



**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED JUNE 30, 2006-2005**



Mary Taylor, CPA
Auditor of State

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

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Mary Taylor, CPA

Auditor of State

Summit County Community Based Correctional Facility
Summit County
264 E. Crosier Street
Akron, Ohio 44309

To the Facility's Governing Board:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Facility to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format prescribed by the Ohio Department of Rehabilitation and Corrections Bureau of Community Sanctions.

Mary Taylor

Mary Taylor, CPA
Auditor of State

April 25, 2007

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Summit County Community Based Correctional Facility
Summit County
264 E Crosier Street
Akron, Ohio 44309

To the Facility's Governing Board:

We have audited the accompanying financial statements of Summit County Community Based Correctional Facility, Summit County, Ohio, (the Facility) as of and for the years ended June 30, 2006 and 2005. These financial statements are the responsibility of the Facility's management. Our responsibility is to express an opinion on these 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Facility has prepared these financial statements using accounting practices the Ohio Department of Rehabilitation and Corrections prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Facility to reformat its financial statement presentation and make other changes effective for the years ended June 30, 2006 and 2005. Instead of the combined funds the accompanying financial statements present for 2006 and 2005, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2006 and 2005. While the Facility does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Facility has elected not to reformat its statements. Since this Facility does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Ohio Department of Rehabilitation and Corrections permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended June 30, 2006 and 2005 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Facility as of June 30, 2006 and 2005, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Summit County Community Based Correctional Facility, Summit County, Ohio, as of June 30, 2006 and 2005, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Facility to include Management's Discussion and Analysis for the years ended June 30, 2006 and 2005. The Facility has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2007, on our consideration of the Facility'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

April 25, 2007

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCES
FOR THE YEAR ENDED JUNE 30, 2006**

	State Appropriations and Grants				Offender Funds							GRAND TOTALS
	ODRC 501-501	Capital CAP 003	Oriana House Subsidy	PROGRAM TOTALS	Offender Per Diem	Offender Personal Funds	Telephone Commissions	Cab/ Bus	Other/ Misc.	OFFENDER TOTALS		
Cash Receipts:												
Intergovernmental Collections from offenders	\$5,256,203	\$296,589		\$ 5,552,792	\$94,286	\$162,335	\$21,459	\$16,627	\$419,933	\$693,181	\$5,552,792	
Commissions Subsidy			\$33,554	33,554						21,459	693,181	
Total Cash Receipts	5,256,203	296,589	33,554	5,586,346	94,286	162,335	21,459	16,627	419,933	714,640	6,300,986	
Cash Disbursements:												
Personnel	3,600,261			3,600,261							3,600,261	
Operating costs	1,066,690		33,554	1,100,244							1,100,244	
Program costs	281,933		30,279	312,212							312,212	
Equipment	61,943			61,943							61,943	
Capital project		296,589		296,589							296,589	
Offender Expenses					113,678	166,786	23,881	16,399	393,167	280,464	280,464	
Offender reimbursements										433,447	433,447	
Offender payments to CBCF												
Total Cash Disbursements	5,010,827	296,589	63,833	5,371,249	113,678	166,786	23,881	16,399	393,167	713,911	6,085,160	
Disbursements from prior FY (Including refund to ODRC)	236,357			236,357							236,357	
Other Sources (Uses)												
Interest	12,056			12,056							12,056	
Advance (out) to Agency	(268,245)			(268,245)							(268,245)	
Total Other Sources (Uses)	(256,189)			(256,189)							(256,189)	
Total Receipts Over/(Under) Disbursements	(247,170)		(30,279)	(277,449)	(19,392)	(4,451)	(2,422)	228	26,766	729	(276,720)	
Fund Cash Balances, July 1, 2005	1,295,200			1,295,200	170,498	10,591	10,725		13,601	205,415	1,500,615	
Fund Cash Balances, June 30, 2006	\$1,048,030		(\$30,279)	\$1,017,751	\$151,106	\$6,140	\$8,303	\$228	\$40,367	\$206,144	\$1,223,895	
Unpaid Obligations/Open Purchase Orders	\$579,384		\$30,279	\$609,663								

See the accompanying notes to the financial statements.

OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCES
FOR THE YEAR ENDED JUNE 30, 2005

	State Appropriations and Grants			Offender Funds							GRAND TOTALS
	ODRC 501-501	Capital CAP 003	PROGRAM TOTALS	Offender Per Diem	Offender Personal Funds	Telephone Commissions	Cab/ Bus	Other/ Misc.	OFFENDER TOTALS		
Cash Receipts:											
Intergovernmental Collections from offenders Commissions	\$5,276,203	\$1,745,191	\$7,021,394	\$145,802	\$261,034	\$12,694	\$9,372	\$472,939	\$889,147	12,694	\$7,021,394
Total Cash Receipts	5,276,203	1,745,191	7,021,394	145,802	261,034	12,694	9,372	472,939	901,841		7,923,235
Cash Disbursements:											
Personnel	3,584,374		3,584,374								3,584,374
Operating costs	1,078,330		1,078,330								1,078,330
Program costs	277,570		277,570								277,570
Equipment	53,869		53,869								53,869
Capital project		1,745,191	1,745,191								1,745,191
Offender Expenses											
Offender reimbursements				90,520	260,585	10,456	9,372	462,639	361,561	472,011	361,561
Offender payments to CBCF											472,011
Total Cash Disbursements	4,994,143	1,745,191	6,739,334	90,520	260,585	10,456	9,372	462,639	833,572		7,572,906
Disbursements from prior FY (Including refund to ODRC)	453,437		453,437								453,437
Other Sources (Uses)											
Interest	4,971		4,971								4,971
Advance in from Agency	531,529		531,529								531,529
Total Other Sources (Uses)	536,500		536,500								536,500
Total Receipts Over/(Under) Disbursements	365,123		365,123	55,282	449	2,238		10,300	68,269		433,392
Fund Cash Balances, July 1, 2004	930,077		930,077	115,216	10,142	8,487		3,301	137,146		1,067,223
Fund Cash Balances, June 30, 2005	\$1,295,200		\$1,295,200	\$170,498	\$10,591	\$10,725		\$13,601	\$205,415		\$1,500,615
Unpaid Obligations/Open Purchase Orders	\$855,166		\$855,166								

See the accompanying notes to the financial statements.

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Summit County Community Based Correctional Facility, (the Facility) provides an alternative to prison incarceration for felony offenders. The Facility is the last step in the continuum of increasing punishment before prison incarceration. The Facility is a minimum security operation housing approximately 727, and 713 offenders as of June 30, 2006 and 2005, respectively. The Judicial Corrections Board administers the Facility. The Board is comprised of common pleas court judges from the County of Summit that the Facility serves.

The Judicial Corrections Board has contracted Facility operation responsibilities to Oriana House, Inc., a non profit organization. Oriana House is responsible for essentially all management decisions related to the Facility, subject to the Judicial Correction Board's oversight.

B. Basis of Accounting

These financial statements follow the basis of accounting the Ohio Department of Rehabilitation and Corrections prescribes or permits, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

Budgetary expenditures include amounts disbursed through the following September 30 but chargeable against the preceding year's budget.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

At June 30, 2006 and 2005, the carrying value of the Facility's cash fund balances were \$1,223,895 and \$1,500,615 respectively.

During 2006 and 2005 cash is held in demand deposits, a money market account and petty cash.

At June 30, 2006, the Oriana House Subsidy fund has a deficit cash balance of \$30,279. This deficit resulted from certain expenses being paid from the 501-501 grant checking account beyond the grant budget. Oriana House, Inc. is ultimately responsible for reimbursing the Facility's checking account for this amount.

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Fund Accounting

The Facility uses fund accounting to segregate amounts that are restricted as to use. The Facility has the following funds:

State Appropriations and Grants

Ohio Department of Rehabilitation and Corrections (ODRC) 501-501 Funding: ODRC grants this funding, appropriated from the State's General Fund, to the Facility to support general operating costs.

Capital CAP 003: Reports amounts received from the ODRC to finance all or part of the cost of the renovating or building facilities.

Other Sources

Other sources consist of fiscal support provided by the managing nonprofit agency in excess of the costs financed by the 501-501 funding.

Offender Funds

Offender Per Diem: Reports receipts from a per diem fee charged to non-indigent offenders for room, board and medical treatment per Ohio Revised Code Section 2301.56 (C).

Telephone Commissions: Reports amounts received from telephone commissions generated by calls offenders place to locations outside the Facility. The Facility spends this money for programs and services benefiting the offenders.

