



**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED JUNE 30, 2007 AND 2008**



**Mary Taylor, CPA**  
Auditor of State



**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

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# Mary Taylor, CPA Auditor of State

Northwest Community Corrections Center  
Wood County  
1740 East Gypsy Lane  
Bowling Green, Ohio 43402-9081

To the Members of the Judicial Advisory Board and Facility 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 an interpretation from the American Institute of Certified Public Accountants (AICPA). While the Ohio Department of Rehabilitations and Corrections (ODRC) does not require your government 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 adverse 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 ODRC prescribes or permits.

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

**Mary Taylor, CPA**  
Auditor of State

December 15, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Northwest Community Corrections Center  
Wood County  
1740 East Gypsy Lane  
Bowling Green, Ohio 43402-9081

To the Members of the Judicial Advisory Board and Facility Governing Board:

We have audited the accompanying financial statements of the Northwest Community Corrections Center, Wood County, (the Facility) as of and for the years ended June 30, 2008 and 2007. 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.

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 GAAP presentation requirements. Since the 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 Facility uses. 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, 2008 and 2007, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Facility's funds as of June 30, 2008 and 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and unpaid obligations of the Northwest Community Corrections Center, Wood County, as of June 30, 2008 and 2007, and its related cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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 December 15, 2008, 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.



**Mary Taylor, CPA**  
Auditor of State

December 15, 2008



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**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
FOR THE PERIOD ENDED JUNE 30, 2008

	<b>State Appropriations and Grants</b>		
	ODRC 501-501	Title I Grant	Able Grant
<b>Cash Receipts:</b>			
Intergovernmental	\$ 1,825,404	\$ 8,478	\$ 31,885
Receipts for offenders			
Sales			
Other			
Room and board			
Commissions			
Reimbursement	315,432		
Transfer In/Out	(7,845)		7,845
	2,132,991	8,478	39,730
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Personnel	1,340,089	10,043	31,992
Operating costs	376,184		
Program costs	241,628		189
Equipment	52,998		
Offender Disbursements:			
Offender legal obligations			
Offender reimbursements			
Offender spending			
Other			140
Offender savings paid at exit			
	2,010,899	10,043	32,321
<b>Total Cash Disbursements</b>			
Disbursements from prior FY	13,898		
<b>Total Receipts Over/(Under) Disbursements</b>	108,194	(1,565)	7,409
Fund Cash Balances, July 1, 2007	238,211	6,155	1,238
Fund Cash Balances, June 30, 2008	\$ 346,405	\$ 4,590	\$ 8,647
Unpaid Obligations/Open Purchase Orders	\$ 69,636		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Offender Funds**

<u>Work Industry</u>	<u>Center Fund</u>	<u>Resident Fund</u>	<u>Totals</u>
	\$ 17,280		\$ 1,883,047
\$ 314,598		\$ 103,522	103,522
	242		314,598
	22,607		242
	18,540		22,607
	40,774		18,540
			356,206
<u>314,598</u>	<u>99,443</u>	<u>103,522</u>	<u>2,698,762</u>
	417		1,382,541
323,230	14,574		713,988
	24,724		266,541
			52,998
		4,813	4,813
		40,736	40,736
		9,701	9,701
		7,861	8,001
		42,505	42,505
<u>323,230</u>	<u>39,715</u>	<u>105,616</u>	<u>2,521,824</u>
			13,898
(8,632)	59,728	(2,094)	163,040
<u>36,228</u>	<u>86,739</u>	<u>25,490</u>	<u>394,061</u>
<u>\$ 27,596</u>	<u>\$ 146,467</u>	<u>\$ 23,396</u>	<u>\$ 557,101</u>

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
FOR THE PERIOD ENDED JUNE 30, 2007

