



**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

## REPORT OF INDEPENDENT ACCOUNTANTS

Teays Valley Local School District  
Pickaway County  
385 Circleville Avenue  
Ashville, Ohio 43103

To the Board of Education:

We have audited the accompanying general-purpose financial statements of the Teays Valley Local School District, Pickaway County, Ohio, (the District) as of and for the year ended June 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Teays Valley Local School District, Pickaway County, Ohio as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types and its nonexpendable trust fund 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 3, 2000 on our consideration of the 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.

Board of Education  
Teays Valley Local School District  
Pickaway County  
Report of Independent Accountants  
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Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the 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.

**JIM PETRO**  
Auditor of State

November 3, 2000

**Teays Valley Local School District  
Combined Balance Sheet  
All Fund Types and Account Groups  
June 30, 2000**

	Governmental Fund Types			Proprietary Fund Types		Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term	2000 (Memorandum Only)
<b>Assets and Other Debits:</b>										
Equity in Pooled Cash and Investments	\$ 5,016,191	244,829	1,320,671	23,570,064	198,234	220,852	299,263	0	0	\$ 30,870,104
Cash with Fiscal Agent	0	0	0	0	0	14,079	0	0	0	14,079
Restricted Assets	233,469	0	0	0	0	0	0	0	0	233,469
Taxes Receivable	5,077,958	0	1,712,586	0	0	0	0	0	0	6,790,544
Interfund Receivable	109,364	0	0	0	0	0	0	0	0	109,364
Due from Other Funds	0	0	0	0	0	0	241,778	0	0	241,778
Intergovernmental Receivables	16,301	4,400	0	0	25,630	0	0	0	0	46,331
Accounts Receivable	235,497	264	3,072	128,988	1,050	105,684	754	0	0	475,309
Supplies Inventory	88,771	0	0	0	1,430	0	0	0	0	90,201
Inventory for Resale	0	0	0	0	12,035	0	0	0	0	12,035
Prepaid Premiums	0	0	0	0	0	141,453	0	0	0	141,453
Net Property, Plant & Equipment	0	0	0	0	160,721	1,803	0	15,517,000	0	15,679,524
Amount Available in Debt Service Fund	0	0	0	0	0	0	0	0	1,828,365	1,828,365
Amount to be Provided for Retirement of General Long Term Debt	0	0	0	0	0	0	0	0	610,584	610,584
<b>Total Assets and Other Debits</b>	<b>\$ 10,777,551</b>	<b>249,493</b>	<b>3,036,329</b>	<b>23,699,052</b>	<b>399,100</b>	<b>483,871</b>	<b>541,795</b>	<b>15,517,000</b>	<b>2,438,949</b>	<b>\$ 57,143,140</b>

(Continued)

**Teays Valley Local School District**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups, Continued**  
**June 30, 2000**

	Governmental Fund Types			Proprietary Fund Types		Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term	(Memorandum) 2000 (Only)
<b>Liabilities:</b>										
Interfund Payable	\$ 0	4,414	0	104,950	0	0	0	0	0	\$ 109,364
Due to Other Funds	241,308	267	0	0	203	0	0	0	0	241,778
Intergovernmental Payable	7,298	336	0	0	6,385	0	353,722	0	104,922	472,663
Accounts Payable	259,995	10,914	0	11,270	385	709	9,177	0	0	292,450
Claims Payable	0	0	0	0	0	232,862	0	0	0	232,862
Accrued Salaries and Benefits	1,258,672	54,702	0	0	47,874	0	3,450	0	0	1,364,698
Deferred Revenue	3,681,369	0	1,207,965	0	5,593	0	0	0	0	4,894,927
Due to Others	0	0	0	0	0	0	160,028	0	0	160,028
General Obligation Bonds Payable	0	0	0	0	0	0	0	0	850,000	850,000
Notes Payable	0	0	0	22,850,666	0	0	0	0	0	22,850,666
Leases Payable	0	0	0	0	0	0	0	0	114,518	114,518
Compensated Absences Payable	45,203	0	0	0	17,107	0	0	0	1,369,509	1,431,819
<b>Total Liabilities</b>	<b>5,493,845</b>	<b>70,633</b>	<b>1,207,965</b>	<b>22,966,886</b>	<b>77,547</b>	<b>233,571</b>	<b>526,377</b>	<b>0</b>	<b>2,438,949</b>	<b>33,015,773</b>
<b>Fund Equity and Other Credits:</b>										
Investment in General Fixed Assets	0	0	0	0	0	0	0	15,517,000	0	15,517,000
Contributed Capital	0	0	0	0	147,342	0	0	0	0	147,342
Retained Earnings	0	0	0	0	174,211	250,300	0	0	0	424,511
<b>Fund Balances:</b>										
Reserved For Inventory	88,771	0	0	0	0	0	0	0	0	88,771
Reserved for Encumbrances	1,594,147	62,241	0	101,172	0	0	1,126	0	0	1,758,686
Reserved for Contributions	0	0	0	0	0	0	10,000	0	0	10,000
Reserved for Budget Stabilization	212,195	0	0	0	0	0	0	0	0	212,195
Reserved for Textbooks	21,274	0	0	0	0	0	0	0	0	21,274
Reserved for Future Appropriation	779,574	0	165,277	0	0	0	0	0	0	944,851
Unreserved Fund Balance	2,587,745	116,619	1,663,087	630,994	0	0	4,292	0	0	5,002,737
<b>Total Fund Equity</b>	<b>5,283,706</b>	<b>178,860</b>	<b>1,828,364</b>	<b>732,166</b>	<b>0</b>	<b>0</b>	<b>15,418</b>	<b>0</b>	<b>0</b>	<b>8,038,514</b>
<b>Total Fund Balances/Retained Earnings and Other Credits</b>	<b>5,283,706</b>	<b>178,860</b>	<b>1,828,364</b>	<b>732,166</b>	<b>321,553</b>	<b>250,300</b>	<b>15,418</b>	<b>15,517,000</b>	<b>0</b>	<b>24,127,367</b>
<b>Total Liabilities, Fund Equity, and Other Credits</b>	<b>\$ 10,777,551</b>	<b>249,493</b>	<b>3,036,329</b>	<b>23,699,052</b>	<b>399,100</b>	<b>483,871</b>	<b>541,795</b>	<b>15,517,000</b>	<b>2,438,949</b>	<b>\$ 57,143,140</b>

See Accompanying Notes to the General Purpose Financial Statements



**Teays Valley Local School District**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**All Governmental Fund Types and Similar Fiduciary Fund Types**  
**Year Ended June 30, 2000**

