

Bloom Vernon Local School District

Scioto County

Single Audit

July 1, 2008 through June 30, 2009

Fiscal Year Audited Under GAGAS: 2009



Balestra, Harr & Scherer, CPAs, Inc.

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Mary Taylor, CPA
Auditor of State

Board of Education
Bloom-Vernon Local School District
10529 Main Street
P.O. Box 237
South Webster, Ohio 45682

We have reviewed the *Independent Auditor's Report* of the Bloom-Vernon Local School District, Scioto County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2008 through June 30, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Bloom-Vernon Local School District is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

March 9, 2010

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BLOOM VERNON LOCAL SCHOOL DISTRICT
Table of Contents

TITLE	PAGE
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	3
Basic Financial Statements:	
Government – Wide Financial Statements:	
Statement of Net Assets.....	10
Statement of Activities.....	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	12
Reconciliation of Total Governmental Fund Balances To Net Assets of Governmental Activities.....	13
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund.....	16
Statement of Fiduciary Assets and Liabilities - Agency Fund.....	17
Notes to the Basic Financial Statements.....	18
Schedule of Federal Awards Receipts and Expenditures.....	44
Notes to the Schedule of Federal Awards Receipts and Expenditures.....	45
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	46
Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	48
Schedule of Findings and Questioned Costs – OMB Circular A-133 § 505.....	50
Independent Auditor’s Report on Applying Agreed-Upon Procedures.....	52



Independent Auditor's Report

Members of the Board
Bloom Vernon Local School District
10529 Main Street
South Webster, Ohio 45682

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bloom Vernon Local School District, (the School District), Scioto County, Ohio, as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions 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 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 opinions.

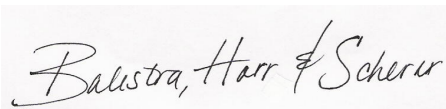
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2009, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2009 on our consideration of the School District's internal control over financial reporting and on 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.

Members of the Board
Bloom Vernon Local School District
Independent Auditor's Report
Page 2

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, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the School District's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Balestra, Harr & Scherer, CPAs, Inc.

December 30, 2009

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

As management of the Bloom Vernon Local School District, we offer the readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the additional information that we have provided in the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

- Net Assets of governmental activities decreased \$512,932. This is primarily due to current fiscal year depreciation of capital assets.
- Total assets of governmental activities decreased \$880,152. Capital Assets, Net decreased \$572,489 primarily due to current fiscal year depreciation exceeding current fiscal year additions.
- General revenues accounted for \$7,491,872. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$2,642,255. Total revenues equaled \$10,134,127.
- The School District had \$10,647,059 in expenses related to governmental activities; only \$2,642,255, of these expenses were offset by program specific charges for services and sales, grants, contributions and interest. General revenues (primarily grants, entitlements and property taxes) of \$7,491,872 were not adequate to provide for these programs.

Using the Basic Financial Statements

This report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Bloom Vernon Local School District as a financial whole, an entire operating entity.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other nonmajor funds presented in total in one column. The major funds for the Bloom Vernon Local School District are the General Fund and the Debt Service Fund.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

Reporting the School District as a Whole

One of the most important questions asked about the School District is “How did we do financially during 2009?” The Statement of Net Assets and the Statements of Activities, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These government-wide financial statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net assets and changes in those assets. The change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District’s goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major funds begins on page 7. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s major funds.

Governmental Funds – Most of the School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statements of Activities) and governmental funds is reconciled in the financial statements.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

Fiduciary Fund – The School District's only fiduciary fund is an agency fund. We exclude this activity from the School District's other financial statements because the School District cannot use these assets to finance its operations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2009 and 2008:

(Table 1)
Net Assets

	<u>Governmental Activities</u>		Increase
	<u>2009</u>	<u>2008</u>	<u>(Decrease)</u>
Assets			
Current Assets	\$3,128,978	\$3,436,641	(\$307,663)
Capital Assets, Net	17,538,042	18,110,531	(572,489)
Total Assets	<u>20,667,020</u>	<u>21,547,172</u>	<u>(880,152)</u>
Liabilities			
Other Liabilities	2,135,414	2,344,372	(208,958)
Long-Term Liabilities	1,174,044	1,332,306	(158,262)
Total Liabilities	<u>3,309,458</u>	<u>3,676,678</u>	<u>(367,220)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	16,953,042	17,435,531	(482,489)
Restricted	870,614	1,002,218	(131,604)
Unrestricted (Deficit)	(466,094)	(567,255)	101,161
Total Net Assets	<u>\$17,357,562</u>	<u>\$17,870,494</u>	<u>(\$512,932)</u>

Total Assets decreased \$880,152. This was primarily due to a decrease of \$572,489 in Capital Assets, Net. The decrease in Capital Assets, Net is due largely to depreciation for fiscal year 2009. Total liabilities decreased \$367,220. Long-term liabilities decreased \$158,262 due to the debt service payments on the General Obligation Bonds and a decrease in accrued sick leave severance payable. Other Liabilities decreased \$208,958 due mostly to a decrease in Deferred Revenue. The decrease in Deferred Revenue of \$115,328 is due mainly to an increase in delinquent taxes and an increase in the amount of taxes available for advance which are presented as an increase in Property Taxes Revenue rather than as Deferred Revenue.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

Invested in Capital Assets, Net of Related Debt for governmental activities decreased \$482,489 due to current fiscal year depreciation exceeding current fiscal year additions. Unrestricted Net Assets increased \$101,161 mainly due to less Unrestricted Net Assets being used in fiscal year 2009 to eliminate negative Net Assets related to grant programs.

