GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO

SINGLE AUDIT

JULY 1, 2009 THROUGH JUNE 30, 2010
FISCAL YEAR AUDITED UNDER GAGAS: 2010

Dave Yost • Auditor of State

Board of Directors
Groveport Community School
4485 S. Hamilton Road
Groveport, Ohio 43125

We have reviewed the *Independent Auditor's Report* of the Groveport Community School, Franklin County, prepared by Gueye & Associates, CPA, for the audit period July 1, 2009 through June 30, 2010. 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 Groveport Community School is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

March 2, 2011

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GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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INDEPENDENT AUDITOR'S REPORT

Groveport Community School
4485 S. Hamilton Rd
Groveport, Ohio 43125

To the Board of Director:

We have audited the accompanying financial statements of the Groveport Community School, Franklin County, Ohio (the School) as of and for the year ended June 30, 2010, which collectively comprise the School's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School'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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 Groveport Community School, as of June 30, 2010, and the respective changes in financial position, and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The School is experiencing financial difficulties. Those difficulties and management plans are discussed in Note 15 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2010, on our consideration of the School'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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (MD&A) is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standard Board. 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Groveport Community School's financial statements as a whole. The accompanying schedule of receipts and expenditures of federal awards 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 also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.

As described in Note 3, the School has implemented Governmental Accounting Standards Board (GASB) , GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

Gueye & Associates, CPA

December 31, 2010

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

The discussion and analysis of the Groveport Community School's (the "School") financial performance provides an overall review of the School's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- In total, net assets were a deficit of $209,128 at June 30, 2010.

- The School had operating revenues of $6,478,597, operating expenses of $7,865,688 and non-operating revenues and expenses of $1,427,046 and $24,635, respectively, for fiscal year 2010. Total change in net assets was an increase of $15,320.

Using these Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School's financial activities. The s*tatement of net assets* and s*tatement of revenues, expenses and changes in net assets* provide information about the activities of the School, including all short-term and long-term financial resources and obligations.

Reporting the School's Financial Activities

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

These documents look at all financial transactions and ask the question, "How did we do financially during 2010?" The statement of net assets and the statement of revenues, expenses and changes in net assets answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the School as a whole, the *financial position* of the School has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 7 and 8 of this report.

The statement of cash flows provides information about how the School finances and meets the cash flow needs of its operations. The statement of cash flows can be found on page 9 of this report.

The table below provides a summary of the School's net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

Net Assets

	2010	2009
Assets		
Current assets	$ 14,974	$ 60,453
Capital assets, net	10,272	16,770
Total assets	25,246	77,223
Liabilities		
Current liabilities	20,386	52,318
Long-term liabilities	213,988	249,353
Total liabilities	234,374	301,671
Net Assets		
Invested in capital assets	10,272	16,770
Unrestricted (deficit)	(219,400)	(241,218)
Total net assets (deficit)	$ (209,128)	$ (224,448)

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2010, the School's net assets totaled a deficit of $209,128.

Current assets represent cash and intergovernmental receivables. Current liabilities represent the amounts due at fiscal year-end for professional services provided. Also included in current liabilities at June 30, 2010 is an intergovernmental payable in the amount of $16,458 due to the Ohio Department of Education (see Note 14.B for detail), The $213,988 long-term liability represents the amount due to the Imagine Schools, Inc. at fiscal year-end for the Development Allocation fee (see Note 6 for detail). The School made additional principal payments of $30,000 on the Development Allocation fee during fiscal year 2010, which contributed to the $15,320 decrease in net deficit assets.

At fiscal year-end, capital assets represented 40.69% of total assets. Capital assets consist of equipment. There is no debt related to these capital assets. Capital assets are used to provide services to the students and are not available for future spending.

The table below shows the changes in net assets for fiscal years 2010 and 2009. Operating lease payments that were reported in purchased services for fiscal year 2009 have been reported separately in the table below to conform to fiscal year 2010 presentation.

