



Dave Yost • Auditor of State



ZANESVILLE COMMUNITY HIGH SCHOOL  
MUSKINGUM COUNTY

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Zanesville Community High School  
Muskingum County  
160 North Fourth Street  
Zanesville, Ohio 43701

To the Governing Authority:

We have audited the accompanying basic financial statements of the Zanesville Community High School, Muskingum County, Ohio (the School), a component unit of the Zanesville City School District, Muskingum County, Ohio, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Zanesville Community High School, Muskingum County, Ohio, as of June 30, 2011, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2012, on our consideration of the School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

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**Dave Yost**  
Auditor of State

March 15, 2012

**Zanesville Community High School**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

The discussion and analysis of the Zanesville Community High School's (ZCHS) financial performance provides an overall review of the ZCHS's financial activities for the fiscal year ended June 30, 2011. Readers should also review the basic financial statements and notes to enhance their understanding of the ZCHS's financial performance.

**Highlights**

The ZCHS opened for its first year of operation in fiscal year 2008 for high school age students who have dropped out or are at risk of dropping out of school. During fiscal year 2011, the ZCHS provided services to 101 full-time students.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements.

The statement of net assets and the statement of revenues, expenses, and changes in net assets reflect how the ZCHS did financially during fiscal year 2011. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal years' revenues and expenses regardless of when cash is received or paid.

These statements report the ZCHS's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the ZCHS has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating.

All of the ZCHS's activities are reported in a single enterprise fund.

Table 1 provides a summary of the ZCHS's net assets for fiscal year 2011 compared to fiscal year 2010:

Table 1 Net Assets			
	2011	2010	Change
<u>Assets:</u>			
Current and Other Assets	\$279,112	\$337,161	(\$58,049)
<u>Liabilities:</u>			
Current and Other Liabilities	92,663	198,473	(105,810)
<u>Net Assets:</u>			
Unrestricted	186,449	138,688	47,761
Total Net Assets	\$186,449	\$138,688	\$47,761

**Zanesville Community High School**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

Total assets decreased \$58,049, which is primarily the result of a decrease in cash and cash equivalents in the amount of \$100,474 which was offset by an increase in intergovernmental receivable in the amount of \$34,778. During fiscal year 2011, ZCHS provided services to 101 full-time equivalent students compared to 79 full-time equivalent students in fiscal year 2010, which resulted in an increase in State foundation funding. However, this increase was offset by decreases due to the expiration of the federal stimulus monies that were associated with the American Recovery and Reinvestment Act. The increase in intergovernmental receivables is a result of the ZCHS receiving a lesser amount in fiscal year 2011 grant monies before the end of the fiscal year, as compared to fiscal year 2010.

Total liabilities decreased \$105,810 during fiscal year 2011. Intergovernmental payables decreased \$88,540 as a result of expiring service agreements with the Tri-Rivers Educational Computer Association (TRECA). Due to primary government reflects an increase as a result of an increase in accrued wages of the Sponsor of \$12,311 due to a two and one-half percent base increase combined with step increases ranging from one to two percent. Accounts payable increased \$3,901 due to an increase in outstanding obligations. Deferred revenues decreased \$33,482 due to there being no adjustments from Ohio Department of Education in 2011.

Table 2 reflects the changes in net assets for fiscal year ended June 30, 2011 and comparisons to fiscal year 2010.

	<u>2011</u>	<u>2010</u>	<u>Change</u>
<u>Operating Revenues:</u>			
Foundation	\$626,310	\$494,543	\$131,767
Operating Grants and Contributions	7,679	0	7,679
Charges for Services	2,962	0	2,962
<u>Non-Operating Revenues:</u>			
Operating Grants	242,178	278,311	(36,133)
Interest Revenue	1,300	762	538
Other Non-Operating Revenue	7,067	619	6,448
Total Revenues	<u>887,496</u>	<u>774,235</u>	<u>113,261</u>
<u>Operating Expenses:</u>			
Purchased Services	760,699	709,557	51,142
Materials and Supplies	79,036	96,890	(17,854)
Total Operating Expenses	<u>839,735</u>	<u>806,447</u>	<u>33,288</u>
Change in Net Assets	47,761	(32,212)	79,973
Net Assets Beginning of Year	<u>138,688</u>	<u>170,900</u>	<u>(32,212)</u>
Net Assets End of Year	<u><u>\$186,449</u></u>	<u><u>\$138,688</u></u>	<u><u>\$47,761</u></u>



**Zanesville Community High School**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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During fiscal year 2011, operating and non-operating revenues increased \$113,261. This increase is primarily due to an increase in foundation revenue in the amount of \$131,767 which is offset by a decrease in operating grants in the amount of \$36,133. The increase in foundation revenue was a result of increased enrollment.