Table 2 shows the highlights of the School District's revenues and expenses for fiscal years 2009 and 2008. These two main components are subtracted to yield the change in net assets. This table uses the full accrual method of accounting.

Revenue is further divided into two major components: Program Revenues and General Revenues. Program Revenues are defined as charges for services and sales, operating and capital grants, contributions, and interest. General Revenues include property taxes, unrestricted grants, such as State foundation support, unrestricted contributions and donations, interest and miscellaneous revenues.

Expenses are shown in programs that are easily identifiable utilizing the current Uniform School Accounting System (USAS) coding structure.

(Table 2)
Change in Net Assets

	<u>Governmental Activities</u>		<u>Increase</u>
	<u>2009</u>	<u>2008</u>	<u>(Decrease)</u>
Revenues			
Program Revenues:			
Charges for Services and Sales	\$977,443	\$988,661	(\$11,218)
Operating Grants, Contributions and Interest	1,642,263	1,572,223	70,040
Capital Grants and Contributions	22,549	10,723	11,826
Total Program Revenues	<u>2,642,255</u>	<u>2,571,607</u>	<u>70,648</u>
General Revenues:			
Property Taxes	1,229,298	1,181,664	47,634
Grants and Entitlements not			
Restricted to Specific Programs	6,030,942	6,114,616	(83,674)
Contributions and Donations	47	2,000	(1,953)
Interest	15,193	31,563	(16,370)
Miscellaneous	216,392	191,164	25,228
Total General Revenues	<u>7,491,872</u>	<u>7,521,007</u>	<u>(29,135)</u>
Total Revenues	<u>\$10,134,127</u>	<u>\$10,092,614</u>	<u>\$41,513</u>

(continued)

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

(Table 2)
Change in Net Assets
(continued)

	<u>Governmental Activities</u>		<u>Increase</u>
	<u>2009</u>	<u>2008</u>	<u>(Decrease)</u>
Program Expenses			
Instruction:			
Regular	\$4,160,843	\$4,659,174	(\$498,331)
Special	1,280,405	1,123,518	156,887
Vocational	17,529	418	17,111
Student Intervention Services	208,205	260,893	(52,688)
Support Services:			
Pupils	379,643	352,570	27,073
Instructional Staff	500,444	526,743	(26,299)
Board of Education	29,319	29,204	115
Administration	844,026	799,920	44,106
Fiscal	233,005	253,570	(20,565)
Business	35,870	47,238	(11,368)
Operation and Maintenance of Plant	1,264,504	1,160,895	103,609
Pupil Transportation	869,906	845,964	23,942
Central	9,580	9,407	173
Operation of Non-Instructional Services:			
Food Service Operations	551,083	524,900	26,183
Other	0	677	(677)
Extracurricular Activities	192,258	191,498	760
Intergovernmental	35,600	43,500	(7,900)
Interest and Fiscal Charges	34,839	40,805	(5,966)
Total Expenses	<u>10,647,059</u>	<u>10,870,894</u>	<u>(223,835)</u>
Change in Net Assets	(512,932)	(778,280)	265,348
Net Assets at Beginning of Year	<u>17,870,494</u>	<u>18,648,774</u>	<u>(778,280)</u>
Net Assets at End of Year	<u>\$17,357,562</u>	<u>\$17,870,494</u>	<u>(\$512,932)</u>

Governmental Activities

Program Revenues increased \$70,648 from the prior fiscal year, due to an increase in operating grants. This increase was primarily due to an increase in federal program funding.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

Instruction decreased \$377,021 from the prior fiscal year, which resulted primarily from a decrease in teachers.

The School District's Funds

Information about the School District's major funds starts on page 12. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$10,122,198 and expenditures of \$10,234,832.

The net change in fund balance for the fiscal year was most significant in the Debt Service Fund, a decrease of \$140,324. This was primarily due to the transfer of monies from the Debt Service Fund to the General Fund that were not needed to retire the 1988 Classroom Facilities General Obligation Bonds.

The net change in fund balance for the General Fund was a decrease of \$60,838, which was insignificant.

General Fund - Budget Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2009, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the General Fund's original and final budgeted amounts is listed on page 16, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

The increase in revenues from the original to the final budget was insignificant.

The increase in expenditures from the original to the final budget was primarily the result of an increase in extracurricular activities due to budgeting during the fiscal year for salaries and benefits of coaches and advisors for various extracurricular sports and academic programs.

The School District's ending actual fund balance in the General Fund was equal to the final budgeted amount.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2009, the School District had \$17,538,042 invested in capital assets (net of accumulated depreciation), for a decrease of \$572,489 from the prior fiscal year. The decrease was due to current fiscal year depreciation and deletions exceeding additions.

See Note 8 of the notes to the basic financial statements for more detailed information.

Debt

At June 30, 2009, the School District had \$585,000 in bonds outstanding, \$35,000 of which is due within one year.