Change in Net Assets

	2010	2009
Operating Revenues:		
Sales	$ 51,828	$ 22,966
State foundation	6,426,769	6,172,538
Total operating revenue	6,478,597	6,195,504
Operating Expenses:		
Purchased services	6,373,175	5,652,824
Operating lease payments	1,473,755	1,118,237
Other	12,260	13,443
Depreciation	6,498	6,498
Total operating expenses	7,865,688	6,791,002
Non-operating Revenues (Expenses):		
Federal and state grants	1,427,046	597,013
Interest expense	(24,635)	(4,353)
Total non-operating revenues	1,402,411	592,660
Change in net assets	15,320	(2,838)
Net assets (deficit) at beginning of year	(224,448)	(221,610)
Net assets (deficit) at end of year	$ (209,128)	$ (224,448)

Sales, state foundation revenue, federal and state grants, and purchased services have increased during fiscal year 2010 as a result of increased enrollment. Enrollment increased from 735 students in fiscal year 2009 to 1,013 students in fiscal year 2010. The School received Federal grant monies through the American Recovery and Reinvestment Act which resulted in a significant increase in Federal and State grant revenue during fiscal year 2010.

Capital Assets

At June 30, 2010, the School had $10,272 invested in equipment. See Note 5 to the basic financial statements for detail on capital assets.

Debt

At June 30, 2010, the School had $213,988 in a related party contract payable which is reported as a long-term liability. See Note 6 to the basic financial statements for more detail.

Restrictions and Other Limitations

The future stability of the School is not without challenges. The School does not receive any funds from taxes. The primary source of funding is the state foundation program. An economic slowdown in the state could result in budgetary cuts to education, which would have a negative impact on the School.

Current Financial Related Activities

The School is sponsored by St. Aloysius Orphanage. The School is reliant upon State Foundation monies and Federal Sub-Grants to offer quality, educational services to students.

In order to continually provide learning opportunities to the School's students, the School will apply resources to best meet the needs of its students. It is the intent of the School to apply for other State and Federal funds that are made available to finance its operations.

Contacting the School's Financial Management

This financial report is designed to provide our clients and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Robert Lotz, Treasurer, Charter School Specialists, 4485 S. Hamilton Rd., Groveport, Ohio 43125.

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO
STATEMENT OF NET ASSETS
JUNE 30, 2010

Assets:	
Current assets:	
Cash.	$ 14,974
Total current assets	14,974
Non-current assets:	
Depreciable capital assets, net	10,272
Total assets.	25,246
Liabilities:	
Current liabilities:	
Accounts payable.	3,928
Intergovernmental payable	16,458
Total current liabilities	20,386
Long-term liabilities:	
Due within one year	6,750
Due in more than one year	207,238
Total long-term liabilities	213,988
Total liabilities	234,374
Net assets:	
Invested in capital assets	10,272
Unrestricted (deficit).	(219,400)
Total net assets	$ (209,128)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Operating revenues:	
Sales.	$ 51,828
State foundation	6,426,769
Total operating revenues	6,478,597
Operating expenses:	
Purchased services	6,373,175
Operating lease payments.	1,473,755
Other	12,260
Depreciation	6,498
Total operating expenses	7,865,688
Operating loss	(1,387,091)
Non-operating revenues(expenses):	
Federal and state grants	1,427,046
Interest and fiscal charges.	(24,635)
Total non-operating revenues (expenses). . . .	1,402,411
Change in net assets	15,320
Net assets (deficit) at beginning of year . . .	(224,448)
Net assets (deficit) at end of year.	$ (209,128)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Cash flows from operating activities:		
Cash received from sales.	$	51,828
Cash received from state foundation.		6,443,227
Cash payments for purchased services.		(6,421,565)
Cash payments for operating lease.		(1,473,755)
Cash payments for other expenses		(12,260)
Net cash used in operating activities		(1,412,525)
Cash flows from noncapital financing activities:		
Cash received from federal and state grants		1,473,300
Net cash provided by noncapital financing activities.		1,473,300
Cash flows from capital and related financing activities:		
Principal retirement		(35,365)
Interest expense		(24,635)
Net cash used in capital and related financing activities.		(60,000)
Net increase in cash		775
Cash at beginning of year		14,199
Cash at end of year.	$	14,974
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss.	$	(1,387,091)
Adjustments:		
Depreciation		6,498
Changes in assets and liabilities:		
Decrease in accounts payable.		(48,390)
Increase in intergovernmental payable		16,458
Net cash used in operating activities	$	(1,412,525)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE SCHOOL

The Groveport Community School (the "School") is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702. The School specializes in providing educational services to establish a new start-up school in Groveport City School District addressing the needs of students in grades K-8. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School.

