

North Central State College Foundation, Inc.

Richland County

Regular Audit

July 1, 2006 through June 30, 2007

Fiscal Year Audited Under GAGAS: 2007

BALESTRA, HARR & SCHERER, CPAs, Inc.

528 South West Street, P.O. Box 687

Piketon, Ohio 45661

Telephone (740) 289-4131

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www.bhscpas.com



Mary Taylor, CPA

Auditor of State

Board of Trustees
North Central State College Foundation, Inc.
2441 Kenwood Circle
Mansfield, Ohio 44901

We have reviewed the *Independent Auditor's Report* of the North Central State College Foundation, Inc., Richland County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2006 through June 30, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

November 30, 2007

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North Central State College Foundation, Inc.
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North Central State College Foundation, Inc.

Board of Trustees

July 1, 2006 through June 30, 2007

Internal Relations

Don Convert
Bernie Deubel
Kim Foster
Arnold Haring
Kevin Nestor
Peg Moir**
Brad Peffley

Special Events

Debbi Adams
Juanita Carter
Edie Humphrey
David Kimble
Ralph Phillips
Rick Ruehle
Gary Utt
Steve Williams**
Bob Zettler

Honorary Life Members

Bob Enskat***
Dr. Henry Fallerius***
Bill Hartnett***
Jim Kehoe***

Staff

Mary Rodriguez
Gale Wagner

Resource Development

Bill Jilek
Bill Cooper
Bud Frank
Gayle Freeman
Arnold Haring
Mark Kreinbihl
Brad McCormack**
Don Plotts**
Matt Smith
Vic Smith
Rick Taylor
Jack Welsh
Don Wine
Jeff Urban

***Community and Alumni
Relations***

Chriss Harris
Brian Bacin
Therese Bushner**
Mark Collins
Jay Goyal
Rocco Manzo
Gunther Meisse
Mehdi Ressallat
Tim Rowsey
Lawrence Rawls

Ex-Officio**

Dr. Ron Abrams
Therese Bushner
Mark Collins
Bill Miller
Per Moir
Don Plotts
Betty Wells
Steve Williams
Bob Zettler

North Central State College Foundation, Inc.

Appointed Officials

July 1, 2006 through July 30, 2007

PRESIDENT

Glenn McClelland

IMMEDIATE PAST PRESIDENT

David Kimble

VICE PRESIDENT FOR ACTIVITIES

Debbi Adams

VICE PRESIDENT FOR COMMUNITY RELATIONS

Chriss Harris

VICE PRESIDENT FOR INTERNAL RELATIONS

Vacant

VICE PRESIDENT FOR RESOURCE DEVELOPMENT

Bill Jilek

SECRETARY

Mehdi Ressallat

TREASURER

Brad McCormack**

EXECUTIVE DIRECTOR

Vacant

**Member College President's Staff

***Honorary Life Trustee

LEGAL COUNSEL

Weldon, Huston & Keyser

David D. Carto

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Board of Trustees
North Central State College Foundation, Inc.
2441 Kenwood Circle
Mansfield, Ohio 44903

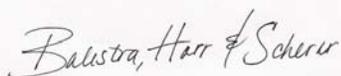
INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statement of financial position of the North Central State College Foundation, Inc. (the Foundation), a component unit of the North Central State College, as of June 30, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2007, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2007 on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control or on compliance. 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.



Balestra, Harr & Scherer, CPAs, Inc.
November 2, 2007

North Central State College Foundation, Inc.
Statement of Financial Position
As of June 30, 2007

ASSETS

Cash and cash equivalents	\$118,092
Investments	1,967,651
Interest in Assets held by Richland County Foundation	250,000
Contributions receivable (net of allowance for uncollectible and accumulated amortization discount)	32,999
Prepaid Expense	22,495
Emergency Loan Receivable	1,756
	<u>1,756</u>
Total Assets	<u>\$2,392,993</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts Payable	\$108,042
Deferred Income	11,150
	<u>11,150</u>
Total Liabilities	<u>119,192</u>
Net Assets:	
Unrestricted	759,994
Temporarily Restricted	151,691
Temporarily Restricted-Assets held by Richland County Foundation	250,000
	<u>250,000</u>
Total Temporarily Restricted	401,691
Permanently Restricted	1,112,116
	<u>1,112,116</u>
Total Net Assets	<u>2,273,801</u>
Total Liabilities and Net Assets	<u>\$2,392,993</u>

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

North Central State College Foundation, Inc.