	Governmental Fund Types				Fiduciary	Totals (Memorandum) (Only)
	General	Special Revenue	Debt Service	Capital Project	Fund Types Expendable Trust	
<b>REVENUES:</b>						
Taxes	\$ 6,092,573	0	1,138,948	0	0	\$ 7,231,521
Tuition	50,459	0	0	0	0	50,459
Earnings on Investments	1,125,964	0	12,089	0	0	1,138,053
Extracurricular Activities	0	241,380	0	0	0	241,380
Classroom Materials and Fees	65,127	0	0	0	0	65,127
Miscellaneous	25,105	14,006	0	0	0	39,111
Revenue in Lieu of Taxes	3,314	0	0	0	0	3,314
State Unrestricted Grants-in-Aid	9,033,667	12,972	72,591	0	0	9,119,230
State Restricted Grants-in-Aid	73,716	139,792	0	54,000	0	267,508
Federal Unrestricted Grants -in-Aid	46,899	0	0	0	0	46,899
Federal Restricted Grants-in-Aid	0	592,726	0	0	0	592,726
<b>Total Revenue</b>	<b>16,516,824</b>	<b>1,000,876</b>	<b>1,223,628</b>	<b>54,000</b>	<b>0</b>	<b>18,795,328</b>
<b>EXPENDITURES:</b>						
Regular Instruction	7,129,614	260,483	0	883	28,786	7,419,766
Special Instruction	1,245,692	312,680	0	0	0	1,558,372
Vocational Instruction	517,095	0	0	0	0	517,095
Adult/ Continuing Instruction	1,319	0	0	0	0	1,319
Support Services-Pupils	507,107	33,825	0	0	0	540,932
Support Services-Instructional Staff	478,230	140,521	0	1,416	6,479	626,646
Support Services-Board of Education	197,081	38	0	0	9	197,128
Support Services-Administration	1,358,184	125,860	0	19,614	0	1,503,658
Support Services-Fiscal Services	271,141	0	13,481	8,200	0	292,822
Support Services-Business	121,156	0	0	0	0	121,156
Support Services-Operation & Maintenance	1,103,036	2,024	0	0	0	1,105,060
Support Services-Pupil Transportation	949,022	0	0	0	0	949,022
Support Services-Central	21,825	13,775	0	0	0	35,600
Non-Instr. Operations-Food Services	132	0	0	0	0	132
Non-Instr. Operations-Community Services	0	604	0	0	0	604
Academic & Subject Oriented Activities	27,721	6,027	0	0	73	33,821
Sports Oriented Activities	219,401	111,890	0	0	0	331,291
Co-Curricular Activities	9,396	0	0	0	0	9,396
Site Improvement	128,138	0	0	0	0	128,138
Architecture & Engineering	0	0	0	11,270	0	11,270
Building Acquisition & Construction	54,185	0	0	0	0	54,185
Building Improvement	25,713	0	0	0	0	25,713
Repayment of Debt	0	0	728,896	0	0	728,896
<b>Total Expenditures</b>	<b>14,365,188</b>	<b>1,007,727</b>	<b>742,377</b>	<b>41,383</b>	<b>35,347</b>	<b>16,192,022</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,151,636	(6,851)	481,251	12,617	(35,347)	2,603,306
<b>Other Financing Sources and Uses:</b>						
<b>Other Financing Sources</b>						
Premium & Accrued Interest	0	0	0	9,170	0	9,170
Sale & Loss of Assets	6,179	0	0	0	0	6,179
Proceeds from Sale of Notes	0	0	0	0	0	0
Transfers-In	0	257	0	748,897	0	749,154
Refund of Prior Years Expenditures	1,410	549	0	0	0	1,959
<b>Other Financing Uses</b>						
Transfers-Out	(749,154)	0	0	0	0	(749,154)
Refund of Prior Years Receipts	0	(1,079)	0	0	0	(1,079)
Pass Through Payments	0	0	0	0	(16,791)	(16,791)
<b>Net Other Financing Sources and Uses</b>	<b>(741,565)</b>	<b>(273)</b>	<b>0</b>	<b>758,067</b>	<b>(16,791)</b>	<b>(562)</b>
Excess (Deficiency) of Revenues and Other Sources Over Expenditure Disbursement and Other Uses	1,410,071	(7,124)	481,251	770,684	(52,138)	2,602,744
Increase in Inventory	26,627	0	0	0	0	26,627
Beginning Fund Balance	3,847,008	185,984	1,347,113	(38,518)	57,114	5,398,701
Ending Fund Balance	\$ 5,283,706	178,860	1,828,364	732,166	4,976	\$ 8,028,072

See Accompanying Notes to the General Purpose Financial Statements

**Teays Valley Local School District**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**  
**All Governmental Fund Types and Similar Fiduciary Fund Types**  
**Year Ended June 30, 2000**

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$ 5,283,242	5,590,387	307,145	0	0	\$ 0
Tuition	74,800	50,459	(24,341)	0	0	0
Earnings on Investment	326,000	945,568	619,568	0	0	0
Extracurricular Activities	0	0	0	242,643	241,837	(806)
Classroom Materials and Fees	61,300	64,532	3,232	0	0	0
Miscellaneous	11,500	15,970	4,470	13,901	13,901	0
Revenue in Lieu of Taxes	1,000	3,314	2,314	0	0	0
State Unrestricted Grants-in-Aid	8,913,683	9,033,667	119,984	12,972	12,972	0
State Restricted Grants-in-Aid	75,016	73,566	(1,450)	139,792	139,792	0
Revenue for/on Behalf of District	2,834	0	(2,834)	0	0	0
Federal Unrestricted Grants-in-Aid	10,000	32,494	22,494	0	0	0
Federal Restricted Grants-in-Aid	0	0	0	597,325	597,325	0
<b>Total Revenue</b>	<b>14,759,375</b>	<b>15,809,957</b>	<b>1,050,582</b>	<b>1,006,633</b>	<b>1,005,827</b>	<b>(806)</b>
<b>Expenditures:</b>						
Regular Instruction	7,401,564	7,280,525	121,039	314,460	265,401	49,059
Special Instruction	1,335,506	1,286,042	49,464	358,407	325,273	33,134
Vocational Instruction	540,170	528,283	11,887	0	0	0
Adult/ Continuing Instruction	1,378	1,283	95	0	0	0
Support Services-Pupils	560,714	525,016	35,698	35,993	35,494	499
Support Services-Instructional Staff	573,937	508,944	64,993	187,718	141,274	46,444
Support Services-Board of Education	218,683	211,166	7,517	38	38	0
Support Services-Administration	1,459,950	1,373,965	85,985	144,400	129,229	15,171
Fiscal Services	284,761	273,921	10,840	0	0	0
Support Services-Business	137,286	128,660	8,626	0	0	0
Operation & Maintenance-Plant	1,406,400	1,228,773	177,627	2,024	2,024	0
Support Services-Transportation	1,151,202	1,082,927	68,275	1,140	1,140	0
Support Services-Central	21,717	21,717	0	13,776	13,775	1
Food Services Operations	230	132	98	0	0	0
Community Services	0	0	0	604	604	0
Academic & Subject Oriented	27,574	27,300	274	6,931	6,027	904
Sports Oriented	220,038	207,089	12,949	152,175	142,323	9,852
Co-Curricular Activities	9,258	9,173	85	0	0	0
Building & Site Improvement	1,313,701	1,308,715	4,986	0	0	0
Repayment of Debt	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>16,664,069</b>	<b>16,003,631</b>	<b>660,438</b>	<b>1,217,666</b>	<b>1,062,602</b>	<b>155,064</b>
Excess of Revenue Over (Under) Expenditures	(1,904,694)	(193,674)	1,711,020	(211,033)	(56,775)	154,258
<b>Other Financing Sources (Uses):</b>						
Premium & Accrued Interest	0	0	0	0	0	0
Sale & Loss of Assets	1,300	6,179	4,879	0	0	0
Proceeds from Sale of Notes	0	0	0	0	0	0
Transfers-In	0	0	0	0	806	806
Advances-In	0	144,242	144,242	0	60,702	60,702
Refund of Prior Years Expenditures	700	105	(595)	0	0	0
Transfers-Out	(804,935)	(770,116)	34,819	0	0	0
Advances-Out	0	(158,656)	(158,656)	0	(56,288)	(56,288)
Refund of Prior Year Receipts	0	0	0	(15,019)	(15,019)	0
Pass Through Payment	0	0	0	0	0	0
<b>Total Other Sources (Uses)</b>	<b>(802,935)</b>	<b>(778,246)</b>	<b>24,689</b>	<b>(15,019)</b>	<b>(9,799)</b>	<b>5,220</b>
Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,707,629)	(971,920)	1,735,709	(226,052)	(66,574)	159,478
Beginning Fund Balance	4,030,126	4,030,126	0	193,170	193,170	0
Prior Year Carry Over Encumbrances	321,820	321,820	0	45,616	45,616	0
<b>Ending Fund Balance</b>	<b>\$ 1,644,317</b>	<b>3,380,026</b>	<b>1,735,709</b>	<b>12,734</b>	<b>172,212</b>	<b>\$ 159,478</b>