	<u>State Appropriations and Grants</u>		
	<u>ODRC 501-501</u>	<u>Title I Grant</u>	<u>Able Grant</u>
<b>Cash Receipts:</b>			
Intergovernmental	\$ 1,800,570	\$ 35,136	\$ 32,574
Receipts for offenders			
Sales			
Other			
Room and board			
Commissions			
Reimbursement	177,473	7,500	
Transfer In/(Out)	40,745	(28,745)	(19,500)
	<u>2,018,788</u>	<u>13,891</u>	<u>13,074</u>
Total Cash Receipts			
<b>Cash Disbursements:</b>			
Personnel	1,210,662	6,035	12,149
Operating costs	373,243		
Program costs	253,817	3,088	6,554
Equipment	26,393	13,436	5,218
Offender Disbursements:			
Offender legal obligations			
Offender reimbursements			
Offender spending			
Other			
Offender savings paid at exit	.		
	<u>1,864,115</u>	<u>22,559</u>	<u>23,921</u>
Total Cash Disbursements			
Disbursements from prior FY	11,364		
Total Receipts Over/(Under) Disbursements	143,309	(8,668)	(10,847)
Fund Cash Balances, July 1, 2006	94,902	14,823	12,085
Fund Cash Balances, June 30, 2007	<u>\$ 238,211</u>	<u>\$ 6,155</u>	<u>\$ 1,238</u>
Unpaid Obligations/Open Purchase Orders	<u>\$ 13,898</u>		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Offender Funds**

<u>Work Industry</u>	<u>Center Fund</u>	<u>Resident Fund</u>	<u>Totals</u>
	\$ 18,333		\$ 1,886,613
		\$ 152,394	152,394
\$ 366,209			366,209
	1,277		1,277
	16,263		16,263
	31,224		31,224
	38,466		223,439
7,500			
<u>373,709</u>	<u>105,563</u>	<u>152,394</u>	<u>2,677,419</u>
	692		1,229,538
344,689	25,624		743,556
	20,705		284,164
	4,587		49,634
		32,192	32,192
		20,544	20,544
		6,998	6,998
		54,906	54,906
		41,105	41,105
<u>344,689</u>	<u>51,608</u>	<u>155,745</u>	<u>2,462,637</u>
			11,364
29,020	53,955	(3,351)	203,418
7,208	32,784	28,841	190,643
<u>\$ 36,228</u>	<u>\$ 86,739</u>	<u>\$ 25,490</u>	<u>\$ 394,061</u>

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008 AND 2007**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Northwest Community Corrections Center, Wood County (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 a maximum 64 offenders. The Facility Governing Board administers the Facility. The Board includes 9 members appointed by the judges of the Judicial Advisory Board and County Commissioners. The Facility serves the following counties:

Defiance County	Henry County	Wood County
Fulton County	Williams County	

For the years ended June 30, 2008 and 2007, the financial statement presents all funds related to the Facility.

**B. Basis of Accounting**

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

These statements adequately disclose material matters the Auditor of State requires.

**C. Cash**

The Wood County Treasurer is the custodian of the Facility's grant funds and State appropriations. The County holds these Facility assets in the County's cash and investment pool, valued at the County Treasurer's reported carrying amount. The Facility holds offenders' cash in demand deposit accounts.

**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.

Federal: Reports amounts received from the Federal government, including amounts passed through ODRC. The Facility received ABLE and Title 1 Funding for contracting instructors and specialists to aid in the education and rehabilitation of offenders.

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008 AND 2007  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**Offender Funds**

Center Fund: 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). This fund receives other Offender Funds, such as National School Lunch Program grant funds, telephone and vending commissions, and phone card sales. This fund pays for programs and services benefiting offenders, such as food service and indigent offenders' supplies and entertainment. The Resident Fund reimburses this Fund for costs chargeable to the individual resident's account.

Resident 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.

Work Industry Fund: Are amounts the Facility receives from transitional work sites for services provided to companies by the residents. Amounts collected are used to pay the residents their wages for the services they perform and to pay for the general operations of the Work Industry including the salaries and benefits for the employees.

**E. Budgetary Process**

**1. 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.

**2. Encumbrances**

Disbursements from State appropriations and Grants are subject to Wood County's payment approval process. The County Auditor must approve (i.e., certify and encumber) certain payments when the Facility commits to make a payment. The budgetary disbursement amounts reported in Note 2 only includes cash disbursed against the current year budget plus amounts spent within ninety days of June 30 to liquidate year-end commitments. Amounts not liquidated within ninety days of June 30 are subject to refund to ODRC, unless ODRC approves an extension. (See Note 5.)