See Note 13 of the notes to the basic financial statements for more detailed information.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Ty Roberts, Treasurer at Bloom Vernon Local School District, P.O. Box 237, South Webster, Ohio 45682, or email ty.roberts@bv.k12.oh.us.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Statement of Net Assets

June 30, 2009

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,594,679
Materials and Supplies Inventory	6,323
Inventory Held for Resale	4,146
Accounts Receivable	38
Intergovernmental Receivable	182,166
Prepaid Items	7,174
Property Taxes Receivable	1,334,452
Capital Assets:	
Land	269,130
Depreciable Capital Assets, Net	<u>17,268,912</u>
<i>Total Assets</i>	<u>20,667,020</u>
<u>Liabilities:</u>	
Accounts Payable	86,921
Accrued Wages and Benefits Payable	823,708
Intergovernmental Payable	214,963
Accrued Interest Payable	2,696
Matured Compensated Absences Payable	15,075
Deferred Revenue	992,051
Long-Term Liabilities:	
Due Within One Year	144,036
Due in More Than One Year	<u>1,030,008</u>
<i>Total Liabilities</i>	<u>3,309,458</u>
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	16,953,042
Restricted for Debt Service	246,477
Restricted for Capital Projects	215,246
Restricted for Other Purposes	268,892
Restricted for Set-Asides	139,999
Unrestricted (Deficit)	<u>(466,094)</u>
<i>Total Net Assets</i>	<u><u>\$17,357,562</u></u>

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2009

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Total Governmental Activities
<u>Governmental Activities:</u>					
Instruction:					
Regular	\$4,160,843	\$763,306	\$253,434	\$0	(\$3,144,103)
Special	1,280,405	1,432	899,760	0	(379,213)
Vocational	17,529	0	14,069	0	(3,460)
Student Intervention Services	208,205	0	12,124	0	(196,081)
Support Services:					
Pupils	379,643	8,619	6,438	0	(364,586)
Instructional Staff	500,444	0	86,476	0	(413,968)
Board of Education	29,319	0	0	0	(29,319)
Administration	844,026	0	0	0	(844,026)
Fiscal	233,005	0	0	0	(233,005)
Business	35,870	0	0	0	(35,870)
Operation and Maintenance of Plant	1,264,504	0	0	0	(1,264,504)
Pupil Transportation	869,906	2,289	30,615	22,549	(814,453)
Central	9,580	0	5,000	0	(4,580)
Operation of Non-Instructional Services:					
Food Service Operations	551,083	165,988	298,697	0	(86,398)
Extracurricular Activities	192,258	35,809	50	0	(156,399)
Intergovernmental	35,600	0	35,600	0	0
Interest and Fiscal Charges	34,839	0	0	0	(34,839)
<i>Total Governmental Activities</i>	<u>\$10,647,059</u>	<u>\$977,443</u>	<u>\$1,642,263</u>	<u>\$22,549</u>	<u>(8,004,804)</u>
<u>General Revenues:</u>					
Property Taxes Levied for:					
					1,074,217
					80,074
					53,383
					21,624
					6,030,942
					47
					15,193
					216,392
<i>Total General Revenues</i>					<u>7,491,872</u>
					<i>Change in Net Assets</i> (512,932)
					<u>Net Assets at Beginning of Year</u> 17,870,494
					<u>Net Assets at End of Year</u> <u>\$17,357,562</u>

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2009

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$589,884	\$226,857	\$601,639	\$1,418,380
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	176,299	0	0	176,299
Receivables:				
Accounts	0	0	38	38
Property Taxes	1,171,921	83,904	78,627	1,334,452
Intergovernmental	2,933	0	179,233	182,166
Prepaid Items	7,174	0	0	7,174
Materials and Supplies Inventory	6,323	0	0	6,323
Inventory Held for Resale	0	0	4,146	4,146
<i>Total Assets</i>	<u>\$1,954,534</u>	<u>\$310,761</u>	<u>\$863,683</u>	<u>\$3,128,978</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$78,833	\$0	\$8,088	\$86,921
Accrued Wages and Benefits Payable	581,318	0	242,390	823,708
Intergovernmental Payable	170,965	0	43,998	214,963
Matured Compensated Absences Payable	15,075	0	0	15,075
Deferred Revenue	1,051,235	74,925	70,600	1,196,760
<i>Total Liabilities</i>	<u>1,897,426</u>	<u>74,925</u>	<u>365,076</u>	<u>2,337,427</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	36,982	0	66,179	103,161
Reserved for Property Taxes	120,686	8,979	8,529	138,194
Reserved for Textbooks and Instructional Materials	57,057	0	0	57,057
Reserved for Capital Acquisitions	82,942	0	0	82,942
Reserved for Bus Purchases	33,272	0	0	33,272
Reserved for Unclaimed Monies	3,028	0	0	3,028
Unreserved, Undesignated (Deficit), Reported in:				
General Fund	(276,859)	0	0	(276,859)
Special Revenue Funds	0	0	235,526	235,526
Debt Service Fund	0	226,857	0	226,857
Capital Projects Funds	0	0	188,373	188,373
<i>Total Fund Balances</i>	<u>57,108</u>	<u>235,836</u>	<u>498,607</u>	<u>791,551</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,954,534</u>	<u>\$310,761</u>	<u>\$863,683</u>	<u>\$3,128,978</u>

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2009

Total Governmental Fund Balances \$791,551

*Amounts reported for governmental activities in the
 Statement of Net Assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	269,130	
Other capital assets	26,069,519	
Accumulated depreciation	(8,800,607)	
Total capital assets	17,538,042	17,538,042

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Delinquent property taxes	204,207	
Intergovernmental	502	
	204,709	204,709

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds payable	(585,000)	
Accrued interest on bonds	(2,696)	
Compensated absences	(589,044)	
Total liabilities	(1,176,740)	(1,176,740)

