

MULTI-COUNTY JUVENILE ATTENTION SYSTEM

STARK COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2011

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

Board of Trustees
Multi-County Juvenile Attention System
815 Faircrest Street S.W.
Canton, Ohio 44706

We have reviewed the *Report of Independent Accountants* of the Multi-County Juvenile Attention System, Stark County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Report of Independent Accountants* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Report of Independent Accountants* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Multi-County Juvenile Attention System is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

September 13, 2012

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MULTI-COUNTY JUVENILE ATTENTION SYSTEM

STARK COUNTY, OHIO

Audit Report

For the Year Ended December 31, 2011

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

**Multi-County Juvenile Attention System
Stark County
815 Faircrest Street S.W.
Canton, Ohio 44706**

To the Board of Trustees:

We have audited the accompanying financial statements of the Multi-County Juvenile Attention System (the System), Stark County, Ohio, as and for the year ended December 31, 2011. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the System's larger (i.e. major) funds separately. While the System does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The System has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.


In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2011, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the System as of December 31, 2011, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances as of December 31, 2011 of the Multi-County Juvenile Attention System, Stark County, Ohio, and its combined cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

As described in Note 8, the System changed their financial statement presentation from accounting principles generally accepted in the United States of America to the Auditor of State regulatory basis. Also, as described in Note 1, the System adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2012, on our consideration of the System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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.

We conducted our audit to opine on the System's financial statements taken as a whole. The schedule of federal awards expenditures provides additional information required by the 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 financial statements. The schedule of federal awards expenditures is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Charles E. Harris & Associates, Inc.
May 15, 2012

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 2011**

	Governmental Fund Types			(Memorandum Only)
	General	Special Revenue	Capital Projects	Total
RECEIPTS:				
Intergovernmental	\$ 589,850	\$ 1,306,349	\$ 25,114	\$ 1,921,313
Gifts and Donations	5,189	-	-	5,189
Insurance Reimbursements	137,389	20,885	-	158,274
Tuition	1,672,433	477,232	-	2,149,665
Sales	448	-	-	448
Board and Care	652,325	54	-	652,379
Contract Services	6,757,902	-	-	6,757,902
Restitution	65,121	275	-	65,396
Other	25,677	632	799	27,108
Total Cash Receipts	9,906,334	1,805,427	25,913	11,737,674
DISBURSEMENTS:				
Personal Services - Salaries and Wages	4,481,612	770,043	-	5,251,655
Personal Services - Employee Benefits	2,732,229	411,710	-	3,143,939
Supplies and Materials	759,996	135,407	-	895,403
Purchased Services	1,702,224	525,331	28,563	2,256,118
Capital Outlay	11,110	5,205	-	16,315
Debt Service	113,485	-	-	113,485
Other	62,259	977	-	63,236
Total Cash Disbursements	9,862,915	1,848,673	28,563	11,740,151
Cash Receipts Over/(Under) Cash Disbursements	43,419	(43,246)	(2,650)	(2,477)
Restated Fund Cash Balance, January 1, 2011 See Note 8	1,562,772	289,198	1,261,891	3,113,861
Fund Cash Balances, December 31, 2011				
Restricted	-	245,952	-	245,952
Committed	-	-	1,259,241	1,259,241
Assigned	325,547	-	-	325,547
Unassigned	1,280,644	-	-	1,280,644
Fund Cash Balance, December 31, 2011	\$ 1,606,191	\$ 245,952	\$ 1,259,241	3,111,384

See Accompanying Notes to the Financial Statements

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
Notes to the Financial Statements
For The Year Ended December 31, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

Multi-County Juvenile Attention System, Stark County (the System) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The System is directed by an eighteen-member Board of Trustees from Carroll, Columbiana, Stark, Tuscarawas, and Wayne Counties. The System provides facilities for juveniles for training, treatment, and rehabilitation as directed by the Juvenile Courts.

The System's management believes these financial statements present all activities for which the System is financially accountable.

B. BASIS OF ACCOUNTING

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The System recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. DEPOSITS AND INVESTMENTS

The Stark County Auditor acts as the fiscal agent for the System, and the County Treasurer maintains a cash and investment pool, including all funds for which the County Auditor is the fiscal agent. The County Treasurer is custodian for the System's cash. The System's cash is held in the County's cash and investment pool, and are valued at the County Treasurer's carrying amount.