The School was approved under contract with the St. Aloysius Orphanage (the "Sponsor") commencing on March 15, 2006 and ending on June 30, 2010. On June 23, 2010 the contract was renewed commencing on July 1, 2010 and ending on June 30, 2011. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration.

The School operates under the direction of a five-member Board of Directors who are not owners or employees, or relatives of owners or employees, of any for-profit company that operates or manages the School. The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards and qualification of teachers. The Board controls the School's intructional/support facility staffed by employees of the management company who provide services to 1,013 students.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (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 also applies Financial Accounting Standards Board (FASB) guidance issued prior to November 30, 1989, provided those pronouncements do not conflict with or contradict GASB pronouncements. The School has elected not to apply FASB Statements and Interpretations issued after November 30, 1989. The School's significant accounting policies are described below.

A. Basis of Presentation

The School's basic financial statements consist of a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows.

The School uses a single enterprise presentation. Enterprise reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows.

B. Measurement Focus

Enterprise activity is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the School are included on the statement of net assets. The statement of revenues, expenses and changes in net assets presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets. The statement of cash flows reflects how the School finances meet its cash flow needs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Basis of Accounting

Basis of accounting determines when transactions are recognized in the financial records and reported on the financial statements. The School's financial statements are prepared using the accrual basis of accounting. 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. Revenue resulting from non-exchange transactions, in which the School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the period in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the period when the resources are required to be used or the period when use is first permitted, matching requirements, in which the School must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Expenses are recognized at the time they are incurred.

D. Budgetary Process

Unlike other public schools located in the State of Ohio, the School is not required to follow budgetary provisions set forth in Ohio Revised Code Section 5705, unless specifically provided in the contract between the School and its sponsor. The contract between the School and its Sponsor prescribes an annual budget requirement in addition to preparing a five-year forecast which is updated on an annual basis. Each year, on or before June 30, a revised budget shall be submitted to the Sponsor.

E. Cash

Cash received by the School is reflected as "cash" on the statement of net assets. Unless otherwise noted, all monies received by the School are pooled and deposited in a central bank account as demand deposits. The School did not have any investments during fiscal year 2010.

F. Capital Assets

Capital assets are capitalized at cost or estimated historical cost and updated for additions and deletions during the year. The School's capitalization threshold was established at $5,000 through May 26, 2009. Assets purchased on or after May 27, 2009 with a value over $1,000 will be capitalized. The School does not have any infrastructure. 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.

All capital assets are depreciated. Depreciation is computed using the straight-line method. Computer equipment is depreciated over three years and other equipment is depreciated over five years.

G. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist 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 or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

H. Intergovernmental Revenues

The School currently participates in the State Foundation Program, Special Education Program, and the Parity Aid Program. Revenue received from these programs is recognized as operating revenues. Amounts awarded under these programs for the 2010 school year totaled $6,426,769.

Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility includes timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Federal and State grant revenue received during fiscal year 2010 was $1,427,046.

I. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the School. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the School. All revenues and expenses not meeting this definition are reported as non-operating.

J. Accrued Liabilities and Long-Term Obligations

All payables and other accrued liabilities are reported on the statement of net assets.