Net Assets of Governmental Activities \$17,357,562

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$1,039,654	\$77,504	\$72,647	\$1,189,805
Intergovernmental	5,729,313	12,516	1,977,239	7,719,068
Interest	13,394	0	3,541	16,935
Tuition and Fees	766,927	0	0	766,927
Extracurricular Activities	0	0	44,428	44,428
Rent	100	0	0	100
Charges for Sales and Services	0	0	165,988	165,988
Contributions and Donations	47	0	1,762	1,809
Miscellaneous	194,188	0	22,950	217,138
Total Revenues	7,743,623	90,020	2,288,555	10,122,198
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	3,422,077	0	583,502	4,005,579
Special	624,279	0	584,769	1,209,048
Vocational	15,000	0	0	15,000
Student Intervention Services	13,122	0	160,933	174,055
Support Services:				
Pupils	335,297	0	28,721	364,018
Instructional Staff	417,289	0	87,417	504,706
Board of Education	29,319	0	0	29,319
Administration	779,278	0	8,330	787,608
Fiscal	227,231	2,254	1,846	231,331
Business	27,504	0	0	27,504
Operation and Maintenance of Plant	1,046,370	0	176,732	1,223,102
Pupil Transportation	774,164	0	20,111	794,275
Central	4,277	0	5,303	9,580
Operation of Non-Instructional Services:				
Food Service Operations	10,237	0	475,958	486,195
Extracurricular Activities	126,811	0	53,476	180,287
Capital Outlay	20,558	0	11,730	32,288
Intergovernmental	35,600	0	0	35,600
Debt Service:				
Principal Retirement	0	90,000	0	90,000
Interest and Fiscal Charges	0	35,337	0	35,337
Total Expenditures	7,908,413	127,591	2,198,828	10,234,832
Excess of Revenues Over (Under) Expenditures	(164,790)	(37,571)	89,727	(112,634)
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	1,502	0	0	1,502
Transfers In	102,753	0	303	103,056
Transfers Out	(303)	(102,753)	0	(103,056)
Total Other Financing Sources (Uses)	103,952	(102,753)	303	1,502
Net Change in Fund Balances	(60,838)	(140,324)	90,030	(111,132)
Fund Balances at Beginning of Year	117,946	376,160	408,577	902,683
Fund Balances at End of Year	\$57,108	\$235,836	\$498,607	\$791,551

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balances - Total Governmental Funds (\$111,132)

*Amounts reported for governmental activities in the
 Statement of Activities are different because:*

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital assets additions	126,912	
Depreciation expense	(688,526)	
Excess of depreciation expense over capital outlay		(561,614)

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the costs of capital assets are removed from the capital assets account in the Statement of Net Assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the Statement of Activities.

Proceeds from the sale of capital assets	(1,502)	
Loss on disposal of capital assets	(9,373)	
		(10,875)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

Delinquent property taxes	39,493	
Intergovernmental	(26,818)	
Miscellaneous	(746)	
		11,929

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current fiscal year, these amounts consist of:

Bond payments		90,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The difference in the amount of interest on the Statement of Activities is the result of the following:

Decrease in accrued interest payable		498
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Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in compensated absences payable		68,262

Change in Net Assets of Governmental Activities (\$512,932)

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2009

	Budget Amounts			Variance With Final Budget Over/(Under)
	Original	Final	Actual	
<u>Revenues:</u>				
Property Taxes	\$1,170,534	\$962,387	\$962,387	\$0
Intergovernmental	5,566,663	5,721,628	5,721,628	0
Interest	13,016	13,378	13,378	0
Tuition and Fees	746,156	766,927	766,927	0
Rent	100	100	100	0
Contributions and Donations	47	47	47	0
Miscellaneous	225,398	231,677	231,677	0
<i>Total Revenues</i>	<u>7,721,914</u>	<u>7,696,144</u>	<u>7,696,144</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	3,527,779	3,501,685	3,501,685	0
Special	615,088	617,894	617,894	0
Vocational	0	15,000	15,000	0
Student Intervention Services	69,404	13,122	13,122	0
Support Services:				
Pupils	282,886	343,456	343,456	0
Instructional Staff	395,949	418,543	418,543	0
Board of Education	33,237	34,188	34,188	0
Administration	756,641	780,700	780,700	0
Fiscal	296,531	246,843	246,843	0
Business	25,595	33,954	33,954	0
Operation and Maintenance of Plant	1,138,798	1,102,757	1,102,757	0
Pupil Transportation	827,594	826,558	826,558	0
Central	0	4,277	4,277	0
Operation of Non-Instructional Services:				
Food Service Operations	0	10,202	10,202	0
Extracurricular Activities	13,625	127,213	127,213	0
Capital Outlay	14,650	20,558	20,558	0
<i>Total Expenditures</i>	<u>7,997,777</u>	<u>8,096,950</u>	<u>8,096,950</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(275,863)</u>	<u>(400,806)</u>	<u>(400,806)</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	0	1,502	1,502	0
Transfers In	0	102,753	102,753	0
Advances In	0	9,256	9,256	0
Transfers Out	0	(303)	(303)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>113,208</u>	<u>113,208</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(275,863)	(287,598)	(287,598)	0
<i>Fund Balance at Beginning of Year</i>	819,980	819,980	819,980	0
<i>Prior Year Encumbrances Appropriated</i>	<u>121,632</u>	<u>121,632</u>	<u>121,632</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$665,749</u>	<u>\$654,014</u>	<u>\$654,014</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT

Statement of Fiduciary Assets and Liabilities

Agency Fund

June 30, 2009

Assets:

Equity in Pooled Cash and Cash Equivalents \$17,529

Liabilities:

Undistributed Monies \$17,529

See accompanying notes to the basic financial statements

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Bloom Vernon Local School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The School District was established in 1968 and serves an area of approximately 84 square miles. It is located in Scioto County, and includes all of the Village of South Webster and portions of Bloom and Vernon Townships. It is staffed by 46 non-certificated employees, 74 certificated full-time teaching personnel and six administrative employees who provide services to 964 students and other community members. The School District currently operates two instructional buildings.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Bloom Vernon Local School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District participates in five organizations, two of which are defined as jointly governed organizations, one as a public entity shared risk pool, and two as insurance purchasing pools. These organizations are presented in Note 15 to the basic financial statements. These organizations are:

Jointly Governed Organizations:

South Central Ohio Computer Association
Coalition of Rural and Appalachian Schools

Public Entity Shared Risk Pool:

Scioto County Schools Council

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

(continued)

Insurance Purchasing Pools:

Ohio School Boards Association Workers' Compensation Group Rating
Plan

Ohio School Plan

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements normally distinguish between those activities that are governmental and those that are considered business-type activities. However, the School District has no business-type activities.

The Statement of Net Assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the School District fall within two categories, governmental and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term obligation principal, interest, and related costs.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has one fiduciary fund, an agency fund, used to account for student activity programs.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The government-wide financial statements and the financial statements of the fiduciary fund are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means that the resources are collectible within the current fiscal year, or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available for advance, miscellaneous reimbursements, and grants.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2010 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as final budgeted amounts reflect the amounts in the amended certificate in effect at the time the final appropriations were passed. Before fiscal year-end, the School District requested and received an amended certificate of estimated resources that reflected actual revenue for the fiscal year-end in all funds, except one, the Early Childhood Education Special Revenue Fund.

The appropriation resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year, including all supplemental appropriations. Prior to fiscal year-end, the School District passed a supplemental appropriation that reflected actual expenditures plus encumbrances for the fiscal year for the majority of accounts.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2009 amounted to \$13,394, which includes \$7,623 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. The School District had no investments as of June 30, 2009.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and purchased food held for resale.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets usually result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the fiscal year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. The School District does not possess any infrastructure. Improvements are 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.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All reported capital assets, except land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	20 - 40 years
Furniture, Fixtures and Equipment	5 - 20 years
Vehicles	4 - 10 years
Textbooks	10 years

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In general, governmental fund payables, and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current fiscal year. Bonds that will be paid from governmental funds are recognized as an expenditure and liability in the governmental fund financial statements when due.

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and are eliminated from the Statement of Activities. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent cash equivalents legally required to be set aside by the School District for textbooks and instructional materials, capital acquisitions, bus purchases, and unclaimed monies held to be reclaimed by the rightful owner. See Note 16 for additional information regarding set-asides.

Fund Balance Reserves

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, property taxes, textbooks and instructional materials, capital acquisitions, bus purchases, and unclaimed monies.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. Monies not held for the five-year period are presented as reserved.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for food service operations and music and athletic programs, and federal and State grants restricted to expenditures for specified purposes.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Estimates

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

NOTE 3 - ACCOUNTABILITY

The Food Service Special Revenue Fund had a deficit fund balance of \$7,098 as of June 30, 2009. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (continued)

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$60,838)
Adjustments:	
Revenue Accruals	(47,463)
Expenditure Accruals	(76,443)
Encumbrances	(112,094)
Advances	9,256
Unrecorded Cash - FY 09	(75)
Unrecorded Cash - FY 08	59
Budget Basis	<u><u>(\$287,598)</u></u>

NOTE 5 - DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State statute into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the School District treasury. Active monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District's fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2009 represents collections of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed value listed as of January 1, 2008, the lien date.

Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2009 represents collections of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien December 31, 2007, were levied after April 1, 2008, and are collected in calendar year 2009 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2009 (other than public utility property tax) represents the collection of calendar year 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Scioto County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2009, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 6 - PROPERTY TAXES (continued)

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified basis, the revenue is deferred.

The amount available as an advance at June 30, 2009, was \$120,686 in the General Fund, \$8,979 in the Debt Service Fund, and \$8,529 in Other Governmental Funds. The amount available as an advance at June 30, 2008, was \$43,419 in the General Fund, \$3,252 in the Debt Service Fund, and \$2,978 in Other Governmental Funds.

The assessed values upon which fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$43,045,400	76.95%	\$43,242,490	78.83%
Public Utility Personal	12,680,750	22.67%	11,497,740	20.96%
General Business Personal	215,530	0.38%	116,240	0.21%
Total Assessed Value	<u>\$55,941,680</u>	<u>100.00%</u>	<u>\$54,856,470</u>	<u>100.00%</u>

Tax rate per \$1,000 of assessed valuation	\$28.67	\$23.30
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NOTE 7 - RECEIVABLES

Receivables at June 30, 2009, consisted of accounts, property taxes, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivable amounts are expected to be received within one year except for property taxes. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amounts</u>
Title I	\$59,542
Title II-A	12,025
Title II-D	502
Food Service	403
Title VI-B, Special Education IDEA B	31,660
Title VI-B, Rural	3,645
Early Childhood Education	71,456
Excess Costs Reimbursement	2,933
Total Intergovernmental Receivables	<u>\$182,166</u>

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 8 - CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2009, was as follows:

	Balance at 6/30/08	Additions	Deductions	Balance at 6/30/09
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$269,130	\$0	\$0	\$269,130
Capital Assets Being Depreciated:				
Land Improvements	718,130	0	0	718,130
Buildings and Improvements	22,967,623	16,840	(277,730)	22,706,733
Furniture, Fixtures and Equipment	1,559,522	110,072	(109,853)	1,559,741
Vehicles	1,059,838	0	(79,220)	980,618
Textbooks	104,297	0	0	104,297
Total Capital Assets				
Being Depreciated	26,409,410	126,912	(466,803)	26,069,519
Less Accumulated Depreciation:				
Land Improvements	(122,228)	(25,977)	0	(148,205)
Buildings and Improvements	(6,412,722)	(562,276)	271,050	(6,703,948)
Furniture, Fixtures and Equipment	(1,044,797)	(89,092)	105,658	(1,028,231)
Vehicles	(890,186)	(10,496)	79,220	(821,462)
Textbooks	(98,076)	(685)	0	(98,761)
Total Accumulated Depreciation	(8,568,009)	(688,526) *	455,928	(8,800,607)
Total Capital Assets Being Depreciated, Net	17,841,401	(561,614)	(10,875)	17,268,912
Governmental Activities Capital Assets, Net	\$18,110,531	(\$561,614)	(\$10,875)	\$17,538,042

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 8 - CAPITAL ASSETS (continued)

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$218,922
Special	69,526
Vocational	418
Student Intervention Services	32,000
Support Services:	
Pupils	22,907
Instructional Staff	73,487
Administration	42,164
Fiscal	16,118
Business	8,366
Operation and Maintenance of Plant	49,588
Pupil Transportation	74,032
Operation of Non-Instructional Services:	
Food Service Operations	62,979
Extracurricular Activities	18,019
Total Depreciation Expense	<u><u>\$688,526</u></u>

NOTE 9 - RISK MANAGEMENT

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the School District participated in the Ohio School Plan (OSP), an insurance purchasing pool. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The School District pays this annual premium to the OSP (See Note 15). The types and amounts of coverage follow:

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 9 - RISK MANAGEMENT (continued)

Building and Contents (includes equipment breakdown) at replacement cost (\$1,000 deductible)	\$30,978,280
Inland Marine Coverage (\$1,000 deductible)	600,000
Flood-Occurrence Limit-Annual Aggregate (\$25,000 deductible)	1,000,000
Earthquake-Occurrence Limit-Annual Aggregate (\$25,000 deductible)	1,000,000
Automobile Liability:	
Liability	2,000,000
Auto Medical Payments	5,000
Uninsured Motorists	1,000,000
General Liability:	
Bodily Injury and Property Damage - Each Occurrence and Sexual Abuse Injury - Each Offense	2,000,000
Personal and Advertising Injury - Each Offense	1,000,000
Loss of Electronic Data Limit - Each Incident	50,000
Fire Damage - Any One Event	500,000
Medical Expense - Any One Person	15,000
Medical Expense - Any One Accident	15,000
General Aggregate	4,000,000
Products - Completed Operations Aggregate	1,000,000
Employee Benefits Liability - Claims Made:	
Employee Benefits Injury - Each Offense	2,000,000
Employee Benefits Injury - Aggregate	4,000,000
Employer's Liability - Stop Gap Coverage - State (Ohio):	
Bodily Injury by Accident - Each Accident	1,000,000
Bodily Injury by Disease - Endorsement	1,000,000
Bodily Injury by Disease - Each Employee	1,000,000
Educational Legal Liability - Claims Made (\$10,000 deductible):	
Errors and Omissions Injury - Each Wrongful Act	2,000,000
Errors and Omissions Injury - Aggregate	4,000,000
Employment Practices Injury - Each Wrongful Act	2,000,000
Employment Practices Injury Aggregate	4,000,000
Declaratory, Equitable and Injunctive Relief Defense Aggregate (\$2,500 deductible)	100,000

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 9 - RISK MANAGEMENT (continued)

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant change in insurance coverage from last fiscal year.

Employee Medical and Dental Benefits

The School District is a member of the Scioto County Schools Council, a public entity shared risk pool (Note 15), offering employee medical and dental insurance to employees of participating school districts within the county. Monthly premiums are paid to the South Central Ohio Educational Service Center as fiscal agent, who in turn pays the claims on the School District's behalf. The Council is responsible for the management and operations of the program. Upon termination from the Council, for any reason, the School District shall have no obligation under the plan beyond paying the difference between the claims incurred (even though later filed) and expenses of the plan due up to the date of termination plus extended benefits, if any, provided under the plan.

Workers' Compensation

For fiscal year 2009, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 15). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP. Each fiscal year, the School District pays an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

Plan Description – The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by 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 writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District’s required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008, and 2007 were \$106,736, \$102,008, and \$113,850, respectively; 45.69 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

State Teachers Retirement System of Ohio

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member’s lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. 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. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. 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. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$548,182, \$561,082, and \$513,181, respectively; 80.99 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$10,070 made by the School District and \$15,669 made by the plan members.

NOTE 11 - POSTEMPLOYMENT BENEFITS

School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 11 - POSTEMPLOYMENT BENEFITS (continued)

The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$67,070, \$69,234, and \$60,080, respectively; 45.69 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$8,807, \$7,350, and \$7,742, respectively; 45.69 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

State Teachers Retirement System of Ohio

Plan Description – The School District contributes to the cost-sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$42,168, \$43,160, and \$39,475, respectively; 80.99 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated contracts and State laws. Eligible classified employees and administrators earn 10 to 20 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 215 days for all personnel. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum payment of 50 days.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 12 - EMPLOYEE BENEFITS (continued)

Insurance Benefits

The School District provides health care and dental coverage for its employees through the Scioto County Schools Council, vision coverage through Vision Service Plan, and life insurance through SunLife.