(Continued)

**Teays Valley Local School District**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**  
**All Governmental Fund Types and Similar Fiduciary Fund Types- Continued**  
**Year Ended June 30, 2000**

	Debt Service Funds			Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$ 634,327	634,327	0	0	0	\$ 0
Tuition	0	0	0	0	0	0
Earnings on Investment	9,017	9,017	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
Classroom Materials and Fees	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	0	0
State Unrestricted Grants-in-Aid	72,591	72,591	0	0	0	0
State Restricted Grants-in-Aid	0	0	0	54,000	54,000	0
Revenue for/on Behalf of District	0	0	0	0	0	0
Federal Unrestricted Grants-in-Aid	0	0	0	0	0	0
Federal Restricted Grants-in-Aid	0	0	0	0	0	0
<b>Total Revenue</b>	<b>715,935</b>	<b>715,935</b>	<b>0</b>	<b>54,000</b>	<b>54,000</b>	<b>0</b>
<b>Expenditures:</b>						
Regular Instruction	0	0	0	883	883	0
Special Instruction	0	0	0	0	0	0
Vocational Instruction	0	0	0	0	0	0
Adult/ Continuing Instruction	0	0	0	0	0	0
Support Services-Pupils	0	0	0	0	0	0
Support Services-Instructional Staff	0	0	0	1,416	1,416	0
Support Services-Board of Education	0	0	0	0	0	0
Support Services-Administration	0	0	0	31,530	19,613	11,917
Fiscal Services	27,500	13,480	14,020	42,330	8,200	34,130
Support Services-Business	0	0	0	0	0	0
Operation & Maintenance-Plant	0	0	0	0	0	0
Support Services-Transportation	0	0	0	0	0	0
Support Services-Central	0	0	0	0	0	0
Food Services Operations	0	0	0	0	0	0
Community Services	0	0	0	0	0	0
Academic & Subject Oriented	0	0	0	0	0	0
Sports Oriented	0	0	0	0	0	0
Co-Curricular Activities	0	0	0	0	0	0
Building & Site Improvement	0	0	0	131,446	108,842	22,604
Repayment of Debt	728,993	728,896	97	0	0	0
<b>Total Expenditures</b>	<b>756,493</b>	<b>742,376</b>	<b>14,117</b>	<b>207,605</b>	<b>138,954</b>	<b>68,651</b>
Excess of Revenue Over (Under) Expenditures	(40,558)	(26,441)	14,117	(153,605)	(84,954)	68,651
<b>Other Financing Sources (Uses):</b>						
Premium & Accrued Interest	0	0	0	9,170	9,170	0
Sale & Loss on Assets	0	0	0	0	0	0
Proceeds from Sale of Notes	0	0	0	22,850,666	22,850,666	0
Transfers-In	0	0	0	619,909	619,909	0
Advances-In	0	0	0	0	60,000	60,000
Refund of Prior Years Expenditures	0	0	0	0	0	0
Transfers-Out	0	0	0	0	0	0
Advances-Out	0	0	0	0	(50,000)	(50,000)
Refund of Prior Year Receipts	0	0	0	0	0	0
Pass Through Payment	0	0	0	0	0	0
<b>Total Other Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,479,745</b>	<b>23,489,745</b>	<b>10,000</b>
Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(40,558)	(26,441)	14,117	23,326,140	23,404,791	78,651
Beginning Fund Balance	1,347,113	1,347,113	0	56,433	56,433	0
Prior Year Carry Over Encumbrances	0	0	0	0	0	0
<b>Ending Fund Balance</b>	<b>\$ 1,306,555</b>	<b>1,320,672</b>	<b>14,117</b>	<b>23,382,573</b>	<b>23,461,224</b>	<b>\$ 78,651</b>

(Continued)

**Teays Valley Local School District**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**  
**All Governmental Fund Types and Similar Fiduciary Fund Types - Continued**  
**Year Ended June 30, 2000**

	Expendable Trust Funds			Totals (Memorandum Only)		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 0	0	0	5,917,569	6,224,714	\$ 307,145
Tuition	0	0	0	74,800	50,459	(24,341)
Earnings on Investment	0	0	0	335,017	954,585	619,568
Extracurricular Activities	0	0	0	242,643	241,837	(806)
Classroom Materials and Fees	0	0	0	61,300	64,532	3,232
Miscellaneous	0	0	0	25,401	29,871	4,470
Revenue in Lieu of Taxes	0	0	0	1,000	3,314	2,314
State Unrestricted Grants-in-Aid	0	0	0	8,999,246	9,119,230	119,984
State Restricted Grants-in-Aid	0	0	0	268,808	267,358	(1,450)
Revenue for/on Behalf of District	0	0	0	2,834	0	(2,834)
Federal Unrestricted Grants-in-Aid	0	0	0	10,000	32,494	22,494
Federal Restricted Grants-in-Aid	0	0	0	597,325	597,325	0
Total Revenue	0	0	0	16,535,943	17,585,719	1,049,776
Expenditures:						
Regular Instruction	34,062	25,548	8,514	7,750,969	7,572,357	178,612
Special Instruction	0	0	0	1,693,913	1,611,315	82,598
Vocational Instruction	0	0	0	540,170	528,283	11,887
Adult/ Continuing Instruction	0	0	0	1,378	1,283	95
Support Services-Pupils	0	0	0	596,707	560,510	36,197
Support Services-Instructional Staff	7,547	7,547	0	770,618	659,181	111,437
Support Services-Board of Education	9	9	0	218,730	211,213	7,517
Support Services-Administration	0	0	0	1,635,880	1,522,807	113,073
Fiscal Services	0	0	0	354,591	295,601	58,990
Support Services-Business	0	0	0	137,286	128,660	8,626
Operation & Maintenance-Plant	0	0	0	1,408,424	1,230,797	177,627
Support Services-Transportation	0	0	0	1,152,342	1,084,067	68,275
Support Services-Central	0	0	0	35,493	35,492	1
Food Services Operations	0	0	0	230	132	98
Community Services	0	0	0	604	604	0
Academic & Subject Oriented	73	73	0	34,578	33,400	1,178
Sports Oriented	0	0	0	372,213	349,412	22,801
Co-Curricular Activities	0	0	0	9,258	9,173	85
Building & Site Improvement	0	0	0	1,445,147	1,417,557	27,590
Repayment of Debt	0	0	0	728,993	728,896	97
Total Expenditures	41,691	33,177	8,514	18,887,524	17,980,740	906,784
Excess of Revenue Over (Under) Expenditures	(41,691)	(33,177)	8,514	(2,351,581)	(395,021)	1,956,560
Other Financing Sources (Uses):						
Premium & Accrued Interest	0	0	0	9,170	9,170	0
Sales & Loss of Assets	0	0	0	1,300	6,179	4,879
Proceeds from Sale of Notes	0	0	0	22,850,666	22,850,666	0
Transfers-In	0	0	0	619,909	620,715	806
Advances-In	0	0	0	0	264,944	264,944
Refund of Prior Years Expenditures	0	0	0	700	105	(595)
Transfers-Out	0	0	0	(804,935)	(770,116)	34,819
Advances-Out	0	0	0	0	(264,944)	(264,944)
Refund of Prior Year Receipts	0	0	0	(15,019)	(15,019)	0
Pass Through Payment	(16,791)	(16,791)	0	(16,791)	(16,791)	0
Total Other Sources (Uses)	(16,791)	(16,791)	0	22,645,000	22,684,909	39,909
Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(58,482)	(49,968)	8,514	20,293,419	22,289,888	1,996,469
Beginning Fund Balance	56,515	56,515	0	5,683,357	5,683,357	0
Prior Year Carry Over Encumbrances	1,966	1,966	0	369,402	369,402	0
Ending Fund Balance	\$ (1)	8,513	8,514	26,346,178	28,342,647	\$ 1,996,469

