mature on May 1, 2015.

Energy Conservation Improvement Notes

The District issued two notes for the purpose of paying costs of installations, modifications, and remodeling of school buildings to conserve energy. The notes were issued in the following amounts : 1993 Series - \$780,000 with a maturity date of 2003, and 1995 - \$600,000 with a maturity date of 2005.

Energy Conservation Bonds

The District issued a bond for the purpose of paying costs of installations, modifications, and remodeling of school buildings to conserve energy. The bond was issued on January 19, 1999 and will mature on January 20, 2014.

Tax Anticipation Notes

The School District issued three tax anticipation notes in anticipation of the collection of the proceeds from the tax levy in excess of the ten-mill limitation. Each note was issued in 1998 for \$310,000. The notes mature in three consecutive years ending on December 31, 2001 and are recorded as a liability in the General Fund.

The School District issued five tax anticipation notes in anticipation of the collection of the proceeds from the tax levy in excess of the ten mill limitation. Each note was issued in 2000 for \$200,000. The notes mature in five consecutive years ending on December 1, 2004 and are recorded as a liability in the General Fund.

Intergovernmental payable and the compensated absences will be paid from the fund from which the employees' salaries are paid.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE F - LONG-TERM OBLIGATIONS – Continued

Principal and interest requirements to retire long-term obligations outstanding at June 30, 2000 are as follows:

June 30, 2001	\$ 2,167,784
June 30, 2002	2,189,673
June 30, 2003	1,881,987
June 30, 2004	1,813,530
June 30, 2005	1,843,664
Thereafter	25,495,986
	\$ 35,392,624

NOTE G - CAPITAL LEASES - LESSEE DISCLOSURE

The District has entered into a capitalized lease for computers, wiring and miscellaneous items and on August 4, 1998 for musical instruments. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments amounted to \$414,207 for the fiscal year ended June 30, 2000. The carrying cost of capital lease assets is \$2,684,520.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2000.

	Fiscal Year Ending June 30, 2001	\$447,166
	2002	51,727
	2003	49,711
	2004	42,048
	2005	40,032
	2006	38,016
Total		668,700
Less: Amount Representing Interest		(64,067)
Present Value of Net Minimum Lease Payments		\$604,633

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE H - 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 District. During the fiscal year ended June 30, 2000 the District received \$7,679,235 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 District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE I – DEFINED BENEFIT PENSION PLANS

1. *State Teachers' Retirement System (STRS)*

The District contributes to the State Teachers' Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers' Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers' Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 10.5 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998, were \$1,583,424, \$1,559,952 and \$1,445,580, respectively; 83 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$276,064, representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

2. *School Employees Retirement System (SERS)*

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employee Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE I – DEFINED BENEFIT PENSION PLANS - Continued

2. *School Employees Retirement System (SERS) - Continued*

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute 14 percent; 9.02 percent was the portion used to fund pension obligations. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998, were \$423,388, \$460,518, and \$392,760, respectively; 44 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$238,260, representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds and the general long-term obligations account group.

3. *Postemployment Benefits*

The 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 funded on a pay-as-you-go basis.

The State Teachers' Retirement 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 health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year end June 30, 1999, the board allocated employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund.

STRS pays health care benefits from the health care reserve fund. The balance in the fund was \$2.783 million at June 30, 1999 (latest data available). 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.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE I – DEFINED BENEFIT PENSION PLANS – Continued

3. *Postemployment Benefits* - Continued

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, 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.

For this fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll. 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 1999, the minimum pay has been established at \$12,400.

The target level for the health care reserve is 125 percent of the annual health care expenses. Expenses for health at June 30, 1998, were \$111.9 million and the target level was \$139.9 million. At June 30, 1998 SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

NOTE J - FEDERAL AND STATE GRANTS (Intergovernmental Receipts)

During the year ended June 30, 2000, the District received grants-in-aid from federal and state sources, for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the District's management believes such disallowances, if any, would be immaterial.

