LIGHTHOUSE EDUCATIONAL DEVELOPMENT CORPORATION
SUMMIT COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2008

Mary Taylor, CPA
Auditor of State

LIGHTHOUSE EDUCATIONAL DEVELOPMENT CORPORATION
SUMMIT COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

Lighthouse Educational Development Corporation
Summit County
1585 Frederick Boulevard, Suite 100
Akron, Ohio 44320

To the Board of Directors:

We have audited the accompanying basic financial statements of the Lighthouse Educational Development Corporation, Summit County, Ohio, (the School) as of and for the year ended June 30, 2008, as listed in the Table of Contents. These financial statements are the responsibility of the School'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 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 Lighthouse Educational Development Corporation, Summit County, Ohio, as of June 30, 2008, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the School will continue as a going concern. As discussed in Note 15 to the financial statements, the School is experiencing certain financial difficulties that raise substantial doubt about its ability to continue as a going concern. Note 15 describes management's plans regarding these matters. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As further described in Note 14 to the financial statements, the School has certain liabilities due to Akron Community School related to a past management agreement. However, Akron Community School is no longer in operation.

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In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2009 on our consideration of the School'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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

Mary Taylor

Mary Taylor, CPA
Auditor of State

April 16, 2009

The discussion and analysis of Lighthouse Educational Development Corporation (Lighthouse) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2008 (FY 08). The intent of this discussion and analysis is to look at Lighthouse's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of Lighthouse's financial performance.

Financial Highlights

Key financial highlights for 2008 are as follows:

Total net assets increased $98,493 in 2008.

Total revenue was $1,242,314 in 2008.

Total expenses were $1,143,821 in 2008.

Total liabilities decreased $70,515 with total assets increasing $27,978 in 2008.

Lighthouse has no long term debt at June 30, 2008.

Using this Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lighthouse as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Revenues, Expenses and Changes in Net Assets* provide information about the activities of the whole School, presenting both an aggregate view of Lighthouse's finances and a longer-term view of those finances. Lighthouse's financial statements are presented based upon the enterprise method of reporting under Governmental Accounting Standards Board (GASB). As such, Lighthouse summarizes its financial data as expected of a traditional business or corporation.

Reporting Lighthouse as a Whole

Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets

The view of Lighthouse as a whole looks at all financial transactions and asks the question, "How did we do financially during 2008?" The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets answers this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report Lighthouse's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for Lighthouse as a whole, the *financial position* of Lighthouse has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include Lighthouse's student enrollment, per-pupil funding as determined by the State of Ohio that restricts revenue growth, change in technology, required educational programs and other factors.

Reporting Lighthouse's Financial Statements

The analysis of Lighthouse's financial statements begins on this page. These financial statements use the accrual basis of accounting as business-type activities.

Lighthouse's major revenue source is the State Basic Aid Foundation. Additional sources of revenue come from federal entitlement programs and miscellaneous state grants.

Lighthouse's activities focus on how money flows into and out of the school and the balances left at year-end available for spending in future periods. Lighthouse reports its financial data using an accounting method called *full accrual*, which measures all *financial assets*. The financial statements provide a detailed snap-shot view of Lighthouse's general government operations and the basic services it provides. This information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

Lighthouse as a Whole

Recall that the Statement of Net Assets provides the perspective of Lighthouse as a whole. Table 1 provides a summary of Lighthouse's net assets for 2008 compared to the prior year:

Table 1
Net Assets

	2008	2007
ASSETS:		
Current Assets	$82,287	$53,452
Capital Assets	56,411	57,268
Total Assets	138,698	110,720
LIABILITIES:		
Curent Liabilities	136,772	207,287
Total Liabilities	136,772	207,287
NET ASSETS:		
Invested in Capital Assets	56,411	57,268
Unrestricted (Deficit)	(54,485)	(153,835)
Total Net Assets (Deficit)	$1,926	($96,567)

Total net assets increased $98,493. The primary reason for this increase is that Lighthouse's revenue increased by $268,908 while expenses increased only $50,413 from 2007 to 2008. The revenue increase is due to an increase in students.