See Accompanying Notes to the General Purpose Financial Statement

**Teays Valley Local School District**  
**Combined Statement of Revenues, Expenses, and Changes in Retained Earnings**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**Year Ended June 30, 2000**

	Proprietary Fund Types			Totals (Memorandum) (Only)
	Enterprise Funds	Internal Service Funds	Non-Expendable Trust Funds	
Operating Revenues:				
Food Service	\$ 509,059	0	0	\$ 509,059
Classroom Materials & Fees	7,199	0	0	7,199
Charges for Services	0	1,016,730	0	1,016,730
Miscellaneous	2,779	0	0	2,779
Total Operating Revenue	519,037	1,016,730	0	1,535,767
Operating Expenses:				
Personal Services - Salary	284,988	0	0	284,988
Employee Benefits	90,552	65,658	0	156,210
Purchased Services	32,545	759,579	0	792,124
Supplies and Materials	302,134	0	0	302,134
Other Objects	784	0	552	1,336
Depreciation	5,411	259	0	5,670
Total Operating Expenses	716,414	825,496	552	1,542,462
Operating Loss/Profit	(197,377)	191,234	(552)	(6,695)
Non-Operating Revenues:				
Earnings On Investments	10,359	380	582	11,321
State Restricted Grants-In-Aid	10,803	0	0	10,803
Federal Unrestricted Grants-in-Aid	189,101	0	0	189,101
Federal Restricted Grants-In-Aid	64,142	0	0	64,142
Refund of Prior Years Expense	19	(12,510)	0	(12,491)
Total Non-Operating Revenues	274,424	(12,130)	582	262,876
Non-Operating Expenses:				
Loss on Disposal of Assets	6,786	0	0	6,786
Net Income (Loss)	70,261	179,104	30	249,395
Beginning Retained Earnings & Contributed Capital	251,292	71,196	10,412	332,900
Retained Earnings & Contributed Capital at End of Year	\$ 321,553	250,300	10,442	\$ 582,295

See Accompanying Notes to the General Purpose Financial Statements

**Teays Valley Local School District**  
**Combined Statement of Changes in Cash Flows**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**Year Ended June 30, 2000**

	Proprietary Fund Types			Totals (Memorandum) (Only)
	Enterprise Funds	Internal Service Funds	Non-Expendable Trust Fund	
Cash Flows from Operating Activities				
Operating Loss	\$ (197,377)	191,234	(552)	\$ (6,695)
Adjustment to Reconcile Operating Loss				
To Net Cash used in Operating Activities:				
Depreciation	5,411	259	0	5,670
Net (Increase) Decrease in Assets:				
Accounts Receivable	(936)	(105,685)	0	(106,621)
Intergovernmental Receivables	(25,630)	0	0	(25,630)
Inventory	1,588	0	0	1,588
Prepaid Expenses	0	(74,049)	0	(74,049)
Net Increases (Decreases) in Liabilities:				
Accounts Payable	385	709	0	1,094
Intergovernmental Payable	6,067	0	0	6,067
Due to Other Funds	(13,621)	0	0	(13,621)
Deferred Revenue	(1,436)	0	0	(1,436)
Claims Payable	0	62,598	0	62,598
Accrued Wages and Benefits	7,076	0	0	7,076
Compensated Absences	(984)	0	0	(984)
Total Adjustments	<u>(22,080)</u>	<u>(116,168)</u>	<u>0</u>	<u>(138,248)</u>
Net Cash Used in Operating Activities	(219,457)	75,066	(552)	(144,943)
Cash Flows from Noncapital Activities:				
Earnings on Investments	10,359	380	582	11,321
Operating Grants from State Sources	10,803	0	0	10,803
Operating Grants from Federal Sources	253,243	0	0	253,243
Other Net	19	(12,510)	0	(12,491)
Net Cash Provided by Noncapital Financing Sources	<u>274,424</u>	<u>(12,130)</u>	<u>582</u>	<u>262,876</u>
Cash Flows from Capital Financing Sources:				
Acquisition of Assets	(11,279)	0	0	(11,279)
Net Cash Provided by Capital Financing Sources	<u>(11,279)</u>	<u>0</u>	<u>0</u>	<u>(11,279)</u>
Net Increase in Cash & Cash Equivalents	43,688	62,936	30	106,654
Cash and Cash Equivalents at Beginning of Year	<u>154,546</u>	<u>171,995</u>	<u>10,412</u>	<u>336,953</u>
Cash and Cash Equivalents at End of Year	<u>\$ 198,234</u>	<u>234,931</u>	<u>10,442</u>	<u>\$ 443,607</u>

See Accompanying Notes to General Purpose Financial Statements

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Teays Valley Local School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**A. Reporting Entity**

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 3311.0 of the Ohio Revised Code. The District operates under an elected Board of Education (5 members) and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) as of October 1, 1999, was 2,960. The District employed 10 administrative and supervisory personnel, 175 certified employees and 83 non-certificated employees. The District is supervised by the Pickaway County Educational Service Center, a separate entity.

The District provides regular, vocational and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisitions and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities and functions for which the district is financially accountable. This report includes all activities considered by management to be part of the District by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

Section 2100 indicates that the reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Reporting Entity (continued)**

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Management believes the financial statements included in this report represent all of the funds of the District over which the District is financially accountable.