NOTE K - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The District maintains only one enterprise fund which provides lunchroom/cafeteria services, therefore, segment information for the year ended June 30, 2000 is not presented in these notes.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE L - JOINTLY GOVERNED ORGANIZATION

Northeast Ohio Network for Educational Technology (NEONET):

NEONET is a jointly governed organization created as a regional council of governments made up of public Districts and county boards of education from Summit and Portage Counties. The primary function of NEONET is to provide data processing services to its member districts with the major emphasis being placed on accounting, inventory control and payroll services. Other areas of service provided by NEONET include student scheduling, registration, grade reporting, and test scoring. Each member district pays an annual fee for the services provided by NEONET. NEONET is governed by a board of directors comprised of each Superintendent within the Organization. The Summit County Educational Service Center serves as the fiscal agent of the organization and receives funding from the State Department of Education. Each district has one vote in all matters and each member district's control over budgeting and financing of NEONET is limited to its voting authority and any representation it may have on the board of directors. The continued existence of NEONET is not dependent on the District's continued participation and no equity interest exists.

Interval Opportunity School:

The Interval Opportunity School (the School) is a jointly governed organization made up of six area public Districts. The function of the School is to provide "at risk students" with possibly a last and better opportunity to succeed in both their academic and social maturation. Each member district pays an annual fee based on the number of students serviced by the School. The School is governed by a board of directors comprised of each superintendent from Coventry, Portage Lakes Career Center and the District. The Coventry Local District serves as the fiscal agent of the School. The continued existence of the School is not dependent on the District's continued participation and no equity interest exists.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE M - INTERFUND RECEIVABLES/PAYABLES

Interfund Receivables and Payables of the District as of June 30, 2000 were as follows:

	Receivable	Payable
General Fund	\$ 24,000	\$ 0
Special Revenue Funds		
Chapter I		9,000
Title VI	0	2,000
Continuing Improvement Grant		10,000
Title VI-B	0	2,000
Drug Free Grant	0	1,000
Total	\$ 24,000	\$ 24,000

NOTE N - OTHER REQUIRED FUND DISCLOSURES

A. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization and textbook and material reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established

B. Set-Aside Requirements

State of Ohio House Bill 412 requires the District to set-aside a portion of the general operating resources for future use. For the fiscal year ended June 30, 2000, the following table disclosed the required set-asides:

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2000

NOTE N - OTHER REQUIRED FUND DISCLOSURES – Continued

B. *Set-Aside Requirements* - Continued

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>	<u>Totals</u>
Set-aside Cash Balance as of June 30, 1999	\$ 16,542	\$ 0	\$334,866	\$ 351,408
Current Year Set-aside Requirement	536,020	536,020	14,067	1,086,107
Current Year Offsets/Adjustments	(4,567)	(538,148)	8,988	(533,727)
Qualifying Disbursements	(463,536)	(536,020)	0	(999,556)
Total	<u>\$ 84,459</u>	<u>\$ (538,148)</u>	<u>\$357,921</u>	
Cash Balance Carried Forward to FY 2001	<u>\$ 84,459</u>	<u>\$ 0</u>	<u>\$357,921</u>	
Total Restricted Assets				<u>\$ 442,380</u>

The District had offsets and qualifying disbursements during the year that reduced the set-aside amounts to zero, effective in the current fiscal year these extra amounts may be used to reduce the set-aside requirements of future year.

NOTE O – RESTATEMENT OF BEGINNING FUND BALANCE

The beginning balance in the General fund and General Long-term Obligations Account Group has been restated as of July 1, 1999 do to the misclassification of tax anticipation notes in the prior year in the General Long-term Obligation Account Group as follows:

	<u>General Fund</u>	<u>General Long-term Obligations</u>
Fund balance (Deficit) June 30, 1999	\$ (2,369,528)	\$23,589,710
Adjustment for reclassification	(930,000)	(930,000)
Adjusted Fund Balance (Deficit) July 1, 1999	<u>\$ (3,299,528)</u>	<u>\$22,659,710</u>