During fiscal year 2011, operating expenses increased \$33,288. The increase in operating expenses is primarily the result of an increase in purchased services in the amount of \$51,142. The increase in purchased services is due in large part to an increase in student enrollment which required ZCHS to contract with the Sponsor for additional teaching services.

**Budgeting**

The ZCHS is not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705.

**Capital Assets and Debt Administration**

Capital Assets

During fiscal year 2011, the ZCHS did not have any capital assets.

Debt

The ZCHS did not incur any debt during fiscal year 2011.

**Current Design**

The ZCHS is different than a traditional high school in that the ZCHS is designed to be an open, non-discriminatory atmosphere where students can work at their own pace to earn a high school diploma. ZCHS operates by joining forces with the area social agencies in an effort to increase a student's developmental assets and eliminate the barriers to academic achievement.

**Contacting the ZCHS's Financial Management**

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the ZCHS's finances and to show the ZCHS's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Jolene Carter, Treasurer, Zanesville Community High School, 160 North Fourth Street, Zanesville, Ohio 43701. You may also E-mail the treasurer at [carter@zanesville.k12.oh.us](mailto:carter@zanesville.k12.oh.us).

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**Zanesville Community High School**

*Statement of Net Assets*

*June 30, 2011*

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Assets:

Current Assets:

Cash and Cash Equivalents	\$228,658
Due from Primary Government	7,679
Intergovernmental Receivable	42,696
Prepaid Items	79
Total Assets	<u>279,112</u>

Liabilities:

Current Liabilities:

Accounts Payable	5,774
Due to Primary Government	86,889
Total Liabilities	<u>92,663</u>

Net Assets:

Unrestricted	<u>186,449</u>
Total Net Assets	<u><u>\$186,449</u></u>

See accompanying notes to the basic financial statements

**Zanesville Community High School**  
*Statement of Revenues, Expenses, and Changes in Net Assets*  
*For the Fiscal Year Ended June 30, 2011*

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Operating Revenues:

Foundation	\$626,310
Operating Grants and Contributions	7,679
Charges for Services	2,962
Total Operating Revenues	<u>636,951</u>

Operating Expenses:

Purchased Services	760,699
Materials and Supplies	79,036
Total Operating Expenses	<u>839,735</u>

Operating Loss (202,784)

Non-Operating Revenues:

Operating Grants	242,178
Interest	1,300
Other Non-Operating Revenues	7,067
Total Non-Operating Revenues	<u>250,545</u>

Change in Net Assets 47,761

Net Assets Beginning of Year	<u>138,688</u>
Net Assets End of Year	<u>\$186,449</u>

See accompanying notes to the basic financial statements

**Zanesville Community High School**  
*Statement of Cash Flows*  
For the Fiscal Year Ended June 30, 2011

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<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Foundation	\$592,828
Cash Received from Customers	2,962
Cash Payments to Suppliers for Goods and Services	<u>(912,031)</u>
Net Cash Used for Operating Activities	<u>(316,241)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Operating Grants Received	207,400
Other Non-Operating Revenues	<u>7,067</u>
Net Cash Provided by Noncapital Financing Activities	214,467
<u>Cash Flows from Investing Activities:</u>	
Interest on Investments	<u>1,300</u>
Net Increase in Cash and Cash Equivalents	(100,474)
Cash and Cash Equivalents Beginning of Year	<u>329,132</u>
Cash and Cash Equivalents End of Year	<u><u>\$228,658</u></u>
<u>Reconciliation of Operating Loss to</u>	
<u>Net Cash Used for Operating Activities:</u>	
Operating Loss	(\$202,784)
<u>Adjustments to Reconcile Operating Loss to Net Cash</u>	
<u>Used for Operating Activities:</u>	
<u>Changes in Assets and Liabilities:</u>	
Decrease in Prepaid Items	32
Increase in Due to Primary Government	12,311
Increase in Due from Primary Government	(7,679)
Increase in Accounts Payable	3,901
Decrease in Deferred Revenue	(33,482)
Decrease in Intergovernmental Payable	<u>(88,540)</u>
Net Cash Used for Operating Activities	<u><u>(\$316,241)</u></u>

See accompanying notes to the basic financial statements

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**Zanesville Community High School**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**Note 1 - Description of the School**

The Zanesville Community High School is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702. The Zanesville Community High School is an approved tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Management is not aware of any course of action or series of events that have occurred that might adversely affect the Zanesville Community High School's tax exempt status. The Zanesville Community High School's mission is to help at-risk students meet Ohio's graduation requirements. The Zanesville Community High School focuses on ensuring that basic survival needs are met so that students can achieve success in school. The Zanesville Community High School serves high school age students who have dropped out or are at risk of dropping out of school. A particular emphasis is placed on assisting parents and/or pregnant students obtain a high school diploma.