A summary of 2008 and 2007 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. The financial statements do not report these items as assets.

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008 AND 2007  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**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.

**2. BUDGETARY ACTIVITY**

Budgetary activity for ODRC 501-501 funding for the years ending June 30, 2008 and 2007 follows:

<u>2008 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
<u>Budget</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$1,825,404</u>	<u>\$ 1,755,768</u>	<u>\$69,636</u>

<u>2007 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
<u>Budget</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$1,800,570</u>	<u>\$1,786,672</u>	<u>\$13,898</u>

**3. COMPLIANCE**

The Facility did not meet the Community Based Correctional Facility Grant requirement to set aside at least 15% of the estimated aggregate dollar value of all its direct purchases of equipment, materials, supplies, and services for certified minority vendors.

**4. COLLATERAL ON DEPOSITS AND INVESTMENTS**

**Grants and State Appropriations**

The County Treasurer is responsible for collateralizing deposits and investments for grants and State appropriations the County holds as custodian for the Facility.

**Offender Funds Deposits**

The Facility has Federal Deposit Insurance Corporation coverage of \$100,000 for Offender Funds. There were no uncollateralized amounts at June 30, 2008 and 2007.



**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008 AND 2007  
(Continued)**

**5. 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. 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. The Facility refunds amounts computed below in the fiscal year following the computation below.

Refund to ODRC		
	2008	2007
Cash, July 1	\$238,211	\$94,902
Disbursements Against Prior Year Budget	(22,393)	(11,364)
Sub-Total	215,818	83,538
501 Cash Receipts	1,825,404	1,800,570
Sub-Total	2,041,222	1,884,108
Budgetary Basis Disbursements	(1,755,768)	(1,786,672)
Cash Balance June 30	285,454	97,436
Amount Encumbered	(69,636)	(13,898)
Amount Subject to Refund, June 30	215,818	83,538
One-Twelfth of 501 Award	(152,117)	(150,048)
Refundable to ODRC	\$63,701	
Calculation of Payable to ODRC		
	2008	2007
Payable, June 30	(\$63,701)	

**6. RETIREMENT SYSTEM**

The Facility's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes plan benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For July 1, 2006, through December 31, 2006, OPERS members contributed 9 percent of their gross salaries to OPERS. This amount increased to 9.5% for calendar year 2007. This amount was increased to 10% beginning January 1, 2008. The Facility contributed an amount equal to 13.70 percent, 13.85 and 14 percent, respectively, of participants' gross salaries. The Facility has paid all contributions required through June 30, 2008.

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008 AND 2007  
(Continued)**

**7. RISK MANAGEMENT**

**Commercial Insurance**

The Facility has obtained commercial insurance for the following risks:

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



# 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*

Northwest Community Corrections Center  
Wood County  
1740 East Gypsy Lane  
Bowling Green, Ohio 43402-9081

To the Members of the Judicial Advisory Board and Facility Governing Board:

We have audited the financial statements of the Northwest Community Corrections Center, Wood County, (the Facility) as of and for the years ended June 30, 2008 and 2007, and have issued our report thereon dated December 15, 2008, wherein we noted the Facility prepared its financial statements using accounting practices the Ohio Department of Rehabilitation and Corrections prescribes or permits. 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 Facility'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 Facility's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Facility'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 Facility'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 Facility's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2008-002 and 2008-003.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Facility'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. However, we believe the significant deficiencies described above are also material weaknesses.

We also noted certain internal control matters that we reported to the Facility's management in a separate letter dated December 15, 2008.

### **Compliance**

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 an instance of noncompliance that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2008-001.

We also noted certain noncompliance matters not requiring inclusion in this report that we reported to the Facility's management in a separate letter dated December 15, 2008.