Current assets increased from $53,452 in 2007 to $87,287 in 2008. The major reason for this increase is intergovernmental receivable is higher than the prior year's.

Total Assets increased from $110,720 in 2007 to $138,698 in 2008. The reason for the increase in Total Assets is due to more intergovernmental receivables, which are mostly grants.

Liabilities decreased by $70,575. This decrease for 2008 is due primarily to a decrease in accounts payable, and intergovernmental payable. The net impact was an increase in net assets of $98,493.

Community School Activities

The overall revenue generated by a community school is solely dependent upon student enrollment plus the per-pupil allotment given by the State foundation and from the federal entitlement programs. Thus community schools dependence upon legislative and congressional decisions on per-pupil funding hampers revenue growth. Foundation payments made up 69 percent of revenues for Lighthouse in fiscal year 2008. Grant revenues increased primarily due to an overall increase in students from the previous year. Table 2 shows the total cost of services for the past 2 years. That is, it identifies the cost of these services supported by unrestricted State entitlements and restricted state and federal grants:

Table 2
Net Assets

	2008	2007
Operating Renenues:		
Foundation	$823,401	$680,378
Food Service	0	4,787
Other Operating Revenue	36,644	24,652
Non-Operating Renenues:		
Grants	382,269	263,589
Total Revenue	1,242,314	973,406
Operating Expenses:		
Salaries	573,226	476,043
Fringe Benefits	136,553	165,950
Purchased Service	277,898	370,641
Materials and Supplies	125,839	53,099
Depreciation	16,036	14,228
Other	9,437	10,650
Non-Operating Expenses:		
Interest Expense	4,832	717
Loss on Disposal of Capital Assets	0	2,080
Total Expenses	1,143,821	1,093,408
Increase (Decrease) in Net Assets	98,493	(120,002)
Net Assets (Deficit) Beginning of Year	(96,567)	23,435
Net Assets (Deficit) End of Year	$1,926	($96,567)

Total revenues increased from $973,406 in 2007 to $1,242,314 in 2008. The primary reason for this increase was due to additional foundation revenue due to a greater number of students in 2008.

Total expenses increased from $1,093,408 in 2007 to $1,143,821 in 2008. The primary reason for this increase was due to additional salaries and fringe benefits due to increased staff and additional materials and supplies purchased for the students.

Lighthouse Budgeting Highlights

Community schools are exempt from appropriations law but are required to maintain the finances under full accrual accounting as required by Generally Accepted Accounting Principles (GAAP). The budget requirement is prescribed by the Ohio Department of Education through each sponsor. Accordingly, Lighthouse's budget is prepared and approved according to a ridged process required by the Lighthouse Board. The Board reviews the budget monthly to stay compliant with its due diligence requirements. Budgets are revised at least once each year to reflect actual data.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2008, Lighthouse had $56,411 in net capital assets. See Note 6 for additional information.

Liabilities

At June 30, 2008 Lighthouse had $136,772 in total liabilities. Most of this is accounts payable, accrued wages, intergovernmental payable, loan payable, and line of credit payable. Lighthouse has a no long term debt at June 30, 2008.

Current Financial Related Activities

The School must look for ways to increase its efficiency and effectiveness. As described on the previous pages, the School has limited means to increase its revenue relative to traditional school districts. Community Schools cannot seek additional funds through levies and is limited to the per pupil revenue. As such, the School must constantly monitor budgets and develop revenue models to accurately anticipate changes in funding and timing of revenue.

Contacting Lighthouse's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of Lighthouse's finances and to reflect Lighthouse's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Joseph W. White Jr., President of the Board, 1585 Frederick Blvd , Suite 100, Akron, OH 44320.