The Zanesville Community High School was created on April 16, 2007 by entering a five year contract with the Zanesville City School District (the Sponsor). The Sponsor is responsible for evaluating the performance of the Zanesville Community High School and has the authority to deny renewal of the contract at its expiration. The Sponsor is also the fiscal agent of Zanesville Community High School with the Treasurer of the Sponsor completing the role of Treasurer for Zanesville Community High School.

The Zanesville Community High School operates under the direction of a seven-member Governing Authority made up of seven voting community members. Members shall be nominated by the Governing Authority and submitted to the Sponsor's non-voting six-member Board of Directors for final approval. All governing authority members should live and/or work in the Zanesville-Muskingum County community as well as to represent the interest of the Muskingum County community. The Governing Authority approves Zanesville Community High School's staff of two noncertified and four certificated full time teaching personnel who provide services to 101 students. Zanesville Community High School is a component unit of the Sponsor. The sponsor is able to impose its will on Zanesville Community High School and due to their relationship with the Sponsor it would be misleading to exclude them. The Sponsor can suspend the Zanesville Community High School's operations for any of the following reasons: 1) The Zanesville Community High School's failure to meet student performance requirements stated in its contract with the Sponsor, 2) The Zanesville Community High School's failure to meet generally accepted standards of fiscal management, 3) The Zanesville Community High School's violation of any provisions of the contract with the Sponsor or applicable state or federal law, or 4) Other good cause. The Governing Authority is responsible for carrying out the provisions of the contract which include, but are not limited to, helping create, approve, and monitor the annual budget, develop policies to guide operations, secure funding, and maintain a commitment to vision, mission, and belief statements of the Zanesville Community High School and the students it serves. The Zanesville Community High School uses the facilities of the Sponsor.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Zanesville Community High School have been prepared in conformity with generally accepted accounting principals (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 Zanesville Community High School also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The entity has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989. The more significant of the Zanesville Community High School's accounting policies are described below.

**Zanesville Community High School**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**A. Basis of Presentation**

The Zanesville Community High 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 Zanesville Community High School uses a single enterprise fund to present its financial records for the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods or services.

**B. Measurement Focus**

**Fund Financial Statements**

The enterprise fund is accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the Zanesville Community High 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 Zanesville Community High School finances meet its cash flow needs.

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Zanesville Community High 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 nonexchange transactions, in which the Zanesville Community High School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Zanesville Community High School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Zanesville Community High 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, community schools are not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705, unless specifically provided by Zanesville Community High School's contract with its Sponsor. The contract between Zanesville Community High School and its Sponsor prescribes an annual budget requirement as part of preparing a five year forecast, which is updated on an annual basis.



**Zanesville Community High School**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**E. Cash and Cash Equivalents**

Cash received by Zanesville Community High School is reflected as “Cash and Cash Equivalents” on the statement of net assets. Investments with original maturities of three months or less at the time they are purchased are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months are reported as investments. During fiscal year 2011, the Zanesville Community High School had no investments.

**F. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net assets reports no restricted net assets and has no monies restricted by enabling legislation.

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

**G. Operating Revenues and Expenses**

The Zanesville Community High School currently participates in the State Foundation Program. Revenues received from these programs are recognized as operating revenues in the accounting period in which they are earned and become measurable.

**H. Estimates**

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

**Note 3 - Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, Zanesville Community High School’s deposits may not be returned. Zanesville Community High School does not have a deposit policy for custodial credit risk. At June 30, 2011, the bank balance of Zanesville Community High School’s deposits was \$230,932. All of the bank balance was covered by federal depository insurance.

**Note 4 – Receivables**

Receivables at June 30, 2011, consisted of intergovernmental grants and due from Primary Government. All receivables are considered collectible in full due to the stable condition of State programs and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

**Zanesville Community High School**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

A summary of principal items of intergovernmental receivables follows:

	Amounts
Race to the Top Grant	\$5,334
Education Jobs Grant	33,878
Title II-A	2,985
Title II-D	499
Total	\$42,696

**Note 5 – Risk Management**

Zanesville Community High School is exposed to various risks of loss related to torts; errors and omissions; and natural disasters. During the fiscal year ended June 30, 2011, Zanesville Community High School had liability insurance through the Zanesville City School District’s policy.