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY**

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

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Education						
(Passed through the Ohio Department of Education)						
Special Education Cluster:						
Title VI-B	84.027	050013 6B-SF	\$ 281,248	\$ 0	\$ 222,225	\$ 0
Special Education Preschool Grants	84.173	050013 PG-S1	<u>10,310</u>	<u>0</u>	<u>11,324</u>	<u>0</u>
Total Special Education Cluster			<u>291,558</u>	<u>0</u>	<u>233,549</u>	<u>0</u>
Title I Grants to Local Educational Agencies	84.010	050013 C1-S1	240,234	0	168,116	0
Innovative Education Program Strategies	84.298	050013 C2-S1	21,901	0	34,523	0
Safe and Drug Free Schools and Communities State Grants	84.186	050013 DR-S1	7,680	0	20,415	0
Eisenhower Grant	84.164	050013 MS-S1	7,730	0	12,525	0
Goals 2000 State and Local Education Systemic Improvement	84.276	050013 FL-S1	197,900	0	200,691	0
Title VI-R	84.340	N/A	<u>39,616</u>	<u>0</u>	<u>42,460</u>	<u>0</u>
Total U.S. Department of Education			<u>806,619</u>	<u>0</u>	<u>712,279</u>	<u>0</u>
U.S. Department of Agriculture						
(Passed through the Ohio Department of Education)						
Child Nutrition Cluster:						
Food Distribution Program	10.550	N/A (A)	0	77628	0	78,040
National School Lunch Program	10.555	N/A (B)	<u>145,734</u>	<u>0</u>	<u>145,733</u>	<u>0</u>
Total U.S. Department of Agriculture			<u>145,734</u>	<u>77,628</u>	<u>145,733</u>	<u>78,040</u>
Totals			<u>\$952,353</u>	<u>\$77,628</u>	<u>\$858,012</u>	<u>\$78,040</u>

(A) Valued at fair market value less cost to the school district.

(B) Commingled with state and local funds. Assumed expended on a first-in, first-out basis.

This schedule is prepared on the cash basis of accounting.

**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of General Purpose Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Board of Education
Green Local School District
Green, Ohio 44232

We have audited the general purpose financial statements of the Green Local School District (the District), as of and for the year ended June 30, 2000 and have issued our report thereon dated November 16, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audit contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Green Local School District'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 Green Local School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal 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 certain matters involving the internal control over financial reporting that we have reported to management of the District, in a separate letter dated December 4, 2000.

This report is intended for the information of the Board of Education, management, federal awarding agencies and pass-through entities and the Auditor of State. However, this report is a matter of public record, and its distribution is not limited.

Moore Stephens Apple

Akron, Ohio
November 16, 2000

**Independent Auditors' Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133**

To the Board of Education
Green Local School District
Green, OH 44232

Compliance

We have audited the compliance of Green Local School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2000. Green Local School District'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 Green Local School District's management. Our responsibility is to express an opinion on Green Local School District'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 Green Local School District'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 Green Local School District's compliance with those requirements.

In our opinion, Green Local School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

The management of Green Local School District 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 Green Local School District'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 the Board of Education, management, federal awarding agencies and pass-through entities and the Auditor of State. However, this report is a matter of public record and its distribution is not limited.

Moore Stephens Apple

Akron, Ohio
November 16, 2000

Green Local School District - Summit County

Schedule of Findings and Questioned Costs

June 30, 2000

1. Summary of Auditors' Results

Unqualified opinion was issued on the financial statements.

Material control weaknesses of the financial statement level – none.

Other reportable control weaknesses at the financial statement level - none.

There was no material non-compliance at the financial statement level.

Reportable control weaknesses for major federal programs – none noted.

For those items tested, there was no material non-compliance for major federal programs.

Unqualified opinion was issued on major programs compliance.

The audit disclosed no findings under OMB Circular A-133.

The District's major program tested was the Special Education Cluster: Title VI-B-CFDA#84.027 and Special Education Preschool Grantor CFDA #84.173.

The dollar threshold used for Type A Programs was \$300,000 and Type B programs were all other programs.

The Auditee was low risk.

2. There were no audit findings or questioned costs for federal awards during the year ended June 30, 2000.
3. There were no audit findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards for the year ended June 30, 2000.

Green Local School District - Summit County

Schedule of Prior Audit Findings

June 30, 2000

The prior audit report of the Green Local School District, issued as of June 30, 1999, included no citations and no recommendations.



STATE OF OHIO
OFFICE OF THE AUDITOR

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GREEN LOCAL SCHOOL DISTRICT

SUMMIT 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
JANUARY 11, 2001**