Lighthouse Educational Development Corporation
Summit County, Ohio
Statement of Net Assets
June 30, 2008

Assets	
Current:	
Cash and Cash Equivalents	$21,383
Receivables:	
Accounts Receivable	410
Intergovernmental Receivable	60,094
Security Deposit	400
Total Current Assets	82,287
Noncurrent:	
Capital Assets:	
Non-Depreciable Capital Assets	1,790
Depreciable Capital Assets, Net	54,621
Total Capital Assets	56,411
Total Assets	138,698
Liabilities	
Current Liabilities:	
Accounts Payable	22,725
Accrued Wages and Benefits	36,142
Intergovernmental Payable	8,738
Line of Credit Payable	45,167
Loan Payable	24,000
Total Liabilities	136,772
Net Assets	
Invested in Capital Assets	56,411
Unrestricted (Deficit)	(54,485)
Total Net Assets	$1,926

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

Lighthouse Educational Development Corporation
Summit County, Ohio
Statement of Revenues, Expenses and Changes in Net Assets
For the Fiscal Year Ended June 30, 2008

Operating Revenues:	
Foundation	$823,401
Miscellaneous	36,644
Total Operating Revenues	860,045
Operating Expenses:	
Salaries	573,226
Fringe Benefits	136,553
Purchased Services	277,898
Materials and Supplies	125,839
Depreciation	16,036
Other	9,437
Total Operating Expenses	1,138,989
Operating (Loss)	(278,944)
Non-Operating Revenues (Expenses):	
Grants	382,269
Interest Expense	(4,832)
Net Non-Operating Revenues (Expenses)	377,437
Change in Net Assets	98,493
Net (Deficit) at Beginning of Year	(96,567)
Net Assets at End of Year	$1,926

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

Lighthouse Educational Development Corporation
Summit County, Ohio
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2008

Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from State Foundation	$823,401
Other Cash Receipts	39,748
Cash Payments to Employees for Services	(574,875)
Cash Payments for Employee Benefits	(144,524)
Cash Payments for Goods and Services	(463,563)
Other Cash Payments	(9,187)
Net Cash (Used for) Operating Activities	(329,000)
Cash Flows from Noncapital Financing Activities	
Grants Received	355,182
Principal Payment	(4,423)
Interest Payments	(4,832)
Net Cash Provided by Noncapital Financing Activities	345,927
Cash Flows from Capital and Related Financing Activities	
Capital Asset Purchases	(15,179)
Net Cash (Used for) Capital and Related Financing Activities	(15,179)
Net Increase in Cash and Cash Equivalents	1,748
Cash and Cash Equivalents Beginning of Year	19,635
Cash and Cash Equivalents End of Year	$21,383
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities	
Operating (Loss)	($278,944)
Adjustments:	
Depreciation	16,036
Increase (Decrease) in Liabilities:	
Accounts Payable	(47,412)
Accrued Wages	1,351
Deferred Revenue	(360)
Intergovernmental Payable	(19,671)
Net Cash (Used for) Operating Activities	($329,000)

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

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NOTE 1 - DESCRIPTION OF THE SCHOOL AND REPORTING ENTITY

Lighthouse Educational Development Corporation d.b.a. Lighthouse Community School and Professional Development Academy (the School) is a school as provided for by Ohio Revised Code Sections 3314 and 1702. The School is an approved tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The School, which is part of the State's education program, is independent of any school. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School's tax exempt status.

On May 16, 2006, the School signed an agreement with the Richland Academy of Arts to sponsor the School for a five year period beginning on July 1, 2006. The School operates under a self-appointing Board of Trustees (the Board).

The School's Code of Regulations specify that vacancies that arise on the Board are filled by the appointment of a successor trustee by a majority vote of the then-existing trustees. The Board is responsible for carrying out the provisions of the contract with the Sponsor which includes, but is not limited to, state mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The School has one instructional/support facility staffed by four non-certified and ten certified full-time teaching personnel who provide services to 105 students.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The School does not apply FASB statements and interpretations issued after November 30, 1989. The more significant of the School's accounting policies are described below.