**Note 6 – Purchased Services**

For the period July 1, 2010 through June 30, 2011, purchased service expenses were for the following services:

Type	Amount
Professional and Technical Services	\$753,774
Audit Services	6,925
Total	\$760,699

**Note 7 – Related Party Transactions**

Zanesville City School District, the Sponsor, approves each of Zanesville Community High School’s seven board members from the general public. Zanesville Community High School is presented as a component unit of the Sponsor. For fiscal year 2011, \$755,983 was provided by the Sponsor for administrative, fiscal, and student services provided to Zanesville Community High School. Zanesville Community High School paid all but \$86,889 of this amount as of June 30, 2011. This amount is reflected as a Due to Primary Government in the financial statements. As of June 30, 2011, Zanesville Community High School was due \$7,679 from Federal Lunch reimbursements. This amount is reflected as Due from Primary Government in the financial statements.

**Note 8 - Contingencies**

**A. Grants**

The Zanesville Community High School received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Zanesville Community High School at June 30, 2011.

**Zanesville Community High School**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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The School District was approved for \$38,261 of Federal Stimulus dollars as part of The American Recovery and Reinvestment Act of 2009. These allocations are primarily to fund special education and early childhood programs. The allocations became available in fiscal year 2010 and were used to fund programs during fiscal year 2011.

The School District has been approved for \$38,878 of Federal Education Jobs Fund Program Dollars as part of Public Law No. 111-226, signed by President Obama on August 10, 2010. This program provides assistance to save or create education jobs. The allocation was available to fund fiscal year 2011.

In addition, the School District has also been approved for \$26,625 paid out over the next four years of Race to the Top Program Dollars. This program provides the use of expenditures for a new program or an expansion of an existing, a proven program aligned to an approved scope of work in the areas of Standards and Assessments, Using Data to Improve Instruction, Great Teachers and Leaders, and Turning Around the Lowest-Achieving Schools.

**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 Zanesville Community High School. These reviews are conducted to ensure the Zanesville Community High School is reporting accurate student enrollment data to the State, upon which state foundation funding is calculated. During fiscal year 2011, the Zanesville Community High School had \$33,482 deducted from the Ohio Department of Education foundation payments due to errors in reporting during fiscal year 2009. The Ohio Department of Education funding review of fiscal year 2010 resulted in an underpayment to Zanesville Community High School in the amount of \$766 which was received during fiscal year 2011.

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# Dave Yost • Auditor of State

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

Zanesville Community High School  
Muskingum County  
160 North Fourth Street  
Zanesville, Ohio 43701

To the Governing Authority:

We have audited the basic financial statements of the Zanesville Community High School, Muskingum County, Ohio (the School), a component unit of Zanesville City School District, Muskingum County, Ohio, as of and for the year ended June 30, 2011, and have issued our report thereon dated March 15, 2012. 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.

### 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*.

Zanesville Community High School  
Muskingum County  
Independent Accountants' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*  
Page 2

We did note a certain matter not requiring inclusion in this report that we reported to the School's management in a separate letter dated March 15, 2012.

We intend this report solely for the information and use of management, the audit committee, Governing Authority, the School's sponsor, and others within the School. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

March 15, 2012



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Zanesville Community High School  
Muskingum County  
160 North Fourth Street  
Zanesville, Ohio 43701

To the Governing Authority:

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

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Governing Authority, solely to assist the Governing Authority in evaluating whether the Zanesville Community High School, Muskingum County, Ohio (the School), has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Governing Authority. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Zanesville City School District Board of Education (the Sponsor) amended its anti-harassment policy at its meeting on January 12, 2011 to include violence within a dating relationship within its definition of harassment, intimidation or bullying. The Community School has elected to follow the policies adopted by the Sponsor.

Ohio Rev. Code Section 3313.666 required the Board to amend its definition by September 28, 2010.

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

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

A handwritten signature in black ink that reads "Dave Yost".

**Dave Yost**  
Auditor of State

March 15, 2012

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[www.ohioauditor.gov](http://www.ohioauditor.gov)

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# Dave Yost • Auditor of State

ZANESVILLE COMMUNITY HIGH SCHOOL  
MUSKINGUM 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 27, 2012