Statement of Activities

For the Fiscal Year Ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS</u>				
Contributions	\$16,069	\$91,810	\$80,130	\$188,009
Investment income, including realized and unrealized gains and losses, net	138,322	30,170	100,811	269,303
Richland County Foundation Revenue	25,855	0	10,000	35,855
Fundraising Revenue	119,220	0	5,300	124,520
Other Revenue	2,250	0	0	2,250
Net assets released from restrictions	81,319	(81,319)	0	0
	<u>383,035</u>	<u>40,661</u>	<u>196,241</u>	<u>619,937</u>
<u>EXPENSES</u>				
Program Services:				
Scholarships	65,029	0	0	65,029
Entrepreneur Hall of Fame	15,513	0	0	15,513
Professional development	1,260	0	0	1,260
Personnel reimbursement	52,832	0	0	52,832
Management and General:				
Investment Expense	5,809	5,556	47	11,412
Fundraising	92,401	0	0	92,401
Materials and Supplies	3,249	0	0	3,249
Outreach Fund	2,778	0	0	2,778
Other Expense	22,660	0	0	22,660
	<u>261,531</u>	<u>5,556</u>	<u>47</u>	<u>267,134</u>
Changes in Net Assets	121,504	35,105	196,194	352,803
Net Assets, Beginning of Year	638,490	366,586	915,922	1,920,998
Net Assets, End of Year	<u>\$759,994</u>	<u>\$401,691</u>	<u>\$1,112,116</u>	<u>\$2,273,801</u>

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

North Central State College Foundation, Inc.
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2007

Cash Flows from Operating Activities:	
Change in net assets	\$352,803
Adjustments to reconcile net assets to net cash provided by operating activities:	
Decrease in contributions receivable	9,604
Decrease in emergency loan receivable	222
Increase in prepaid expenses	(7,026)
Decrease in accounts payable	(159,352)
Decrease in deferred revenue	(464)
Contributions restricted for investment in endowment	(196,194)
Net unrealized and realized gains on investments	<u>(258,054)</u>
Total adjustments	<u>(611,264)</u>
Net cash (used for) operating activities	(258,461)
Cash flows from financing activities:	
Proceeds from contributions restricted for investment in endowment	<u>196,194</u>
Net cash provided by financing activities	<u>196,194</u>
Net decrease in cash and cash equivalents	(62,267)
Cash and cash equivalents at beginning of year	<u>180,359</u>
Cash and cash equivalents at end of year	<u><u>\$118,092</u></u>

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

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

1. DESCRIPTION OF THE FOUNDATION

North Central State College Foundation, Inc. (the Foundation) financial statements have been prepared on an accrual basis of accounting. The Foundation is a not-for-profit organization established in accordance with Section 501(c)(3) of the Internal Revenue Code. The Foundation operates under a Board of Trustees who is appointed, not to be less than twelve, but not to exceed forty members. The Foundation is organized primarily to engage in activities and programs to provide support and services to the North Central State College (the College).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributions

The Foundation reports contributions in accordance with Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. SFAS No. 116 requires that unconditional promises to give, with payments due in future periods, be recorded as receivables and support in either unrestricted, temporarily restricted, or permanently restricted net assets as appropriate in the period received at their net present value. The accumulated discount of net present value of the pledge is accounted for as contribution income of the related class of net assets. Conditional promises to give are not recorded as support until the condition upon which they depend has been substantially met by the Foundation.

Financial Statement Presentation

SFAS No. 117, *Financial Statements of Not-For-Profit Organizations*, requires that the amounts for each of three classes of net assets: unrestricted, temporarily restricted and permanently restricted, be presented in an aggregated statement of financial position and that the amounts of changes in each of those classes of net assets be presented in a statement of activities. This statement requires that resources be classified into three net asset categories according to donor-imposed restrictions. A description of each of the categories is as follows:

Unrestricted Net Assets

Assets which are free of donor-imposed restrictions; all revenues, expenses, gains and losses that are not changes in temporarily or permanently restricted net assets.

Temporarily Restricted Net Assets

Assets which include gifts and pledges receivable for which donor-imposed restrictions have not been met and for which the ultimate purpose of the proceeds are not permanently restricted.

Permanently Restricted Assets

Assets that are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity. The income from these assets is included in the investment income of unrestricted and restricted funds, as appropriate, in the accompanying Statement of Activities.