Basis of Presentation

Enterprise accounting is used to account for 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 revenues earned, expenses incurred, and/ or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the measurement focus.

Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the statement of Net Assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The accrual basis of accounting is utilized for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Budgetary Process

Unlike traditional public schools located in the state of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Section 5705, unless specifically provided in the School's contract with its Sponsor. The contract between the School and its Sponsor requires a detailed school budget for each year of the contract; however, the budget does not have to follow provisions of Ohio Revised Code Section 5705, except for Section 5705.391 as it relates to five-year forecasts.

Cash

Cash received by the School is maintained in demand deposit and money market accounts. For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Assets, investments with an original maturity of three months or less at the time they are purchased are considered to be cash equivalents.

Capital Assets and Depreciation

Capital assets are capitalized at cost and updated for additions and retirements during the year.

Donated capital assets are recorded at their fair market values as of the dates received. The School does not possess any infrastructure. Leasehold improvements are also capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Depreciation of leasehold improvements, computers, furniture and equipment is computed using the straight-line method over their estimated useful lives. Improvements to capital assets are depreciated over the remaining useful lives of the related capital assets. All items with a useful life of one year or greater and a value of $1,000 or more are capitalized.

Estimated useful lives are as follows:

Capital Asset Classification	Years
Computers and Office Equipment	7
Leasehold Improvements	10
Furniture	10

Intergovernmental Revenues

The School currently participates in several State and Federal programs:

Non-Reimbursable Grants
Management Information Systems
Connectivity
Drug Free Schools
Early Childhood Development
Idea Part B
Idea Special Education
Improving Teacher Quality
Title I
Title II-D
Title V
21st Century

Reimbursable Grants
National School Lunch Program

The School currently participates in the State Foundation Program through the Ohio Department of Education. Revenue from this program is recognized as operating revenue in the accounting period in which all eligibility requirements have been met. Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis.

Accrued Liabilities

Obligations, such as wages and benefits due but unpaid, are reported as liabilities in the accompanying financial statements.

Use of Estimates

In preparing the financial statements, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2008, the School has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" which establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information in the financial reports of state and local governmental employers. Also, the School has implemented GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues" which establishes criteria that governments will use to ascertain whether the proceeds received should be reported as revenue or as a liability. The implementation of GASB 48 had no material effect on the financial statements as they were previously reported as of June 30, 2007. In addition, the School implemented GASB Statement No. 50, "Pension Disclosures." The information is not yet available from the retirement systems for the implementation of GASB 50.

NOTE 4 - DEPOSITS

At year-end, the bank balance was $52,436. All of the bank balance is covered by federal depository insurance.

NOTE 5- INTERGOVERNMENTAL RECEIVABLE

All receivables are considered collectible in full, due to the stable condition and the current year guarantee by the State of Ohio. The receivable amount of $60,094 was determined from claims submitted by the school to the Ohio Department of Education.

NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

A summary of the School's capital assets at June 30, 2008, follows:

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
Capital Assets, Not Being Depreciated:				
Land & Improvements	$1,790	$0	$0	$1,790
Total Capital Assets, Not Being Depreciated	1,790	0	0	1,790
Capital Assets, Being Depreciated:				
Leasehold Improvements	16,089	0	0	16,089
Fixtures and Equipment	99,167	15,179	0	114,346
Total Capital Assets, Being Depreciated	115,256	15,179	0	130,435
Less Accumulated Depreciation:				
Leasehold Improvements	(2,480)	(1,448)	0	(3,928)
Fixtures and Equipment	(57,298)	(14,588)	0	(71,886)
Total Accumulated Depreciation	(59,778)	(16,036)	0	(75,814)
Total Capital Assets, Being Depreciated, net	55,478	(857)	0	54,621
Total Capital Assets, net	$57,268	($857)	$0	$56,411

NOTE 7 - PURCHASED SERVICES

For the period July 1, 2007 through June 30, 2008, purchased service expenses were payments for services rendered by various vendors as follows:

Professional Services	$116,922
Property Services	99,789
Travel and Meetings	896
Communications	9,444
Utility Services	19,316
Pupil Transportation Services	965
Other Purchased Services	30,566
Total	$277,898

NOTE 8 - RISK MANAGEMENT

Property and Liability – The School 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. During fiscal year 2008, the School contracted with a company for property and general liability insurance. Property coverage carries a $2,500 deductible and has a $1,000,000 limit. General liability coverage provides $1,000,000 per occurrence and $1,000,000 in the aggregate with a $2,500 deductible. Settled claims have not exceeded this commercial coverage, nor have there been any significant reductions in coverage in the past three fiscal years.

Workers Compensation - The School pays the State Worker's Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the total monthly gross payroll by a factor determined by the Bureau of Worker's Compensation.

NOTE 9 - OTHER EMPLOYEE BENEFITS

Employee Medical, Dental, and Vision Benefits – The School has contracted with a private carrier to provide employee medical/surgical and dental benefits. The School pays 90% of the monthly premiums and the employee is responsible for the remaining 10%. For fiscal year 2008, the School's and the employee’s premiums varied depending on insurance coverage selected, family size and the ages of those covered. The School also has a Section 125 cafeteria plan available for its employees. This is a pretax voluntary supplementary medical benefits program employee funded and employer administrated. The School provides life insurance to all employees through a private carrier. Coverage in the amount of $15,000 is provided for all certified and non-certified employees.

NOTE 10 - RETIREMENT PLANS

School Employees Retirement System - The School contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability, and survivor benefits; annual cost-of-living adjustments; and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS’ website at www.ohsers.org under Forms and Publications.

Plan members are required to contribute 10% of their annual covered salary and the School is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS’ Retirement Board. The Retirement Board acting with the advice of the actuary, allocated the current employer contribution rate among the four funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending 2008, it was determined the employer contribution rate to pension and death benefits to be 9.16%. The remaining 4.84% of the 14% employer contribution rate was allocated to the Health Care and Medicare B Funds. The School’s required contributions to SERS Ohio for the fiscal years ended June 30, 2008, 2007 and 2006 were $15,933, $8,085, and $6,962, respectively; 91.97 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. The unpaid contribution for fiscal year 2008 is $1,280.

State Teachers Retirement System - The School participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported in whole, or in part, by the State or any political subdivision thereof.

Plan Options – New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5 percent of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit", the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2 percent multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5 percent. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6 percent for 32 years, 2.7 percent for 33 years and so on) until 100 percent of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5 percent instead of 2.2 percent. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5 percent are placed in an investment account. The member determines how to allocate the member and employer money among nine investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying one percent of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by three percent of the original base amount for Defined Benefit Plan participants.

The Defined Benefit and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A Defined Benefit or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of $1,000 is payable to the beneficiary of each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to $2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2008, were 10 percent of covered payroll for members and 14 percent for employers. The School's required contributions to STRS Ohio for the fiscal years ended June 30, 2008, 2007 and 2006 were $64,549, $54,666, and $99,321, respectively. 94.1 percent has been contributed for fiscal year 2008 and 100 percent for the fiscal years 2007 and 2006. Member and employer contributions actually made for Defined Contribution and Combined Plan participants will be provided upon written request.

STRS Ohio issues a stand-alone financial report.

Additional information or copies of STRS Ohio's 2008 *Comprehensive Annual Financial* Report can be requested by writing to STRS Ohio, 275 East Broad Street, Columbus, OH 43215-3371, or by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS or the STRS Ohio have an option to choose Social Security or the SERS or STRS Ohio.

NOTE 11- OTHER POSTEMPLOYMENT BENEFITS

School Employees Retirement Systems – In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans. The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in the Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statue to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2008 was $96.40; SERS' reimbursement to retirees was $45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2008, the actuarially required allocation was .66%. Lighthouse Educational Development Corporation's contributions for the year ended June 30, 2008 were $773.90, which equaled the required contributions for the year.