K. Estimates

The preparation of financial statements in conformity with GAAP 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 AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2010, the School has implemented GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 51 addresses accounting and financial reporting standards for intangible assets, which are assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, water rights, computer software, patents, and trademarks. GASB Statement No. 51 improves the quality of financial reporting by creating consistency in the recognition, initial measurement, and amortization of intangible assets. The implementation of GASB Statement No. 51 did not have an effect on the financial statements of the School.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are financial arrangements used by governments to manage specific risks or to make investments. Common types of derivative instruments include interest rate and commodity swaps, interest rate locks, options, swaptions, forward contracts, and futures contracts. The implementation of GASB Statement No. 53 did not have an effect on the financial statements of the School.

GASB Statement No. 58 establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. GASB Statement No. 58 requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. The implementation of GASB Statement No. 58 did not have an effect on the financial statements of the School.

NOTE 4 - DEPOSITS

Custodial credit risk is the risk that, in the event of bank failure, the School's deposits may not be returned. The School does not have a deposit policy for custodial credit risk. At June 30, 2010, the carrying amount of the School's deposits and the bank balance was $14,974. The entire bank balance was covered by the Federal Deposit Insurance Corporation (FDIC). There are no significant statutory restrictions regarding the deposit and investment of funds by the non-profit corporation.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for fiscal year 2010 was as follows:

	Balance June 30, 2009	Additions	Disposals	Balance June 30, 2010
Furniture and equipment	$ 33,015	$ -	$ -	$ 33,015
Less: accumulated depreciation	(16,245)	(6,498)	-	(22,743)
Capital assets, net	$ 16,770	$ (6,498)	$ -	$ 10,272

NOTE 6 - LONG-TERM LIABILITIES

On May 1, 2009, Imagine Schools, Inc. amended the operating agreement with the School. The purpose of this amendment was to amend the $250,000 Development Allocation fee for the performance of development services by Imagine Schools, Inc. and replace it with a $2,500 per month Development Allocation fee commencing March 1, 2009 continuing for a period of 240 months at an interest rate of 10.50%. At any time during the contract the School may elect to prepay the balance of the Development Allocation fee.

NOTE 6 - LONG-TERM LIABILITIES - (Continued)

The School made $35,365 and $24,635 in principal and interest payments, respectively, on the balance of the Development Allocation fee during 2010. A long-term liability has been reported on the basic financial statements. A summary of the Development Allocation fee liability during fiscal year 2010 follows:

	Balance June 30, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
Development Allocation Fee	$ 249,353	$ -	$ (35,365)	$ 213,988	$ 6,750

The following is a summary of the future debt requirements to maturity for the Development Allocation fee:

Fiscal Year Ending,	Principal	Interest	Total
2011	$ 6,750	$ 23,250	$ 30,000
2012	8,648	21,352	30,000
2013	9,601	20,399	30,000
2014	10,660	19,340	30,000
2015	11,834	18,166	30,000
2016 - 2020	81,858	68,143	150,001
2021 - 2024	84,637	16,168	100,805
Total	$ 213,988	$ 186,818	$ 400,806

NOTE 7 - PENSION PLANS

The School has contracted with Imagine Schools, Inc. to provide employee services and to pay those employees (see Note 11.B). However, these contract services do not relieve the School of the obligation for remitting pension contributions. The retirement systems consider the School as the Employer-of-Record and the School ultimately responsible for remitting retirement contributions to the systems noted below:

A. School Employees Retirement System

Plan Description - Imagine Schools, Inc., on behalf of the School, contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability, survivor 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. It is also posted on the SERS' Ohio website, www.ohsers.org, under *Employers/Audit Resources*.

NOTE 7 - PENSION PLANS - (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2010, 12.78 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's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were $42,596, $22,628 and $22,802, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

B. State Teachers Retirement System

Plan Description - Imagine Schools Inc., on behalf of the School, 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 St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site 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 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.

Funding Policy - For fiscal year 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School 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.

NOTE 7 - PENSION PLANS - (Continued)

The School's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009 and 2008 were $285,675, $229,242 and $75,950, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were $21,016 made by the School and $15,011 made by the plan members.

NOTE 8 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - Imagine Schools, Inc., on behalf of the School, participates in two cost-sharing, multiple employer postemployment benefit 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, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Chapter 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium.