Deferred Compensation

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 13 - LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2009 were as follows:

	Amount Outstanding 6/30/08	Additions	Deductions	Amount Outstanding 6/30/09	Amounts Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds:					
1988 Classroom Facilities General Obligation Bonds - 6.90%	\$55,000	\$0	\$55,000	\$0	\$0
1998 School Improvement Bonds - 6.25%	620,000	0	35,000	585,000	35,000
Total General Obligation Bonds	675,000	0	90,000	585,000	35,000
Other Long-Term Obligations:					
Compensated Absences	657,306	56,982	125,244	589,044	109,036
Total Governmental Activities Long-Term Obligations	<u>\$1,332,306</u>	<u>\$56,982</u>	<u>\$215,244</u>	<u>\$1,174,044</u>	<u>\$144,036</u>

Classroom Facilities General Obligation Bonds - On November 5, 1988, Bloom Vernon Local School District issued \$1,180,000 in voted general obligation bonds for the purpose of building an addition to the primary school and for the construction of a new high school building. The bonds were issued for a 20 year period with final maturity at December 1, 2008. The bonds were retired from the Debt Service Fund.

School Improvement Bonds - On December 1, 1998, Bloom Vernon Local School District issued \$865,100 in voted general obligation bonds for the construction of a new elementary school and for an addition to the high school building. The bonds were issued for a 23 year period with final maturity at December 31, 2020. The bonds will be retired from the Debt Service Fund.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 13 - LONG-TERM OBLIGATIONS (continued)

Compensated absences will be paid from the General Fund and the Food Service, Early Childhood Education, Poverty Based Assistance, Title VI-B, Title I, and Title II-A Special Revenue Funds.

The School District's overall legal debt margin was \$4,562,701 with an unvoted debt margin of \$54,576 at June 30, 2009.

Principal and interest requirements to retire the general obligation debt at June 30, 2009, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	\$35,000	\$31,335	\$66,335
2011	40,000	29,170	69,170
2012	40,000	26,880	66,880
2013	40,000	24,600	64,600
2014	45,000	22,178	67,178
2015-2019	260,000	69,532	329,532
2020-2021	125,000	6,630	131,630
Total	<u>\$585,000</u>	<u>\$210,325</u>	<u>\$795,325</u>

NOTE 14 - INTERFUND ACTIVITY

Interfund Transfers

Transfers made during the fiscal year ended June 30, 2009, were as follows:

		Transfers From		
		General	Debt Service	Total All Funds
Transfers To	General	\$0	\$102,753	\$102,753
	Other			
	Governmental			
	Funds	303	0	303
	Total All Funds	<u>\$303</u>	<u>\$102,753</u>	<u>\$103,056</u>

Transfers are made to move unrestricted balances to support programs and projects accounted for in other funds. A transfer from the Debt Service Fund to the General Fund was made to move monies that remained after the retirement of the 1988 Classroom Facilities General Obligation Bonds.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS, PUBLIC ENTITY SHARED RISK POOL, AND INSURANCE PURCHASING POOLS

Jointly Governed Organizations

South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA) which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Adams, Brown, Highland, Lawrence, Pike, Ross, Jackson, Vinton, and Scioto Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, and one representative from the fiscal agent. The School District paid SCOCA \$16,080 for membership services provided during the fiscal year. Financial information can be obtained from the fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper, who serves as Treasurer, at P.O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over 100 school districts in southeastern Ohio. The Coalition is operated by a Board which is composed of 14 members. The Board members are composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for School District administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for School District personnel. The Coalition is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Coalition. The School District paid \$300 to the Coalition for services provided during the fiscal year. To obtain financial information, write to Carole Gilkey at Ohio University, 010 Chubb Hall, Athens, Ohio 45701.

Public Entity Shared Risk Pool

Scioto County Schools Council

The School District is a member of the Scioto County Schools Council (the “Council”), a public entity shared risk pool. Several Scioto County school districts have entered into an agreement with the South Central Ohio Educational Service Center to form the Scioto County Schools Council. The overall objectives of the Council are to formulate and administer programs of health and dental insurance for the benefit of the Council members’ employees and their dependents, to obtain lower costs for health and dental coverage, and to secure cost control by implementing a program of comprehensive loss control. The Council’s business and affairs are managed by a Board of Directors, consisting of the superintendents from each of the participating school districts.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS, PUBLIC ENTITY SHARED RISK POOL, AND INSURANCE PURCHASING POOLS (continued)

The School District pays premiums based on what the Council estimates will cover the costs of all claims for which the Council is obligated. If the School District's claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the School District's claims are low, it will not receive a refund. The Council views its activities in the aggregate, rather than on an individual entity basis. To obtain financial information, write to the fiscal agent, South Central Ohio Educational Service Center, 411 Court Street, Portsmouth, Ohio 45662.

Insurance Purchasing Pools

Ohio School Boards Association Workers' Compensation Group Rating Plan

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

Ohio School Plan

The School District participates in the Ohio School Plan (OSP), an insurance purchasing pool. The OSP is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the OSP to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a 13 member Board of Directors consisting of school district superintendents and treasurers. The OSP has an agreement with Hylant Administrative Services, LLC to provide underwriting, claims management, risk management, accounting, system support services, sales and marketing for the OSP. Hylant Administrative Services, LLC also coordinates reinsurance brokerage services for the OSP.