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2008, the health care allocation was 4.18%. The actuarially required contribution (ARC), as of June 30, 2008 annual valuation, was 13.41% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty year. Lighthouse Educational Development Corporation's contributions for the years ended June 30, 2008, 2007, and 2006 were $3,778, $1,917, and $2,185, respectively.

An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2008, the minimum compensation level was established at $35,800.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under Forms and Publications.

State Teachers Retirement Systems – STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan; a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefit Plan and the Defined Contribution Plan.

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple employer health care plan to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting www.strsoh.org or by requesting a copy by calling toll-free 1-888-227-7877.

Under Ohio law funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care. For the fiscal years ended June 30, 2008, 2007 and 2006. The 14% employer contribution rate is the maximum rate established under Ohio law. Lighthouse Educational Development Corporation's contributions to post-employment health care were $4,611, $3,905, and $7,633, respectively. 100% has been contributed for all three years.

NOTE 12 - CONTINGENCIES

GRANTS – The School 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School at June 30, 2008.

ENROLLMENT FTE - The Ohio Department of Education conducts reviews of enrollment and full-time equivalency (FTE) calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the State, upon which state foundation funding is calculated. The conclusions of this review could result in state funding being adjusted. Based on ODE's review, there were no adjustments to the DPIA program and enrollment review during fiscal year 2008. The effect of any other reviews cannot be determined.

NOTE 13 – LINE OF CREDIT

During the year, the School had a revolving bank line-of-credit with an interest rate of 7.00%. In 2006, the School borrowed $50,000. At July 1, 2007, the outstanding balance was $49,590. In 2008, the School repaid a total of $4,423 from this account and paid interest expense of $4,832. There is an outstanding liability of $45,167 for the line-of-credit at June 30, 2008. There is no required repayment schedule.

NOTE 14 – MANAGEMENT AGREEMENT

On August 22, 2004, the School contracted with Akron Community School (ACS) to facilitate day-to-day operations of ACS. This includes adopting the educational curriculum, providing teaching, developing and maintain state mandated testing and requirements, and completing all required administrative reports. As of June 30, 2005, the Akron Community School is no longer in operation.

During fiscal year 2005, a $25,000 cash loan was given by ACS to Lighthouse Academy of which $24,000 remains outstanding at June 30, 2008 and is reflected on the Statement of Net Assets as “Loan Payable”. There is no written agreement specifying an interest rate or repayment requirements for this loan.

Also, during 2005 Akron Community School paid certain expenses totaling $548 which should have been paid by Lighthouse Academy in accordance with the management agreement. In addition, the State FTE review resulted in an additional $10,000 of Foundation Revenue overpayments to Akron Community School from past fiscal years. Since Akron Community School paid this revenue to Lighthouse Academy as a management fee, this revenue is due back ACS. These amounts are reflected on the Statement of Net Assets as an accounts payable.

The School also had an accounts receivable of $410 due from ACS from the prior fiscal year that remains unpaid at June 30, 2008.

Summary of amounts due to and (due from) ACS:

	June 30, 2008
Accounts Receivable	($410)
Accounts Payable	10,548
Loan Payable	24,000
Net Amount Due to Akron Community School	$34,138

NOTE 15 – FISCAL DISTRESS

The School is having difficulties meeting operational expenses. As of June 30, 2008, the School had a net asset balance of $1,926.

Management has developed a plan to scrutinize and monitor the School’s expenses on a more regular basis. Management has developed a plan to pay down their line of credit payable.

Management has been working with their fiscal agent since January 1, 2009 to pay past debts and cut expenses. The new fiscal agent has been providing the Board with monthly financial reports. In addition, management has been working to increase enrollment and applying for additional grants to improve their financial condition.

NOTE 16 -- SUBSEQUENT EVENT

Effective January 1, 2009, the School contracted with Varney, Fink & Associates, Inc. to perform Treasurer duties.