D. FUND ACCOUNTING

The System uses fund accounting to segregate cash and investments that are restricted as to use. Stark County, acting as fiscal agent for the System, maintains a General Fund and Capital Projects Fund. For additional financial statement presentation, special revenue funds have been segregated from the General Fund. The System classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
Notes to the Financial Statements
For The Year Ended December 31, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

D. FUND ACCOUNTING - (continued)

2. Special Revenue Fund

This fund is used to account for the proceeds of specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The System had the following significant Special Revenue Fund:

Community Corrections Facility Grant Fund – The community corrections facility grant special revenue fund accounts for grant monies received from the Ohio Department of Youth Services.

3. Capital Projects Fund

This fund is used to account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The System had the following significant capital project fund:

Tuscarawas County Attention Center Capital Project Fund – The Tuscarawas County Attention Center capital projects fund is used to account for financial resources for a new building in Tuscarawas County.

E. BUDGETARY PROCESS

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level and appropriations may not exceed estimated resources. The Board of Trustees must annually approve the appropriation measure and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the System to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated.

A summary of 2011 and 2010 budgetary activity appears in Note 3.

MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
Notes to the Financial Statements
For The Year Ended December 31, 2011

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (continued)

F. **FUND BALANCE**

Fund balance is divided into five classifications based primarily on the extent to which the System must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. **Nonspendable**

The System classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. **Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. **Committed**

The Board can *commit* amounts via formal action by resolution. The System must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. **Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Board or a System official delegated that authority by resolution or by State Statute.

5. **Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The System applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

MULTI-COUNTY JUVENILE ATTENTION SYSTEM
 STARK COUNTY, OHIO
 Notes to the Financial Statements
 For The Year Ended December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

G. PROPERTY, PLANT AND EQUIPMENT

The System records disbursements for acquisition of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. ACCUMULATED LEAVE

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS

The Stark County Treasurer maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was \$3,111,384.

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation; (2) collateralized by securities specifically pledged by the financial institution to the System or (3) collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2011 is as follows:

<u>Fund Type</u>	<u>2011 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$9,504,632	\$9,906,334	\$401,702
Special Revenue	1,803,397	1,805,427	2,030
Capital Projects	100,000	25,913	(74,087)

<u>Fund Type</u>	<u>2011 Budgeted vs. Actual Budgetary Basis Disbursements</u>		
	<u>Total Appropriations</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General	\$11,067,404	\$10,188,462	\$878,942
Special Revenue	2,075,411	1,936,438	138,973
Capital Projects	1,261,891	1,222,269	39,622

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
Notes to the Financial Statements
For The Year Ended December 31, 2011**

4. DEBT

Debt outstanding at December 31, 2011 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Juvenile Detention Facility Bonds Series 2010	\$1,235,000	4.00-6.00%
Total	<u><u>\$1,235,000</u></u>	

On July 8, 2010, the System issued \$1,400,000 of general obligation bonds. The bonds were issued for the purpose of acquiring, constructing, equipping and furnishing a new juvenile detention facility. The bonds were issued for a fourteen year period with a final maturity at December 1, 2024.

Amortization of the above debt is scheduled as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>
2012	\$70,000	\$64,100
2013	70,000	61,300
2014	75,000	58,500
2015	75,000	55,500
2016	80,000	52,500
2017-2021	430,000	200,750
2022-2024	435,000	60,900
Total	<u><u>\$1,235,000</u></u>	<u><u>\$553,550</u></u>

5. RETIREMENT SYSTEM

All full-time employees of the System belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2011 and 2010, OPERS members contributed 10%, respectively, of their gross salaries and the System contributed an amount equaling 14%, respectively, of participants' gross salaries. The System has paid all contributions required through December 31, 2011.

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO
Notes to the Financial Statements
For The Year Ended December 31, 2011**

6. RISK MANAGEMENT

County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among thirty-nine counties in Ohio. CORSA was formed as an Ohio not-for-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board of Trustees. No county may have more than one representative on the Board of Trustees at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

7. CONTINGENT LIABILITIES/SUBSEQUENT EVENTS

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

8. CHANGE IN PRESENTATION/RESTATEMENT OF FUND BALANCES

In prior years, the System had prepared their financial statements and related footnotes in accordance with accounting standards generally accepted in the United States of America. That accounting basis segregated larger (major) funds from the smaller (non-major) funds. In 2011, the System changed their financial statement presentation from accounting principles generally accepted in the United States of America to the Auditor of State regulatory basis, which is similar to the cash basis of accounting. It also combines all related funds into separate columns (General Fund, Special Revenue Funds and Capital Project Funds). Changes in beginning fund balance represent the difference in the accrual basis transactions at the beginning of the year.