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

We intend this report solely for the information and use of management, Members of the Judicial Advisory Board, and Facility Governing Board. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 15, 2008

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**SCHEDULE OF FINDINGS  
JUNE 30, 2008 AND 2007**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2008-001**

**Noncompliance Finding**

The Community Based Correctional Facility 03-04 Grant Agreement, Section IV D.2.a (Page 51), and 06-07 Grant Agreement, Section II.G (Page 28), states, in part, that grantee must set aside and spend at least 15% of the estimated aggregate dollar value of all direct purchases of equipment, materials, supplies, and services for certified minority vendors (MBE). After the 15% MBE requirements are met, the Facility should purchase supplies, printing, and equipment from Ohio Penal Industries (OPI) or Ohio Industries for the Handicapped (OIH). The Facility may request a waiver from the Ohio Department of Rehabilitation and Corrections (ODRC) exempting these purchasing requirements.

The Facility did not set aside the applicable funds for fiscal years 2008 and 2007 nor did they spend any funds as required. Also, the Facility did not obtain a waiver from ODRC for non-compliance with these purchasing requirements.

We recommend the Facility adopt procedures to ensure compliance with the grant agreement's purchasing requirements and/or obtain the required waiver for non-compliance from ODRC.

**Official's Response:**

Northwest Community Corrections Center explored minority spending requirements and are now working toward obtaining a waiver of this requirement from ODRC.

**FINDING NUMBER 2008-002**

**Material Weakness Federal Funds**

All revenue derived from a specific source for a particular purpose should be paid into a special fund for such purpose.

The 2008 Title 1 and ABLE grant funds had been posted to the Facility's operating fund rather than to the respective grant funds. The Facility had transferred \$7,500 to the Title 1 Fund from the Work Industry Fund, but returned the transfer to the ODRC Operating Fund, resulting in an adjusting entry which the Facility posted to their books. Transactions totaling \$88,783 for 2008 and \$10,567 for 2007 for transfers between funds were reported as a transfer in to one fund and expenditure in another fund resulting in reclassification entries.

Sound financial reporting is the responsibility of the Fiscal Officer and Executive Director and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. We recommend all transfer transactions include an "in" and an "out" posting and the return of transferred funds be made to the fund making original transfer.

The transfers to grant funds should be returned when grant funding is received. We further recommend all transfer transactions be reviewed to ensure every transfer transaction includes an in and out and when returns of transfers are made, the fund originally making the transfer be the fund to which the transfer is returned.

**FINDING NUMBER 2008-002  
(Continued)**

**Official's Response:**

Northwest Community Corrections Center will only transfer 501 Operating fund monies to cover grant awards in the future.

**FINDING NUMBER 2008-003**

**Material Weakness Work Industry**

Invoices for thirteen percent of Work Industry invoices tested could not be located due to inconsistent filing practices. The majority of missing invoices were from FY2007. As a result, the Facility had no assurance the revenues received were for the correct amount. To ensure completeness and accuracy of the financial statements, we recommend invoices for Work industry invoice copies have the duplicate receipt number written on it to document the payment was received and this documentation be retained in a file.

**Official's Response:**

During FY2008 the Northwest Community Corrections Center took corrective action and implemented procedures for filing Work Industry invoices including documentation of the invoice being paid.

**NORTHWEST COMMUNITY CORRECTIONS CENTER  
WOOD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2006-001	The Facility did not use minority vendors for 15% of expenditures.	No	Reissued as finding 2008-001 in this report
2006-002	The Facilities accounting records did not lend itself to accurate financial statement presentation.	Yes	
2006-003	There was not an effective monitoring system in place for review of transactions.	Yes	
2006-004	Supporting documentation and monitoring of Center Fund transactions was not being reviewed.	Yes	
2006-005	Supporting documentation and monitoring of Resident Fund transactions was not being reviewed.	Yes	
2006-006	Supporting documentation and monitoring of Work Industry Fund transactions was not being reviewed.	No	Reissued as finding 2008-003 in this report. Corrective action was taken during FY2008.







**Mary Taylor, CPA**  
Auditor of State

**NORTHWEST COMMUNITY CORRECTION CENTER  
WOOD COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 6, 2009**