Offender Personal Funds: Are amounts the Facility receives and holds in a custodial capacity for each offender while confined. The Facility holds personal funds, including salaries offenders earn while confined, and maintains separate balances for each offender. The Facility makes payments as directed by the offender or per program requirements. Upon release, the Facility pays remaining funds to the offender.

Cab/Bus: Reports amounts reimbursed by offenders for cab and bus fees incurred by the facility on their behalf.

Other / Miscellaneous: Vending Machines.

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Budgetary Process

Appropriations

The Facility must budget its intended uses of ODRC 501-501 funding as part of its funding application to ODRC. After ODRC approves the budget, the Board formally adopts it. The Facility cannot spend or obligate (i.e., encumber) more than the appropriation. Facilities must obtain approval from ODRC to transfer amounts between budget categories.

Summit County Community Based Correction Facility conforms to the purchasing guidelines approved by the Facility's Governing Board.

A summary of fiscal years 2006 and 2005 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

The Facility records acquisitions of property, plant and equipment as capital project disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the basis of accounting the Facility uses for this report.

2. BUDGETARY ACTIVITY

Budgetary activity for ODRC 501-501 funding for the years ended 2006 and 2005 are as follows:

2006 Budgeted vs. Actual Budgetary Basis Expenditures		
Budget	Budgetary Expenditures	Variance
\$5,256,203	\$5,256,203	

2005 Budgeted vs. Actual Budgetary Basis Expenditures		
Budget	Budgetary Expenditures	Variance
\$5,276,203	\$5,180,045	\$96,158

Of the \$96,158 variance from fiscal year 2005, \$8,615 was added to the Facility's 1/12th Cash Reserve balance. The remaining \$87,543 is due to ODRC. See Note 4.

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(Continued)**

3. COLLATERAL ON DEPOSITS AND INVESTMENTS

Grants and State Appropriations

The Facility has Federal Deposit Insurance Corporation (FDIC) coverage for up to \$100,000 of its demand deposit accounts. Excess deposits are uncollateralized.

Offender Funds

Deposits

The Facility has Federal Deposit Insurance Corporation coverage of \$100,000 for Offender Funds. Excess deposits are uncollateralized.

4. REFUND TO ODRC

The agreement between the County and ODRC permits the Facility to retain a maximum of one-twelfth of the grant award after liquidating encumbrances outstanding at June 30. The Facility must refund any excess over this amount to ODRC. The schedule below computes the refund to ODRC for the years ending June 30, 2006 and 2005. Disbursements below include cash paid to liquidate encumbrances outstanding at June 30 and exclude disbursements made during the fiscal year against amounts encumbered the prior June 30.

Refund to ODRC		
	2006	2005
Cash, July 1	\$1,295,200	\$930,077
Repayment of liability to Oriana House	(296,614)	
Disbursements Against Prior Year Budget	(186,165)	(142,756)
Cash Refunded to ODRC, July 1 Payables	(50,192)	(310,681)
Sub-Total	762,229	476,640
501 Grant Cash Receipts	5,256,203	5,276,203
Interest	12,056	4,971
Contribution from Oriana House (see Note 5)	76,226	234,652
Budgetary Basis Disbursements (see Note 2)	(5,256,203)	(5,180,045)
Amount held as petty cash	(350)	(350)
Amount Subject to Refund, June 30	850,161	812,071
Reserved for compensated absences (Note 5)	(310,878)	(234,652)
Up to One-Twelfth of 501 Award Cash Reserve	(438,017)	(439,684)
Refundable to ODRC	\$101,266	\$137,735

Calculation of Payable to ODRC		
	2006	2005
Payable, July 1	\$137,735	\$355,902
Cash Refunded	(50,192)	(310,681)
Refundable to ODRC, Current fiscal year	13,723	92,514
Payable, June 30	\$101,266	\$137,735

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(Continued)**

4. REFUND TO ODRC – (Continued)

The amount payable to ODRC at June 30, 2006 and 2005 is comprised of the following amounts:

	<u>6/30/2006</u>	<u>6/30/2005</u>
	<u>Amount</u>	<u>Amount</u>
Interest Earnings Fy 2002		\$451
Interest Earnings Fy 2003		345
Interest Earnings Fy 2004		423
Interest Earnings Fy 2005		4,971
Interest Earnings Fy 2006	\$12,056	
Grant Under Spending Fy 2004		44,002
Grant Under Spending Fy 2005	87,543	87,543
Reduction in One-Twelfth Reserve Fy 2006	1,667	
	<u>\$101,266</u>	<u>\$137,735</u>