**B. 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 government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

**Governmental Fund Types:**

Governmental funds are those through which most governmental functions typically are financed. Governmental Fund Types are accounted for on a flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their operating statements present sources (revenues and other financing sources) and uses (expenditures and other financing uses) of "available spendable resources" during the period.

**General Fund** - This fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the bylaws of the District and the laws of the State of Ohio.

**Special Revenue Funds** - These funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or for major capital projects) that are legally restricted to expenditures for specific 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 and interest.

**Capital Projects Funds** - These funds are used to account for financial resources to be used for the acquisition or construction of major capital assets or facilities (other than those financed by proprietary and trust funds).



**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Fund Accounting (continued)**

**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 proprietary fund types:

**Enterprise Funds** - These funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent is that the 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 it has been decided that periodic determination of revenue 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 other departments or agencies of the District on a cost reimbursement basis.

**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 governments, or other funds. The following are the fiduciary fund types:

**Expendable Trust Funds** - These funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust agreement. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

**Nonexpendable Trust Funds** - These funds account for trust principal which may not be expended. Only interest earned on the principal may be used for trust operations. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds.

**Agency Funds** - These funds are purely custodial and thus do not involve measurement of results of operations.

**Account Groups:**

Account Groups are financial reporting devices to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not affect expendable available financial resources. The following are the account groups:

**General Fixed Assets Account Group** - This account group is used to account for all of the District's fixed assets other than those accounted for in the Proprietary funds.

**General Long-Term Debt Account Group** - This account group is used to account for all of the District's long-term obligations other than those accounted for in the Proprietary Funds.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus/Basis of Accounting**

The modified accrual basis of accounting is followed for Governmental and Expendable Trust Funds. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. Under the basis of accounting:

- 1) Only current assets and current liabilities are generally included on their balance sheets.
- 2) Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.
- 3) Revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the District is 60 days after year end.
  - a) Revenue accrued at the end of the year may include book fines, fees, interest and tuition.
  - b) Property taxes measurable as of June 30, 2000 and delinquent property taxes, whose availability is indeterminate, and are intended to finance fiscal year 2001 operations, have been recorded as deferred revenues.
- 4) Expenditures are recognized in the period in which the fund liability is incurred with the following exceptions: general long term obligation principal and interest are reported only when due; the current costs of accumulated unpaid vacation and sick leave are reported in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The Proprietary Funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Agency fund assets and liabilities are recognized on the modified accrual basis of accounting.

**D. Budget and Budgetary Accounting**

All governmental and proprietary fund types are subject to annual expenditure budgets. The Board follows the procedures outlined below in establishing the expenditure budget data reported in the general purpose financial statements:

- 1) A Tax Budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the fiscal year commencing the following July 1st. The Board of Education normally adopts the Tax Budget at its regular board meeting in January.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Budget and Budgetary Accounting (continued)**

- 2) The County Budget Commission certifies its actions to the District by March 1st. As part of this certification, the District receives the Official Certificate of Estimated Resources which states the projected receipts of each fund. During the month of July, this certificate is amended to include any unencumbered balances from the preceding fiscal year.
- 3) An annual appropriation measure must be passed by the Board of Education by October 1st of each year for the period July 1st to June 30th. Unencumbered appropriations lapse at year-end and the encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. The Board of Education usually adopts temporary appropriations at its regular board meeting in July. The Annual Appropriation Resolution is usually adopted at a later regular board meeting. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund at the object level.
- 4) The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- b) Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- c) Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis); and
- d) 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).

**Encumbrances** - As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded as the equivalent of expenditures on the budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Cash and Investments**

Cash received by the District is pooled in a central bank account with individual fund balance integrity maintained throughout. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments." During the fiscal year all investments were limited to certificates of deposit, State Treasury Asset Reserve of Ohio (STAR Ohio) and repurchase agreements.

Investments are reported at cost except for investments in STAR Ohio which are reported at fair value. Fair value is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio 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 STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2000. For the District, all investment earnings are allocated to the General, Debt Service, Internal Services, Proprietary and Non-expendable Trust Funds as authorized by board resolution. Interest income earned in fiscal year 2000 totaled \$1,149,374. The General Fund received \$1,125,964 of which \$861,778 was assigned from other funds

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

**F. Taxes Receivable**

The financial statements reflect taxes receivable as of June 30, 2000. GAAP permits the recognition of revenue from any property tax assessment in the fiscal period levied, provided the funds are "available." "Available" means then due, or past due and receivable within the current period or expected to be collected soon thereafter. While these taxes have been assessed, the majority are not due at June 30, 2000 and accordingly have been recorded as deferred revenue in the accompanying financial statements. Taxes that become delinquent remain recorded in deferred revenue until they are determined to be uncollectible.

**G. Inventories**

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. Inventories are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of the governmental fund type inventories are recorded as expenditures when purchased (purchase method) rather than when consumed. Reported inventories in these funds are equally offset by a fund balance reserve which indicates they are unavailable for appropriation. Inventories of proprietary funds consist of donated food, purchased food, and general supplies, and are expended when used.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2000, are recognized under the nonallocation method. The nonallocation method of prepayments and deferrals is consistent with the basic governmental concept that only expendable financial resources are reported by a specific governmental fund. Payments for the prepaid items or deferrals are fully recognized as an expenditure in the year of payment. Under the nonallocation method no asset for the prepayment or deferral is created, and no expenditure allocation to future accounting periods is required.

**I. Fixed Assets**

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 purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Assets are disposed in accordance with District policy and guidelines. The capitalization threshold for governmental funds is \$150. No threshold is used for proprietary funds.

The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend asset lives, are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

**J. Intergovernmental Revenues**

For governmental funds, intergovernmental revenues, 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 for proprietary fund operations 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
- School Bus Funding

**Special Revenue Funds**

- Educational Management Information Systems
- Miscellaneous State Grants

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Intergovernmental Revenues (continued)**

**Capital Projects Fund**

School Net Grant  
Emergency School Repair

**Non-Reimbursable Grants:**

**Special Revenue Funds**

Teacher Development  
Textbook/Instructional Subsidy  
Title I  
Title VI  
Drug Free Schools  
Title VI-B  
Title VI-R  
Eisenhower Math/Science  
DPIA  
Data Communication Grant  
Technical Equity Grant  
Preschool Grant  
Miscellaneous Federal Grants

**Reimbursable Grants:**

**General Fund**

Driver Education Reimbursement

**Proprietary Funds**

National School Lunch Program  
Government Donated Commodities

Grants and entitlements amounted to approximately 53% of the District's operating revenue during the 2000 fiscal year.

**K. Short-Term Interfund Receivables/Payables**

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." At June 30, 2000, the District had \$241,778 in "Due to Other Funds" and \$109,364 in "Interfund Receivables/Payables."

**L. Advances to Other Funds**

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation. At June 30, 2000 the District had no long-term interfund loans.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Compensated Absences**

The District accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments. To calculate the liability, these accumulations are reduced to the maximum amount allowed as a termination payment. Accruals for those employees who are expected to become eligible in the future are based on assumptions concerning the probability that individual employees or class or group of employees will become eligible to receive termination payments. All employees with ten or more years of service were included in the calculation of the long-term compensated absences accrual amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met: 1.) The employees' rights to receive compensation are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee; and 2.) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

For governmental funds, the District records a liability for accumulated unused vacation and sick leave when earned. The current portion of these unpaid compensated absences is the amount expected to be paid using expendable available 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 debt account group. In proprietary funds, compensated absences are expensed when earned with the amount reported as a fund liability.