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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*

Lighthouse Educational Development Corporation
Summit County
1585 Frederick Boulevard, Suite 100
Akron, Ohio 44320

To the Board of Directors:

We have audited the financial statements of Lighthouse Educational Development Corporation, Summit County, Ohio (the School) as of and for the year ended June 30, 2008, which collectively comprise the School's basic financial statements and have issued our report thereon dated April 16, 2009 wherein we noted the School has certain amounts due to Akron Community School. In addition, we noted the School is experiencing financial difficulties that raise substantial doubt about its ability to continue as a going concern. 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the School's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the School's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in 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 School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the School's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider findings 2008-001 through 2008-003 described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the School's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the 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 the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. Of the significant deficiencies described above, we believe finding numbers 2008-001 and 2008-002 are also material weaknesses.

We also noted certain internal control matters that we reported to the School's management in a separate letter dated April 16, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the School'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 that we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters not requiring inclusion in this report that we reported to the School's management in a separate letter dated April 16, 2009.

The School's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the School's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, the Board of Directors, and Richland Academy of the Arts. We intend it for no one other than these specified parties.

Mary Taylor

Mary Taylor, CPA
Auditor of State

April 16, 2009

SCHEDULE OF FINDINGS
JUNE 30, 2008

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

FINDING NUMBER 2008-001

Significant Deficiency and Material Weakness

Payroll Controls

Several errors resulted from the lack of monitoring controls over payroll transactions and reconciling of payroll accounts:

- The Assistant Treasurer prepared the monthly bank to book reconciliations for August 2007 through June 2008 which were not reviewed by the Board or Treasurer. Consequently, the Assistant Treasurer embezzled $7,560.98 during the period of March through June 2008 without detection. Once the payroll account was reconciled, the School discovered the funds were misappropriated and recovered the full amount on September 29, 2008 from the bank.
- The June 2008 bank reconciliation included $926 in reconciling items resulting from unrecorded bank and other fees dating back to November 2007.
- Three employees of the School's consulting services provider, Innovative Learning Solutions (ILS), were paid a total of $3,464 in gross salaries and benefits over two pay periods. However, neither the Board nor the School's Principal or Fiscal Officer detected these errors in a timely manner. The School was eventually reimbursed by ILS for the entire amount. As a result, all three employees received improper State Teachers Retirement System of Ohio (STRS) service credit as a result of this error; as such, this matter has been referred to STRS.

The School should ensure proper controls are in place to help reduce the risk of fraudulent activities and misappropriation of funds. In addition, these weaknesses could result in a potential material misstatement of the financial statements if allowed to continue. The School should implement the following procedures to strengthen controls:

- The School should ensure the monthly bank to book reconciliations are prepared timely (i.e., soon after the monthly bank statement is received) and presented as part of the monthly financial report to the Board. The bank to book reconciliations should include the detail of all reconciling items.
- The Board should also receive month-end revenue, expense, and fund balance reports, in order to effectively monitor the School's financial position.
- The Treasurer should consistently review the monthly payroll checking account bank to book reconciliations prepared by the Assistant Treasurer to provide assurance that the amounts reported are accurate.
- The Treasurer also should sign/initial and date the reconciliations as evidence the reviews have been performed.
- The Principal or Treasurer should review the School's bi-weekly payroll registers to help ensure only valid employees are being paid and at appropriate rates.

Officials' Response: The school is working with a new fiscal officer, Varney, Fink, & Associates. They are already taking these steps into consideration when they are preparing our monthly financial statements. We will work with them to ensure that we are in full compliance with this finding.

FINDING NUMBER 2008-002

Significant Deficiency and Material Weakness

Intergovernmental Receivables

Governmental Accounting Standards Board Statement No. 33 (GASB 33) establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources (for example, most taxes, grants, and private donations).