BLOOM VERNON LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 16 - SET-ASIDE CALCULATIONS

The School District is required by State statute to annually set aside in the General Fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by fiscal year-end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end and carried forward to be used for the same purposes in future fiscal years. The following cash basis information describes the change in the fiscal year-end set-aside amounts for textbooks and instructional materials and for capital acquisitions. Disclosure of this information is required by State statute.

	Textbooks and Instructional Materials	Capital Acquisitions
Set-aside Reserve Balance as of June 30, 2008	\$14,353	\$84,734
Current Fiscal Year Set-aside Requirement	135,608	135,608
Current Fiscal Year Offsets	0	(117,301)
Qualifying Disbursements	(92,904)	(20,099)
Totals	<u>\$57,057</u>	<u>\$82,942</u>
Set-aside Reserve Balance as of June 30, 2009	<u><u>\$57,057</u></u>	<u><u>\$82,942</u></u>

NOTE 17 - CONTINGENCIES

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2009.

Litigation

The School District is not party to any legal proceedings.

Bloom-Vernon Local School District
Scioto County

Schedule of Federal Awards Receipts and Expenditures
For the Year Ended June 30, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
United States Department of Agriculture						
<i>Passed through Ohio Department of Education</i>						
<i>Nutrition Cluster:</i>						
School Breakfast Program	05PU	10.553	\$ 81,441	\$ -	\$ 81,441	\$ -
National School Lunch Program	LLP4	10.555	164,987	42,647	164,987	42,647
Total United States Department of Agriculture			246,428	42,647	246,428	42,647
United States Department of Education						
<i>Passed through Ohio Department of Education</i>						
Title I Grants to Local Educational Agencies	C1S1	84.010	386,352	-	382,487	-
Special Education - Grants to States	6BSF	84.027	198,916	-	203,080	-
Safe & Drug-Free Schools and Communities - State Grants	DRS1	84.186	9,677	-	4,872	-
State Grants for Innovative Programs	C2S1	84.298	807	-	807	-
Education Technology State Grants	TJS1	84.318	3,526	-	3,024	-
Rural Education	RUS1	84.358	27,215	-	22,734	-
Improving Teacher Quality State Grants	TRS1	84.367	93,094	-	87,464	-
Total United States Department of Education			719,587	-	704,468	-
<i>Passed Through Job and Family Services:</i>						
Temporary Assistance for Needy Families		93.558	21,717	-	21,717	-
Total Federal Financial Assistance			\$ 987,732	\$ 42,647	\$ 972,613	\$ 42,647

See accompanying notes to the Schedule of Federal Awards Receipts and Expenditures

BLOOM VERNON LOCAL SCHOOL DISTRICT
Notes to Schedule of Federal Awards Receipts and Expenditures
For the Fiscal Year Ended June 30, 2009

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – FOOD DISTRIBUTIONS

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the entitlement value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.



**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards***

Bloom Vernon Local School District
10529 Main Street
South Webster, Ohio 45682

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bloom Vernon Local School District, (the School District) Scioto County, as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 30, 2009. 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 Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in 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 District'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 District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

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

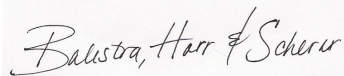
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies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

Compliance and Other Matters

As part of reasonably assuring whether the School District'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 reported under *Government Auditing Standards*.

We noted certain noncompliance that we reported to the School District's management in a separate letter dated December 30, 2009.

We intend this report solely for the information and use of the Board of Education, management, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.

December 30, 2009



Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Bloom Vernon Local School District
10529 Main Street
South Webster, Ohio 45682

Compliance

We have audited the compliance of the Bloom Vernon School District, (the School District), Scioto County, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School District's compliance with those requirements.

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The School District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

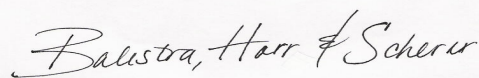
Internal Control Over Compliance (Continued)

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that School District's internal control will not prevented or detected material noncompliance with a federal program's compliance requirements.

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

We intend this report solely for the information and use of the management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.

December 30, 2009

Bloom Vernon Local School District
 Schedule of Findings and Questioned Costs
 OMB Circular A-133 Section .505
 For the Fiscal Year Ended June 30, 2009

SUMMARY OF AUDITOR'S RESULTS

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

Bloom Vernon Local School District
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2009

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

None

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



Independent Auditor's Report on Applying Agreed-Upon Procedures

Bloom Vernon Local School District
Scioto County
10529 Main Street
South Webster, Ohio 45682

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

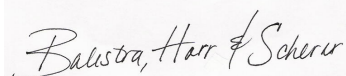
Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Bloom Vernon Local School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on December 17, 2007.
2. We read the policy, noting it included the following requirements from the Ohio Rev. Code Section 3313.666(B)
 - 1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - 2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.66;
 - 3) A procedure for reporting prohibited incidents;
 - 4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - 5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
 - 6) A procedure for documenting any prohibited incident that is reported;

- 7) A procedure for responding to and investigating any reported incident;
- 8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- 9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- 10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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



Balestra, Harr & Scherer, CPAs, Inc.

December 30, 2009



Mary Taylor, CPA
Auditor of State

BLOOM-VERNON LOCAL SCHOOL DISTRICT
SCIOTO COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MARCH 23, 2010