5. RESERVE FOR COMPENSATED ABSENCES

During fiscal year 2005, the Facility received permission from the Ohio Department of Rehabilitation and Corrections to accrue employee vacation and sick leave as grant expenditures at the time the leave was earned and to reduce the accrual balance when leave is used. Oriana House, Inc. contributed \$234,652 and \$76,226 to the Facility's 501-501 Fund Cash Balance in Fiscal Years 2005 and 2006, respectively to establish a reserve balance to fund the Facility's accrued leave.

6. RETIREMENT SYSTEM

The employees of the Community Based Correctional Facility are not members of the Ohio Public Employee Retirement System. All employees contribute to Social Security.

7. RISK MANAGEMENT

Commercial Insurance

The Facility has obtained commercial insurance for the following risks:

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

8. CONTINGENT LIABILITIES

The Community Based Correctional Facility is not currently a defendant in any lawsuits.

10. RELATED PARTY TRANSACTION

The Facility paid Oriana House Inc. rentals of \$27,000, for both fiscal years June 30, 2006 and 2005.

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(Continued)**

11. ADVANCES IN FROM/OUT TO AGENCY

In order to balance the Facility's 501-501 Fund Cash Balance of June 30, 2006 and 2005 to the total of the "1/12th" cash reserve plus balance of unpaid obligations, advances in from and out to Agency are recognized. The advances were provided from the managing nonprofit agency to the Facility's checking account on an "as needed" basis, due to delays in receiving quarterly funding from the State or the County. These advances were used to cover payroll, benefits, various expenses and outstanding checks. The amount needed to fund the Facility checking account was determined by daily reconciliation and cash needs analysis on the Facility checking account. When the quarterly funding was received, the advances were repaid.

12. SUBSEQUENT EVENT

Ohio General Assembly House Bill (HB) 162 passed October 12, 2006, revised the Facility's Board from the Judicial Corrections Board to the Facility's Governing Board. The Facility's Governing Board will consist of at least six members, serving three-year terms. Two-thirds of the members will be appointed by a judicial advisory board comprised of common pleas court judges of participating counties and remaining one-third will be appointed by the County Commissioners of participating counties.

The Summit County Facility's Board is comprised of 9 members from Summit County.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Summit County Community Based Correctional Facility
Summit County
264 E. Crosier Street
Akron, Ohio 44309

To the Facility's Governing Board:

We have audited the financial statements of Summit County Community Based Correctional Facility, Summit County, Ohio, (the Facility) as of and for the years ended June 30, 2006 and 2005, and have issued our report thereon dated April 25, 2007, wherein we noted the Facility followed accounting practices the Ohio Department of Rehabilitation and Corrections prescribes or permits rather than accounting principles generally accepted in the United States of America. 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 Facility's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Facility's management dated April 25, 2007, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Facility's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Facility's management dated April 25, 2007, we reported other matters related to noncompliance we deemed immaterial.

Summit County Community Based Correctional Facility
Summit County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of management, the Facility's Governing Board, and the Ohio Department of Rehabilitation and Corrections. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

April 25, 2007

**SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2006 AND 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2004-001	Material Non-compliance: Expenditures Not in Accordance with Grant Agreement – \$96,740 of expenditures were noted which did not appear to be in accordance with the Ohio Department and Rehabilitation (ODRC) grant manual and application.	No	Reduced rate of noncompliance noted. Comment repeated in Management Letter
2004-002	Material Weakness: Offender Fund Activity for fiscal year 2003 – The Facility was unable to produce financial statements for the Offender Funds for the period of July 1, 2002 through December 31, 2002	Yes	
2004-003	Material Weakness: Financial Reporting and Compilation Practices – The financial reporting practices used to account for the Facility's financial statements were insufficient for management to produce readily available financial statements for the Facility on the cash basis of accounting requested by the ODRC. Further, certain sums of the Facility's cash balances were pooled with Oriana House, Inc. funds rather than being in a separate account of the Facility.	Yes	



Mary Taylor, CPA
Auditor of State

SUMMIT COUNTY COMMUNITY BASED CORRECTIONAL FACILITY

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 7, 2007**