When a donor restriction expires, that is, when a stipulated time restriction expires or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Investments

The Foundation reports investments in accordance with SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Investments in marketable securities with readily determined fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets. Investments of the unrestricted, temporarily restricted, and permanently restricted funds are pooled for making investment transactions and are carried at market value. Interest and dividend income, as well as realized and unrealized gains and losses, are allocated to unrestricted, temporarily restricted, and permanently restricted funds.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Service and Facilities

The Foundation has no employees or property (other than cash and investments). Substantially all clerical and management duties are presently performed by business office personnel who are employees of North Central State College, utilizing equipment and facilities of North Central State College.

For accounting purposes, the value of facilities is considered immaterial and it has not been recognized in the financial statements. However, the value of the services provided by College personnel have been recognized in the Statement of Activities as personnel reimbursement expenses as required by SFAS 116.

Contributions Receivable

Contributions received, including unconditional promises to give, are recognized as revenue by net asset class when the donor's commitment is received. Unconditional promises are recognized at the estimated present value of the future cash flows, net of allowances (fair value). Promises designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted. Conditional promises are recorded when donor stipulations are substantially met. The Foundation requires an initial minimum balance of \$5,000 to establish a scholarship fund. The policy allows a period, generally not to exceed 48 months, for the accumulation of contributions and interest to meet the minimum \$5,000 requirement.

Prepaid Expenses

Certain payments to vendors for fundraising activities reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets acquired by the Foundation consist of office equipment. All expenditures for capital assets in excess of \$1,000 are capitalized. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets not to exceed ten years. All capital assets of the Foundation are fully depreciated.

Deferred Revenue

Deferred revenue results from various fundraising activities. It represents amounts received from sponsors, vendors, and sales of admission tickets in advance. Deferred revenue is recognized as revenue in the period that the fundraising activity actually occurs.

Estimates

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

3. INVESTMENTS

The various investments in fixed income securities, mutual funds and other investment securities are exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities could occur in the near term and those changes could materially affect the amounts reported in the financial statements.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

3. INVESTMENTS (Continued)

At June 30, 2007, investments consisted of the following:

	Market/ Carrying Value	Maturity			
		Less than One Year	1-2 Years	3-5 Years	6-7 Years
Money Market Investments –					
U.S. Government Obligations	\$132,298	\$132,298	\$0	\$0	\$0
Hedge Exchange Fund	100,000	100,000	0	0	0
Mutual Funds - Fixed Income Corporations	437,355	196,608	145,616	47,893	47,238
Mutual Funds - Equity Securities	1,297,998	1,297,998	0	0	0
Total	\$1,967,651	\$1,726,904	\$145,616	\$47,893	\$47,238

4. CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are included in the financial statements as contributions receivable and contributions of the appropriate net asset category. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount rate on those amounts is computed using a risk free interest rate applicable to the years in which the promises are to be received. The discount rate used for the year ended June 30, 2007 was 3.25%. The amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until conditions of those promises have been met.

Contributions receivable consisted of the following at June 30, 2007:

Unconditional promises to give before unamortized discount and allowance for uncollectible contributions:

Temporarily restricted	\$26,500
Permanently restricted	11,000
Gross unconditional promises to give	<u>37,500</u>
Less: Unamortized discount	(751)
Less: Allowance for uncollectible contributions	<u>(3,750)</u>
Net unconditional promises to give	<u>\$32,999</u>
Amounts due:	
Less than one year	<u>\$32,999</u>

5. TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by donors.

Scholarships for Students	\$65,029
Other Expense	<u>16,290</u>
Total Released Net Assets	<u>\$81,319</u>

Temporarily and permanently restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose. Temporarily restricted net assets are available for providing scholarships to the College's students, providing professional development funds to the College staff and purchasing equipment for the benefit of the College. Permanently restricted net assets are restricted to investment in perpetuity and the income from which is expendable for scholarships to the College's students.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

5. TEMPORARILY RESTRICTED NET ASSETS (Continued)

The different types of temporarily restricted net assets are classified as follows:

<u>Scholarships for Students:</u>	
ADA Ford Educational Aid	\$3,771
Brown Scholarship	500
Carter Memorial Scholarship	7,364
Cobey Scholarship	900
Computer Center	1,492
Emerson Scholarship	4,500
Equipment	7,063
Faculty Scholarship	4,836
FYE Textbooks	710
G-R Civic Scholarship	900
Garber Scholarship	1,200
Gimbel-Health Chair	9,540
Gimble Scholarships	12,784
Gorman Fund	15,000
Gorman-Rupp Scholarship	6,000
Gubkin Scholarship	800
Kroger Scholarship	1,000
Haring Scholarship	2,000
KMU Scholarship	550
Mansfield University	4,756
Nursing Scholarship	11,000
Orange and Blue Scholarship	3,000
Paralegal Library	321
Pres Emeritus Scholarship	1,000
Preston Scholarship	1,450
Professional Development	906
Rable Machine Scholarship	498
Welsh Scholarship	2,550
Tech Prep	11,360
YES Scholarship	3,000
Other (Receivable Pledges)	30,940
Richland County Foundation	250,000
Total Temporarily Restricted	<u><u>\$401,691</u></u>