The Medicare Part B premium for calendar year 2009 was $96.40 and SERS' reimbursement to retirees was $45.50. Benefit provisions and the obligations to contribute are established by the System 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 St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under *Employers/Audit Resources*.

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 105(e). For 2010, 0.46 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statues provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2010, the actuarially determined amount was $35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

NOTE 8 - POSTEMPLOYMENT BENEFITS - (Continued)

The School's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were $1,533, $10,355 and $10,405, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2010, this actuarially required allocation was 0.76 percent of covered payroll. The School's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were $2,533, $1,867 and $1,643, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

B. State Teachers Retirement System of Ohio

Plan Description - Imagine Schools, Inc., on behalf of the School, contributes to the cost sharing, multiple employer defined benefit Health Plan (the "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 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund.

The School's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were $21,975, $17,634 and $5,842, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

NOTE 9 - RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2010, the School maintained the following coverage: general liability, automobile liability, excess/umbrella liability, and crime liability through Philadelphia Indemnity Insurance Co.; and workers compensation and employers' liability through the Insurance Co. of the State of Pennsylvania.

Coverage	Limits of Coverage
General liability:	
Each occurrence	$ 1,000,000
General aggregate	3,000,000
Medical expenses	10,000
Personal & advertising injury	1,000,000
Damages to rented premises, per occurrence	100,000
Products - aggregate	3,000,000
Automobile liability:	
Combined single limit - each accident	1,000,000
Excess/umbrella liability:	
Each occurrence	15,000,000
Aggregate	15,000,000
Retention	10,000
Workers' compensation and employers' liability:	
Each accident	1,000,000
Disease - each employee	1,000,000
Disease - policy limit	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in coverage.

NOTE 10 - PURCHASED SERVICES

For fiscal year 2010, purchased services expenses were as follows:

Purchased services expenses:	
Management fees	$ 6,113,639
Sponsorship fees	193,279
Legal	27,899
Professional and fiscal services	38,219
Total	$ 6,373,036

NOTE 11 - CONTRACTS

A. Sponsor Contract

The School entered into a contract commencing on March 15, 2006 and continuing through June 30, 2010 with St. Aloysius Orphanage (the "Sponsor") for its establishment. On June 23, 2010 the contract was renewed commencing on July 1, 2010 and ending on June 30, 2011. The Sponsor shall carry out the responsibilities established by law, including:

- Monitor the School's compliance with the Contract with the Sponsor and the laws applicable to the School.
- Monitor and evaluate the academic, fiscal, and organizational performance of the School on at least an annual basis, and evaluate the academics of the School for a period of at least three school years and provide the results of students enrolled at the School.
- Provide reasonable technical assistance to the School.
- As permitted by law, intervene in the School's operation to correct problems in the School's overall performance, declare the School to be on probationary status pursuant to Ohio Revised Code Section 3314.073, suspend operation of the School pursuant to Ohio Revised Code Section 3314.072, or terminate or non renew this contract pursuant to Oho Revised Code Section 3314.07, as determined necessary by the Sponsor.
- Establish and/or require a plan of action to be undertaken if the School experiences financial difficulties or losses before the end of the school year.

The School paid the Sponsor $193,279 for services during fiscal year 2010.

B. Management Contract/Related Party

The School entered into a management contract with Imagine Schools, Inc. for management consulting services. Imagine Schools, Inc. is required to provide the following services:

- Personnel & human resources administration
- Program of instruction
- Purchasing & contracts
- Budgeting, financial reporting and audit preparation
- Compliance issues
- Curriculum research and development
- Marketing and publicity
- Equipment and facilities
- Grant preparation and management

For the services listed above, the School is required to pay a fee to Imagine Schools, Inc. The fee is equal to approximately 90% of the total per pupil allowance received from the State of Ohio and of state and/or federal grant funds received by the School for the creation and operation of its school. Payments to Imagine Schools, Inc. amounted to $6,113,639 during fiscal year 2010, which includes $46,254 reported in accounts payable at June 30, 2009.