**N. Contributed Capital**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. The 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. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. At June 30, 2000, the District had \$147,342 in contributed capital.

**O. Long-Term Obligations**

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 debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. 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.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Q. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization and textbook 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.

**R. Fund Balance Reserves**

Reserved Fund Balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund Balances are reserved for supplies inventory, encumbrances, contributions, budget stabilization, textbook expenditures and future appropriations. The reserve for future appropriation represents the amount of the property taxes available for advance and recognized as revenue. The District is prohibited by law from appropriating the advance, since it was not received, for the current fiscal year. The unreserved portions of fund equity reflected for the Governmental Funds are available for use within the specific purposes of those funds. The reserve for contributions is the principal reserved for the non-expendable trust fund.

**S. Memorandum Only - Total Columns**

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.

**T. Estimates**

The preparation of 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 may differ from those estimates.



**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**2. BUDGETARY BASIS OF ACCOUNTING**

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

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	Governmental Fund Type and Similar Fiduciary Fund Type				Fiduciary Expendable Trust Fund
	Governmental Fund Type				
	General Fund	Special Revenue	Debt Service	Capital Project	
GAAP Basis	\$1,410,071	(7,124)	481,251	770,684	\$ (52,138)
Increase (Decrease):					
Due to Revenues:					
Net Adjustments to Revenue Accruals	(706,867)	4,951	(507,693)		0
Due to Expenditures:					
Net Adjustments to Expenditure Accruals	(1,638,443)	(54,875)	1	(97,571)	2,170
Due to Other Sources/Uses	(36,681)	(9,526)	0	22,731,678	0
Budget Basis	<u>\$ (971,920)</u>	<u>(66,574)</u>	<u>(26,441)</u>	<u>23,404,791</u>	<u>\$ (49,968)</u>

**3. ACCOUNTABILITY AND COMPLIANCE**

Pursuant to Section 117.11(A) of the Revised Code, the Auditor of State performed tests of compliance with various provisions of local, state and/or federal laws, as appropriate.

**4. CASH AND INVESTMENTS**

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

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), 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 money deposited with the institution.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**4. CASH AND INVESTMENTS (continued)**

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 and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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 investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

**Deposits:** At year end, the carrying amount of the District's deposits was \$14,689,064, the bank balance was \$27,647, and certificates of deposit were \$14,581,527. Of the bank balance and certificates of deposit:

1. \$500,000 was covered by federal depository insurance; and

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**4. CASH AND INVESTMENTS (continued)**

2. \$14,109,174 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**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 for which the securities are held by the counter party'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 counter party, 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.

	Category			Reported Amount	Fair Value
	1	2	3		
STAR Ohio			N/A	\$16,181,040	\$16,181,040
Total Investments				<u>\$16,181,040</u>	<u>\$16,181,040</u>

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 cash equivalents and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$ 31,117,652	\$ 0
Investments:		
STAR Ohio	(16,181,040)	16,181,040
Total	14,936,612	16,181,040
Restricted Cash	(233,469)	
Cash with Fiscal Agent	(14,079)	
GASB Statement No. 3	<u>\$ 14,689,064</u>	<u>\$ 16,181,040</u>

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**5. PROPERTY TAX**

Property taxes are levied, assessed and collected on a calendar year basis. They include amounts levied against all real, public utility, and tangible personal property located in the District. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the Pickaway County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation for the District was completed in 1997, an update was done in 1999. The next revaluation is scheduled for 2002. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31, (although the Pickaway County Auditor usually files for an extension in sending out tax bills so payment is then due by February 14th). If paid semi-annually, the first payment is usually due February 14, with the remainder payable June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before December 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for taxation purposes at 25% of its true value.

Amounts paid by multi-county taxpayers may pay annually or semi-annually, the first payment is due April 30, with the remainder payable by September 28.

Public utility real and public utility personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Pickaway County Treasurer collects property tax on behalf of the District. The Pickaway County Auditor remits the collected taxes to the District. Tax settlements are made each March and August for real property taxes and each June and October for personal property

Taxes available for advance and recognized as revenue, but not received by the District prior to June 30, are reflected as a reservation of fund balance. The District is prohibited by law from appropriating the property taxes recognized as revenue in accordance with Ohio Revised Code Section 5705.35 since an advance of tax revenue was not received by the end of the fiscal year.

The full tax rate at the fiscal year ended June 30, 2000 for operations was \$27.00 per \$1,000 of assessed valuation. The assessed values of real and tangible personal property on which the fiscal year 2000 taxes were collected were as follows:

Real Property-Commercial/Industrial	\$ 19,590,580
Real Property-Residential/Agricultural	166,887,280
Real Property-Public Utilities	288,200
Real Property-Minerals	18,420
Personal Property-General	8,817,504
Personal Property-Public Utilities	26,340,750
Total Assessed Value	<u>\$ 221,942,734</u>

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**6. RECEIVABLES**

Receivables at June 30, 2000 consisted of taxes, accounts (miscellaneous), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current guarantee of Federal funds.

A summary of the principal items of Intergovernmental Receivables follows:

General Fund:	
CAFS Subsidy	\$ 14,751
Drivers Education Subsidy	1,550
Total General Fund	16,301
Special Revenue Funds:	
Title VI Grant	1,880
Local Grant	2,520
Total Special Revenue Funds	4,400
Proprietary Funds:	
Enterprise Fund	25,630
Total Proprietary Funds	25,630
Grand Total	\$ 46,331

**7. INCOME TAX**

The District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1992, and is a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

**8. FIXED ASSETS**

The following is a summary of the proprietary funds furniture and equipment at June 30, 2000:

	Enterprise Fund	Internal Service Fund
Furniture and Equipment	\$ 310,092	\$ 2,589
Less Accumulated Depreciation	(149,371)	(786)
Net Fixed Assets	\$ 160,721	\$ 1,803

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**8. FIXED ASSETS (continued)**

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year 2000:

	General Fixed Assets June 30, 1999	Additions	Deletions	General Fixed Assets June 30, 2000
Land and Improvements	\$ 89,549	0	0	\$ 89,549
Buildings	8,846,163	14,042	0	8,860,205
Improvements	582,917	161,370	0	744,287
Furniture and Equipment	4,568,122	260,616	62,916	4,765,822
Vehicles	1,122,077	0	64,940	1,057,137
<b>Total General Fixed Assets</b>	<b>\$ 15,208,828</b>	<b>436,028</b>	<b>127,856</b>	<b>\$ 15,517,000</b>

There was no significant construction in progress at June 30, 2000.