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

6. PERMANENTLY RESTRICTED NET ASSETS

Endowment Scholarships for Students:

ADA Ford Educational Aid Fund	\$10,496
Brown Scholarship	7,131
Cardwell Endowment	2,074
Carter Memorial Endowment	33,891
Cobey Scholarship	24,307
Emerson Scholarship	117,238
Faculty Scholarship	12,330
G-R Civic Scholarship	24,148
Galion FOP	5,553
Garber Scholarship	34,600
Gimble Health Chair	204,335
Gorman-Rupp Scholarship	63,416
Gubkin Scholarship	8,203
Haring Scholarship	24,839
KMU Scholarship	7,097
Kroger Scholarship	38,006
NCOBDC Scholarship	2,597
Neer Scholarship	2,741
Nursing Scholarship	260,673
Orange and Blue Scholarship	76,764
Presidents Emeritus Endowment	18,384
Preston Endowment	36,096
Respiratory Care Endowment	1,477
Welsh Scholarship	57,844
Williams Human Services Fund	1,249
Entrepreneur Endowment (Y.E.S.)	28,947
Restricted Contributions	<u>7,680</u>
Total Permanently Restricted	<u><u>\$1,112,116</u></u>

7. RICHLAND COUNTY FOUNDATION

During 1991, the Foundation established a "Direct Fund" in which an irrevocable gift was made to the Richland County Foundation. This fund is identified by the Richland County Foundation as the North Central State College Foundation "Endowment Fund" and is subject to the provisions contained within the fund agreement dated December 31, 1991. This fund is the property of the Richland County Foundation, whereby, those funds will be held in perpetuity, and the investment income will be distributed to the Foundation annually to benefit the North Central State College. One of the provisions in this fund agreement, the variance power, concerns the power to vary some of the terms of the agreement. As defined by United States Treasury Regulations, the Richland County Foundation has the right to modify the terms of the fund agreement if in the judgment of the Richland County Foundation's Board of Trustees, the restrictions and conditions in the agreement become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2007

7. RICHLAND COUNTY FOUNDATION (Continued)

In accordance with SFAS No. 136, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Hold Contributions for Others*, the portion of this fund contributed by the Foundation is considered a reciprocal transfer because the Foundation is also the beneficiary of this fund. This balance is shown on the Richland County Foundation's Statement of Financial Position as a liability called "Funds Held as Agency Endowments". This amounted to \$250,000 at June 30, 2007.

Also, under SFAS No. 136, the portion of this fund contributed by unrelated third party donors is considered a contribution to the Richland County Foundation and is included in the net assets of Richland County Foundation. The amount recognized in the Statement of Financial Position of the Richland County Foundation at June 30, 2007 totaled \$317,707.

8. INCOME TAXES

The Foundation is a not-for-profit corporation as described in Section 501 (c) (3) of the Internal Revenue Code, and the organization is exempt from federal and state income taxes.

9. RELATED PARTY

As described in Note 1, the Foundation is affiliated with the College. During the year ended June 30, 2007, the College provided the Foundation with professional services valued at \$52,832. The value of those services are included as personnel reimbursement expenses in the financial statements.

During the year ended June 30, 2007, the Foundation provided scholarships and support to the College of \$65,029.

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Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants

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

Board of Trustees
North Central State College Foundation, Inc.
Richland County
2441 Kenwood Circle
Mansfield, Ohio 44901

We have audited the accompanying financial statements of the North Central State College Foundation, Inc. (the Foundation) as of and for the year ended June 30, 2007, and have issued our report thereon dated November 2, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the Foundation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Foundation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above.

Board of Trustees

North Central State College Foundation

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

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the audit committee, and members of the Board, and is not intended to be and should not be used by anyone other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
November 2, 2007



Mary Taylor, CPA
Auditor of State

NORTH CENTRAL STATE COLLEGE FOUNDATION, INC.

RICHLAND COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 13, 2007**