NOTE 11 - CONTRACTS - (Continued)

C. Service Contract

The School entered into a service contract for a period of fourteen months commencing August 1, 2008, with Charter School Specialists, LLC (CSS), to provide fiscal, student data, and Comprehensive Continuous Planning (CCIP) consulting services. The School entered into a new service contract with CSS for a period of ten months commencing on September 1, 2009 and ending on June 30, 2010, to provide fiscal, state reporting, and CCIP services. On March 18, 2010, the service contract was amended to provide only fiscal and CCIP services. The School paid CSS $35,599 during fiscal year 2010 for these services.

NOTE 12 - MANAGEMENT COMPANY EXPENSES

For the fiscal year ended June 30, 2010, Imagine Schools, Inc. and its affiliates incurred the following expenses, which are reported on cash-basis, on behalf of the School:

Expenses	2010
Direct Expenses:	
Salaries and wages	$ 2,822,967
Employees' benefits	721,888
Purchased services	1,380,335
Supplies and materials	206,209
Capital outlay	1,679
Other direct costs	265,291
Indirect Expenses	879,333
Total expenses	$ 6,277,702

Overhead charges included in other direct costs are assigned to the School based on a percentage of revenue. These charges represent the indirect cost of services in the operation of the School. Such services include, but are not limited to, facilities management, equipment, operational support services, management and management consulting, board relations, human resources management, training and orientation, financial reporting and compliance, purchasing and procurement, education services, technology support and marketing and communications.

NOTE 13 - OPERATING LEASES

The School entered into a lease agreement on August 1, 2006, with Schoolhouse Finance, LLC to lease classroom space for the School. The term of the lease commenced August 15, 2006, and shall continue through June 30, 2021. Thereafter the lease shall automatically renew for up to two consecutive five year terms, unless written notice of intent not to extend is delivered by either party at least one hundred eighty days prior to the end of the initial term or the first renewal term. The School shall pay to Schoolhouse Finance, LLC $439,769 in annual base rent payable in advance in monthly installments of one-twelfth each on the fifth day of each month of the term.

The lease was amended effective July 1, 2008 to reflect the lessor’s total cost of completion of phase II improvements to the premises. The School shall pay to Schoolhouse Finance, LLC $752,362 in annual base rent with the conditions for the remainder of the lease to continue in effect.

NOTE 13 - OPERATING LEASES - (Continued)

The School entered into a lease agreement on October 10, 2008, with Schoolhouse Finance, LLC to lease additional classroom space for the School. The term of the lease commenced October 1, 2008, and shall continue through June 30, 2023. Thereafter the lease shall automatically extend for up to two additional five year terms, unless written notice of intent not to extend is delivered by either party at least one hundred eighty days prior to the then current lease term. The School shall pay to Schoolhouse Finance, LLC $678,468 in annual base rent payable in advance in monthly installments of one-twelfth each on the fifteenth day of each month of the term. The base rent shall escalate annually on July 1 at a rate equal to the greater of the increase in the overall Consumer Price Index All-Urban Consumers, all items less food and energy, and three percent.

NOTE 14 - CONTINGENCIES

A. Grants

The School 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School at June 30, 2010.

B. Ohio Department of Education Enrollment Review

The Ohio Department of Education (ODE) conducts reviews of enrollment data and full-time equivalency (FTE) calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the State, upon which State foundation funding is calculated. As a result of the fiscal year 2010 reviews, the School was overpaid and owes back ODE $16,458. This amount has been reported as an intergovernmental payable on the statement of net assets.

NOTE 15 - MANAGEMENT PLAN

The School had an operating loss of $1,387,091, a positive $15,320 change in net assets, and deficit net assets of $209,128 at June 30, 2010. As further discussed in Note 6 the School had a long-term obligation payable of $213,988 to Imagine Schools, Inc. outstanding at fiscal year end. Management intends to eliminate the deficit by increasing enrollment and improving operating efficiencies, in addition to paying down the Development Allocation Fee (described in Note 6). Enrollment has increased by 278 students during fiscal year 2010 and staffing efficiencies have been realized since staffing has been utilized to the fullest.