Multi-County Juvenile Attention System
Schedule of Federal Awards Expenditures
For the Year Ending December 31, 2011

Federal Grantor/Pass Through Grantor Number/Program Title	Pass Through Entity Number	CFDA Number	Federal Receipts	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
Nutrition Cluster:				
Pass through Ohio Department of Education				
Cash Assistance:				
National School Lunch Program	N/A	10.555	\$ 157,855	\$ 157,855
National School Breakfast Program	N/A	10.553	90,534	90,534
Direct Program:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program - Note 2	N/A	10.555	<u>1,853</u>	<u>1,853</u>
Total U.S. Department of Agriculture			\$ 250,242	\$ 250,242
<u>U.S. Department of Health and Human Services</u>				
Pass through Ohio Department of Job and Family Services				
Foster Care, Title IV-E Grants to Local Education Agencies				
Title IV-E	G-1213-06-0216	93.658	\$ 288,491	\$ 288,491
ARRA - Title IV-E	G-1213-06-0216	93.658	<u>12,090</u>	<u>12,090</u>
Total U.S. Department of Health and Human Services			\$ 300,581	\$ 300,581
Total Federal Expenditures			<u>\$ 550,823</u>	<u>\$ 550,823</u>

See accompanying Notes to the Schedule of Federal Awards Expenditures

MULTI-COUNTY JUVENILE ATTENTION SYSTEM
Stark County, Ohio
Notes to the Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2011

1. Significant Accounting Policies

The accompanying schedule of federal awards expenditures is a summary of the activity of the System's federal award programs. The schedule has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

2. Food Distribution

Nonmonetary assistance is reported in the schedule at fair market value of the commodities received and disbursed. Monies are recorded with State grants. It is assumed federal monies are expended first. At December 31, 2011, the System had immaterial food commodities in inventory.

3. N/A – Information not available.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Multi-County Juvenile Attention System
Stark County
815 Faircrest Street S.W.
Canton, OH 44706

To the Board of Trustees:

We have audited the financial statements of the Multi-County Juvenile Attention System (the System), Stark County, Ohio, as of and for the year ended December 31, 2011, and have issued our report thereon dated May 15, 2012 wherein we noted the System changed its accounting basis to accounting practices the Auditor of State prescribes from accounting principles generally accepted in the United States of America. We also noted the System implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 Controls Over Financial Reporting

In planning and performing our audit, we considered the Multi-County Juvenile Attention System, Stark County, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the System'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 correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of internal control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the System's financial statements will not be prevented or detected and corrected on a timely basis.

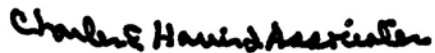
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses.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

Compliance and Other Matters

As part of reasonably assuring whether the System'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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

However, we noted certain matters that we have reported to management of the System in a separate letter dated May 15, 2012.

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

A handwritten signature in black ink that reads "Charles E. Harris". The signature is written in a cursive, slightly slanted style.

Charles E. Harris and Associates, Inc.
May 15, 2012

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Charles E. Harris & Associates, Inc.
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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**

Multi-County Juvenile Attention System
Stark County
815 Faircrest Street S.W.
Canton, Ohio 44706

To the Board of Trustees:

Compliance

We have audited the compliance of the Multi-County Juvenile Attention System, Stark County, Ohio's (the System) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Multi-County Juvenile Attention System's major federal program for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying schedule of findings identifies the System's major federal program. The System'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 opine on the System's compliance based on our audit.

Our compliance audit followed 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*. These 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 System'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 System's compliance with these requirements.

In our opinion, the Multi-County Juvenile Attention System, Stark County, Ohio complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The System'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 System's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over 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 System'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 management, the audit committee, the Board of Trustees, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Charles Harris Associates

CHARLES E. HARRIS & ASSOCIATES, INC.
May 15, 2012

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 SECTION .505**

**Multi-County Juvenile Attention System
Stark County
December 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	Title IV-E - CFDA #93.658 ARRA Title IV-E - CFDA #93.658
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	No

SCHEDULE OF FINDINGS - (continued)
OMB CIRCULAR A-133 SECTION .505

Multi-County Juvenile Attention System
Stark County
December 31, 2011

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

**MULTI-COUNTY JUVENILE ATTENTION SYSTEM
STARK COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2011**

The prior audit report, as of December 31, 2010, reported no material citations or recommendations.



Dave Yost • Auditor of State

MULTI COUNTY JUVENILE ATTENTION SYSTEM

STARK 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
SEPTEMBER 27, 2012