**9. DEFINED BENEFIT PENSION PLANS**

**A. School Employees Retirement System**

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 Employees 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.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$238,836, \$214,716, and \$217,500, respectively; 45.21 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$144,729 representing the unpaid contribution for fiscal year 2000, including the surcharge, is recorded as a liability within the respective funds and the general long-term obligations account group.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**9. DEFINED PENSION PLANS (continued)**

**B. State Teachers Retirement System**

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. 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 contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$1,209,216, \$1,053,480 and \$1,095,312, respectively; 83.3 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$201,537 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

**C. Social Security**

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

**10. 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 classified 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.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 1999, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$690,981 for fiscal year 2000. STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Health Care Reserve Fund was \$2.783 million at June 30, 1999 (the latest information 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.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**10. POSTEMPLOYMENT BENEFITS (Continued)**

For SERS, coverage is made available to service retirees with ten or more fiscal 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 the fiscal year ended June 30, 1999, employer contributions to fund health care benefits were 6.3 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 2000, the minimum pay has been established at \$12,400. The surcharge rate added to the unallocated portion of the 14 percent employer contribution rate provides for maintenance of the asset target level for the health care fund. For the District, this amount equaled \$132,786 during the 2000 fiscal year.

The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 1999, (the latest information available) were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, the Retirement System's net assets available for payment of health care benefits was \$188.0 million. The number of participants currently receiving health care benefits is approximately 51,000.

**11. COMPENSATED ABSENCES**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Only administrative and support personnel who are under a full year contract (11 and 12 month) are eligible for vacation time. The administrators are generally granted twenty days of vacation per year.

Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

The classified personnel accumulate vacation based on the following schedule:

Years Service	Vacation Days
0-9	10
10-19	15
20-beyond	20

Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave shall accumulate during active employment on a continuous year-to-year basis. Maximum sick leave accumulation for all employees is 210 days.



**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**11. COMPENSATED ABSENCES (continued)**

For all employees, retirement severance is paid to each employee retiring from the District at a per diem rate of the annual salary at the time of retirement. Any employee receiving retirement severance pay shall be entitled to a dollar amount equivalent to one-fourth of all accumulated sick leave credited to that employee up to a maximum of fifty days. Additionally, the teachers of the District receive an additional retirement severance of \$10,000 if retirement is taken the first year of eligibility. The superintendent is entitled to one half of all accumulated sick leave.

**12. RISK MANAGEMENT**

**A. General Risk**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District has addressed these various types of risk by purchasing a comprehensive insurance policy through commercial carriers.

General liability insurance is maintained in the amount of \$1,000,000 for each occurrence and \$5,000,000 in the aggregate. The District maintains fleet insurance in the amount of \$1,000,000 for any one accident or loss.

The District maintains replacement cost insurance on buildings and contents in the amount of \$32,890,000, including blanket building coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reduction of coverage from the prior years.

**B. Workers' Compensation-Public Entity Risk Pool**

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association (OSBA). The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**12. RISK MANAGEMENT (continued)**

**C. Health Insurance**

In October, 1994, the District joined the Ross County School Employees Insurance Consortium (RCSEIC) to self insure its medical claims. RCSEIC currently includes 18 member school districts. Contributions are determined by the consortium's board of directors and are remitted monthly to the consortium's fiscal agent, who then pays all incurred claims. Thus actual cash "reserves" are held by the fiscal agent. Settlements have never exceeded insurance coverage.

Professional Risk Management, Inc., a third party administrator, services all health / medical claims and dental claims submitted by employees. An excess coverage insurance policy covers individual claims in excess of \$65,000 per employee consortium wide.

The District utilizes a self insurance fund for the purpose of tracking monies expended by the District for medical and dental benefits for enrolled employees. Amounts are paid into this fund from the General Fund, Lunchroom Fund, and certain Special Revenue Funds (Grants) from employee and board contributions. Expenses for claims are recorded as contractual services when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The basis for estimating the liability for unpaid claims is based on documentation obtained by the insurance carrier. A summary of changes in self-insurance claims for the years ended June 30, 2000 and June 30, 1999:

	June 30, 2000	June 30, 1999
Claim Liabilities at beginning of fiscal year	\$ 170,264	\$ 91,827
Incurred Claims	651,973	1,081,895
Claims Paid	(589,375)	(1,003,458)
Claim Liabilities at end of fiscal year	\$ 232,862	\$ 170,264

**13. NOTES AND LONG-TERM DEBT**

A summary of changes in long-term obligations for the year ended June 30, 2000, are as follows:

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Intergovernmental Payable	\$ 91,077	104,922	91,077	\$ 104,922
General Obligation Bonds Payable	1,020,000	0	170,000	850,000
Notes Payable	0	22,850,666	0	22,850,666
Leases Payable	172,978	0	58,460	114,518
Compensated Absences Payable	1,239,381	1,369,509	1,239,381	1,369,509
	\$ 2,523,436	24,325,097	1,558,918	\$ 25,289,615

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**13. NOTES AND LONG-TERM DEBT (continued)**

**General Obligation Bonds:** \$850,000 of the outstanding general obligation bonds relate to a project in 1984, for which bonds were issued for the purpose of constructing and equipping a new middle school and improving the site thereof. These bonds mature December 2013, and are in full compliance with the general laws of the State of Ohio, particularly Sections 133.01 to 133.48, inclusive, of the Revised Code and Section 133.09 thereof.

The annual maturities of the general obligation bonds as of June 30, 2000, and related interest payments are as follows:

	Principal	Interest	Payment
FY 2001	\$ 170,000	69,806	\$ 239,806
FY 2002	170,000	54,293	224,293
FY 2003	170,000	38,781	208,781
FY 2004 and thereafter	340,000	31,024	371,024
	<u>\$ 850,000</u>	<u>193,904</u>	<u>\$ 1,043,904</u>

**Bond Anticipation Notes:** The District, in accordance with Ohio Revised Code Section 133, sold Bond Anticipation Notes on December 15, 1999 at an interest rate of 4.50 percent and January 19, 2000 at an interest rate of 4.75 percent in the amounts of \$9,975,000 and \$12,875,666, respectively, for the purpose of school construction and improvements. These notes matured on June 15, 2000. On June 14, 2000, the District sold Bond Anticipation Notes in the amounts of \$9,975,000 at an interest rate of 5.125 percent and \$12,875,666 at an interest rate of 5.00 percent. These notes mature on November 14, 2000.

The Ohio Revised Code (ORC) provides that the net debt of a school district, whether or not approved by the people, shall not exceed 9.0% of the total value of all property in the District as listed and assessed for taxation. In addition, the unvoted net debt of a school district cannot exceed .1% of the total assessed value of property. The District has no unvoted debt, the District's unvoted debt limit. The voted debt limit at June 30, 2000 is \$23,700,666.

**Leases:** The District is making installment payments on six copiers. This equipment has been capitalized in the general fixed assets account group. This obligation has an outstanding balance of \$87,273 at June 30, 2000.

Payment for the installment purchase obligations as of June 30, 2000:

	Principal	Interest	Payment
FY 2001	\$ 35,422	5,702	\$ 41,124
FY 2002	38,362	2,762	41,124
FY 2003	13,489	226	13,715
	<u>\$ 87,273</u>	<u>8,690</u>	<u>\$ 95,963</u>

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**13. NOTES AND LONG-TERM DEBT (continued)**

The District is making installment payments for computer equipment. This equipment has been capitalized in the general fixed assets account group. This obligation has an outstanding balance of \$27,245 at June 30, 2000.