NOTE 16 - FEDERAL TAX STATUS

The School was approved under § 501(c)(3) of the Internal Revenue Code as a tax exempt organization on June 25, 2009. Management is not aware of any course of action or series of events that might adversely affect the School’s tax exempt status.

GROVEPORT COMMUNITY SCHOOL

FRANKLIN COUNTY

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE YEAR ENDED June 30, 2010

Federal Grantor/ Pass Through Grantor Program Title	Grant Year	Federal CFDA Number	Receipts	Disbursements
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through Ohio Department of Education:				
Nutrition Cluster:				
National School Breakfast Program	2010	10.553	93,734	93,734
National School Lunch Program	2010	10.555	218,873	218,873
Total U.S. Department of Agriculture - Nutrition Cluster			**312,607**	**312,607**
U.S. DEPARTMENT OF EDUCATION				
Passed Through Ohio Department of Education:				
Special Education Cluster:				
Special Education Grants to States	2010	84.027	127,963	127,963
ARRA Special Education Grants to States, Recovery Act	2010	84.391	153,512	153,512
Total Special Education Cluster			**281,475**	**281,475**
Title I Part A Cluster				
Title I Grant to Local Educational Agencies	2009	84.010	46,095	46,095
Title I Grant to Local Educational Agencies	2010	84.010	210,205	210,205
ARRA - Title I Grant to Local Educational Agencies, Recovery Act	2010	84.389	155,803	155,803
Total Title I Part A Cluster			**412,103**	**412,103**
Safe and Drug-Free Communities and Schools Grants to States	2010	84.186	2,252	2,252
Educational Technology State Grants	2010	84.318	194	194
Improving Teacher Quality State Grants	2010	84.367	15,983	15,983
ARRA State Fiscal Stabilization Fund (SFSF) Education State Grants, Recovery Act	2010	84.394	438,538	438,538
Total Department of Education			**1,150,545**	**1,150,545**
Totals			**1,463,152**	**1,463,152**

The accompanying notes to this schedule are an integral part of this schedule.

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY

NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE FISCAL YEAR ENDED 6/30/2010

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Groveport Community School (the School's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B- CHILD NUTRITION CLUSTER

The School commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the School assumes it expends federal monies first.

G&A
Accountants and Business Consultants

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

Groveport Community School
Franklin County
4485 South Hamilton Road
Groveport, Ohio 43125

To the Board of Directors:

We have audited the basic financial statements of Groveport Community School, Franklin County, Ohio (the School) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 31, 2010, wherein we noted the School was experiencing certain financial difficulties. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

We noted a certain matter that we reported to the School's management in a separate letter dated December 31, 2010.

Compliance and Other Matters

As part of reasonably assuring whether the School's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management, the audit committee, Board of Directors, St. Aloysius Orphanage, and others within the School. We intend it for no one other than these specified parties.

Gueye & Associates, CPA

Gueye & Associates, CPA

December 31, 2010

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Compliance

We have audited the compliance of Groveport Community School (the School) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the School's major federal programs. The School's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the School'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 included in the 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 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's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School's compliance with those requirements.

In our opinion, Groveport Community School complied, in all material respects, with the requirements referred to above that apply to its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The School's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School'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 opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the School's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, 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 audit committee, management, board of directors, School sponsor, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Gueye & Associates, CPA

December 31, 2010

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
6/30/2010

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified for all Major Programs
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	Child Nutrition Cluster: CFDA # 10.553 School Breakfast Program, CFDA # 10.555 School Lunch Program. Title I Cluster: CFDA # 84.010 Title I Grants to Local Educational Agencies; CFDA # 84.389 ARRA Title I Grants to Local Educational Agencies, Recovery Act; SFSF ARRA: CFDA # 84.394 State Fiscal Stabilization Fund (SFSF), Education State Grants, Recovery Act
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > $ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

GROVEPORT COMMUNITY SCHOOL
FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
6/30/2010

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

GROVEPORT COMMUNITY SCHOOL

FRANKLIN 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 15, 2011