The School's Comprehensive Continuous Improvement Plan (CCIP) grants are passed through the Ohio Department of Education (the provider); as such, the entire awards should be recognized as receivables by the School when the provider's fiscal year begins (July 1, 2007 for fiscal year 2008) less actual amounts received before June 30, 2008. However, the School recognized the CCIP grant amounts not received as of October 2008 rather than June 30, 2008 as receivables, resulting in the following receivable understatements:

USAS Fund	CFDA Number	Recalculated Receivable	Less: Receivable Originally Booked	Receivable Understatement
572	84.010	$ 31,114	$ -	$ 31,114
573	84.298	383	-	383
587	84.173	73	-	73
590	84.367	8,141	-	8,141
599	84.287	20,000	(4,909)	15,091
584	84.186	383	-	383
			Total	$ 55,185

The School should review the requirements of GASB 33 and ensure their compliance with the requirements and that the financial statements are properly stated. Additionally, the School should be reviewing the GAAP conversion workpapers and basic financial statements to ensure they are being prepared in accordance with all applicable accounting standards, including GASB 33. Audit adjustments were posted to the financial statements to correct these errors.

Officials' Response: The school is working with a new fiscal office, Varney, Fink, & Associates. We will work with our new fiscal officer to ensure that these assets will be recorded properly during our next GAAP conversion process so that we will be in full compliance with this finding.

FINDING NUMBER 2008-003

Significant Deficiency

Akron Community Schools – Assets and Liabilities

As disclosed in Note 14 to the Financial Statements the School owes a net amount of $34,138 to Akron Community School, a former community school. In addition, the School assumed use of certain assets (computers, furniture and equipment) with an initial acquisition cost of $13,061 (fully depreciated) from Akron Community School when it ceased operating. These assets were not formally purchased from Akron Community School and permission to retain these assets was not obtained from the Ohio Department of Education upon Akron Community School's closure.

FINDING NUMBER 2008-003 (Continued)

Significant Deficiency (Continued)

The School should make arrangements with the Ohio Department of Education to settle the liability due to Akron Community School and formally acquire the Akron Community School residual capital assets so that the amounts recorded on the financial statements are accurately reflected.

This matter will be referred to the Ohio Department of Education.

Officials' Response: In co-operation with our sponsor, we will contact the Ohio Department of Education in a timely manner. We will make arrangements to settle the liability issue that is still on our financial books pertaining to acquiring the assets of the former Akron Community School.

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LIGHTHOUSE EDUCATIONAL DEVELOPMENT CORPORATION
SUMMIT COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2007-001	Finding for Recovery – Consulting service provider was overpaid by $996.35.	Yes	Finding No Longer Valid.
2007-002	Ohio Rev. Code Section 5705.391(A) and Ohio Admin. Code Section 3301-92-04 - The School did not develop a five year projection.	No	Partially Corrected, similar comment issued as management letter comment.
2007-003	Ohio Rev. Code Section 149.43(B) – The School had numerous missing records.	No	Partially corrected, similar comment issued as management letter comment.
2007-004	Ohio Admin. Code Section 117-2-02(D) – Numerous receipts and expenses were processed through a checking account which was not part of the School's regular accounting system.	Yes	Finding No Longer Valid.
2007-005	Bank Reconciliations – Monthly bank to book reconciliations were not performed for eleven months.	No	Partially Corrected, similar management letter comment to reconcile timely.
2007-006	Akron Community Schools (ACS) Assets and Liabilities - a loan to ACS was not repaid, ACS' assets were not formally purchased, and permission to retain the assets was not obtained from the Ohio Department of Education upon ACS' closure.	No	Not Corrected, see finding 2008-003.

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2007-007	Payroll Controls – The Board did not indicate the amount of compensation employees would receive and three individuals where paid but were not employees.	No	Partially Corrected, see finding 2008-001 for a similar comment.
2007-008	Principal's Check Signing Authority – Checks for expenditures over $500 were processed without being co-signed by two Board members.	Yes	Finding No Longer Valid.

LIGHTHOUSE EDUCATIONAL DEVELOPMENT CORPORATION

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
MAY 26, 2009