Payment for the installment purchase obligations as of June 30, 2000:

	Principal	Interest	Payment
FY 2001	\$ 27,245	1,580	\$ 28,825
	\$ 27,245	1,580	\$ 28,825

**14. INTERFUND TRANSACTIONS**

At June 30, 2000, the District had short-term interfund loans which are classified as "interfund receivables/payables." Receivables and payables resulting from goods provided or services rendered are classified as "due from/to other funds." An analysis of interfund balances is as follows:

	Due From	Due To
General Fund	\$ 0	\$ 241,308
Special Revenue Funds	0	267
Enterprise Funds	0	203
Agency Funds	241,778	0
	\$ 241,778	\$ 241,778

  

	Receivables	Payables
General Fund	\$ 109,364	\$ 0
Special Revenue Fund	0	4,414
Capital Project Fund	0	104,950
	\$ 109,364	\$ 109,364

**15. JOINTLY GOVERNED ORGANIZATIONS**

**Metropolitan Educational Council** - MEC is a not for profit educational council whose primary purpose and objective is to contribute to the educational services available to school districts in Franklin County and surrounding areas by cooperative action membership. The governing board consists of a representative from each of the Franklin County districts. Districts outside of Franklin County are associate members and each county selects a single district to represent them on the governing board. MEC is its own fiscal agent. The District does not have an ongoing financial interest in or ongoing financial responsibility for MEC. MEC provides computer services to the District. During 2000, the District paid \$21,117 MEC.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**16. SEGMENTS OF ENTERPRISE ACTIVITIES**

Key financial data for the District's Enterprise Funds for the year ended June 30, 2000, are as follows:

	Lunchroom Fund	Uniform School Supply Fund	Total
Operating Revenues	\$ 511,838	7,199	\$ 519,037
Operating Expenses:			
Depreciation	(5,411)	0	(5,411)
Other Expenses	(702,983)	(8,020)	(711,003)
Total Operating Expenses	(708,394)	(8,020)	(716,414)
Operating Loss	(196,556)	(821)	(197,377)
Non Operating Revenues and Expenses:			
State and Federal Grants	199,904	0	199,904
Federal Commodities	64,142	0	64,142
Other Net	10,359	19	10,378
Loss on Disposal of Assets	(6,786)	0	(6,786)
Net Income	<u>\$ 71,063</u>	<u>(802)</u>	<u>\$ 70,261</u>
Contributed Capital	<u>\$ 147,342</u>	<u>0</u>	<u>\$ 147,342</u>
Fixed Asset Additions	<u>\$ 11,279</u>	<u>0</u>	<u>\$ 11,279</u>
Fixed Asset Disposals	<u>\$ 11,994</u>	<u>0</u>	<u>\$ 11,994</u>
Net Working Capital	<u>\$ 148,159</u>	<u>12,673</u>	<u>\$ 160,832</u>
Total Assets	<u>\$ 386,412</u>	<u>12,688</u>	<u>\$ 399,100</u>
Retained Earnings	<u>\$ 308,880</u>	<u>12,673</u>	<u>\$ 321,553</u>

**17. CONTINGENCIES**

**A. Grants**

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

**18. 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 Ohio General Assembly 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 \$8,633,386 of school foundation support for its general fund.

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**18. SCHOOL FUNDING DECISION (continued)**

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.

**19. STATUTORY RESERVES**

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

	Textbook Acquisition	Capital Acquisition	Budget Stabilization	Total
Set aside Cash Balance as of June 30, 1999	\$ 0	\$ 0	\$ 77,453	\$ 77,453
Current Year Set-Aside Requirement	331,404	331,404	134,742	797,550
Qualifying Disbursements	(310,130)	(540,658)	0	(850,788)
Total	<u>\$ 21,274</u>	<u>(209,254)</u>	<u>212,195</u>	<u>\$ 24,215</u>
Cash Balance Carried Forward to FY2001	<u>\$ 21,274</u>	<u>\$ 0</u>	<u>\$ 212,195</u>	
Amount Restricted for Budget Stabilization				<u>\$ 212,195</u>
Total Restricted Assets				<u>\$ 233,469</u>

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2000  
(Continued)**

**19. STATUTORY RESERVES (continued)**

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years.

**20. FUND DEFICITS**

**Fund Deficits:**

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

Title I	\$ (9,744)
SchoolNet Plus	\$ (29,033)

The deficit resulted from the conversion to generally accepted accounting principles and 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.

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TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY

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

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Number	Federal C.F.D.A. Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Agriculture</b>						
<i>Passed through Ohio Department of Education:</i>						
<i>Child Nutrition Cluster</i>						
Food Distribution		10.550	\$0	\$62,706	\$0	\$64,142
National School Breakfast Program	05-PU 00	10.553	\$8,490	0	8,328	0
National School Lunch Program	04-PU-00	10.555	156,457	0	156,457	0
Total U.S. Department of Agriculture- Child Nutrition Cluster			164,947	62,706	164,785	64,142
<b>U.S. Department of Education</b>						
<i>Pass through the Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1-S1 00	84.010	308,948	0	328,040	0
Safe and Drug Free Schools and Communities Grant	DR-S1 00	84.186	12,442	0	11,096	0
Goals 2000	G2-S1-98	84.276	0	0	8,535	0
Eisenhower Grant	MS-S1- 00	84.281	12,649	0	11,882	0
Innovative Educational Program Strategies	C2-S1 00	84.298	14,460	0	12,089	0
Class Size Reduction Subsidy	CR-S1-00	84.340	58,972	0	50,707	0
<i>Special Education Cluster</i>						
Special Education-Preschool Grant	PG-S1-99	84.173	13,280	0	13,923	0
Special Education-Grants to State	6B-SF 99	84.027	154,577	0	154,472	0
Total Special Education Cluster			167,857	0	168,395	0
Total U.S. Department of Education			575,328	0	590,744	0
<b>Total Federal Awards</b>			<u>\$740,275</u>	<u>\$62,076</u>	<u>\$755,529</u>	<u>\$64,142</u>

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

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

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

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B--FOOD DISTRIBUTION**

Non-monetary assistance, such as commodities received from the U.S. Department of Agriculture, is reported in the Schedule at the assessed value provided by the federal agency.



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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

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

Teays Valley Local School District  
Pickaway County  
985 Circleville Avenue  
Ashville, Ohio 43103

To the Board of Education:

We have audited the general-purpose financial statements of the Teays Valley Local School District, Pickaway County, Ohio (the District) as of and for the year ended June 30, 2000, and have issued our report thereon dated November 3, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the 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 is required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated November 3, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting, which we have reported to the management of the District in a separate letter dated November 3, 2000.

Board of Education  
Teays Valley Local School District  
Pickaway County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

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

**JIM PETRO**  
Auditor of State

November 3, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

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

Teays Valley Local School District  
Pickaway County  
385 Circleville Avenue  
Ashville, Ohio 43103

To the Board of Education:

**Compliance**

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

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

### **Internal Control Over Compliance**

The management of the 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 the 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 and use of management, the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**JIM PETRO**  
Auditor of State

November 3, 2000

**TEAYS VALLEY LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

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

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under Section .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Title One CFDA # 84.010
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

NONE

**3. FINDINGS FOR FEDERAL AWARDS**

NONE







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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

**TEAYS VALLEY LOCAL SCHOOL DISTRICT**

**PICKAWAY COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 13, 2001**