MAPLEWOOD CAREER CENTER
PORTAGE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2013

MAPLEWOOD CAREER CENTER
PORTAGE COUNTY

TABLE OF CONTENTS

This page intentionally left blank.

Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Maplewood Career Center, Portage County, Ohio (the Center), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Center's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Center's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Maplewood Career Center, Portage County, Ohio, as of June 30, 2013, and the respective changes in financial position thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended June 30, 2013, the Center adopted the provisions of Governmental Accounting Standard No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and No. 65, "Items Previously Reported as Assets and Liabilities." We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Center's basic financial statements taken as a whole.

The Federal Awards Receipts and Expenditures Schedule (the Schedule) presents additional analysis as required by the 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 financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2013, on our consideration of the Center'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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* in considering the Center's internal control over financial reporting and compliance.

Dave Yost

Dave Yost
Auditor of State
Columbus, Ohio

November 15, 2013

This page intentionally left blank.

It is a privilege to present to you the financial picture of the Maplewood Career Center. This discussion and analysis of the Center's financial performance provides an overall review of the Center's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the Center's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Center's financial performance.

Financial Highlights

Key financial highlights for the 2013 fiscal year are as follows:

- Classified, Excluded, and Administrative staffs received an increase of one percent over fiscal year 2012. Three year contracts were approved which provided for a one percent increase in base salary for fiscal year 2013 and zero percent increases in fiscal years 2014 and 2015. Insurance copays were increased from five percent of medical, prescription and vision premiums to ten percent of medical, prescription, dental, and vision premiums for the classified and excluded staffs. Certified staff carried over the previous contract for fiscal year 2013 and approved a two year contract for fiscal years 2014 and 2015. They received a zero percent increase in base salary for fiscal years 2013 and 2015 and a one percent increase in base salary in fiscal year 2014. Insurance copays for the certified staff will increase from five percent of medical, prescription, and vision premiums to ten percent of medical, prescription, dental, and vision premiums in fiscal year 2014. The contracts were considered cost neutral with concessions making up for salary increases.

- The Center conducted a number of small renovation projects in fiscal year 2013. The terrazzo flooring was restored in all parts of the building except the 2008 addition. Above-ground fuel tanks were also installed outside the warehouse to allow for both regular and diesel fuel for the Center's fuel needs. Concrete repairs were done to sidewalks, curbs, and catch basins. The Applied Engineering and Machining Lab was rearranged and rewired, and three vertical computer numerical control milling machines and a 15-inch engine lathe were installed.

- The Center attained North Central Association (NCA) accreditation in 2012. Due to problems the NCA had with the Federal government, the NCA has since decided not to accredit schools. The Center pursued accreditation with the Council on Occupational Education (COE) and has attained candidacy status. The Center continues to pursue authorization to offer federal financial aid to adult students.

- An Animal Science program will be marketed to incoming sophomores in the 2014 fiscal year. It will replace the Building Property and Management program that was eliminated at the end of fiscal year 2012.

Using this Financial Report

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 Center as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Center, presenting both an aggregate view of the Center's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the Center's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Center, the general fund is by far the most significant fund.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 23-45 of this report.

Reporting the Center as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Center to provide programs and activities, the view of the Center as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all non-fiduciary assets*, *liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Center's *net position* and changes in the net position. This change in net position is important because it tells the reader that, for the Center as a whole, the *financial position* of the Center has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Center's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, the Center's performance, required educational programs, demographic and socioeconomic factors, the willingness of the community to support the Center and other factors.

Reporting the Center's Most Significant Funds

Fund Financial Statements

The analysis of the Center's major governmental fund begins on page 10. Fund financial reports provide detailed information about the Center's major fund. The Center uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Center's most significant fund. The Center's only major governmental fund is the general fund.

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

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the Center. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the Center's programs. These funds use the accrual basis of accounting.

The Center as a Whole

You may recall that the Statement of Net Position provides the perspective of the Center as a whole. Table 1 provides a comparison of the Center's Net Position for fiscal year 2013 compared to 2012:

Table 1
Net Position

	Governmental Activites		
	2013	2012	Change
Assets			
Current and Other Assets	$29,322,808	$27,629,000	$1,693,808
Capital Assets, Net	12,611,137	12,987,297	(376,160)
Total Assets	41,933,945	40,616,297	1,317,648
Liabilities			
Current Liabilities	927,100	1,038,523	111,423
Long-term Liabilities			
Due within one Year	86,266	79,154	(7,112)
Due in More than one Year	1,027,091	1,111,713	84,622
Total Liabilities	2,040,457	2,229,390	188,933
Deferred Inflows of Resources	5,763,854	5,681,190	82,664
Net Position			
Investment in Capital Assets	12,611,137	12,987,297	(376,160)
Restricted for:			
Other Purposes	7,860	26,379	(18,519)
Unrestricted	21,510,637	19,692,041	1,818,596
Total Net Position	$34,129,634	$32,705,717	$1,423,917

By comparing assets, liabilities and deferred inflows of resources one can see the overall position of the Center has improved as evidenced by the increase in net position. Unrestricted net position primarily contributed to this increase. Current assets increased primarily due to an increase in cash and cash equivalents, which was primarily due to cost savings realized from staff reductions. Current liabilities decreased primarily due to lower matured compensated absences payable and lower accrued wages payable. Net position investment in capital assets decreased due to depreciation outpacing capital outlay.

Table 2 shows the changes in net position for fiscal year 2013 compared to 2012.

Table 2
Change in Net Position
Governmental Activities

	2013	2012	Change
Revenues			
Program Revenues			
Charges for Services	$669,752	$603,811	$65,941
Operating Grants, Contributions, and Interest	624,219	572,594	51,625
Total Program Revenues	1,293,971	1,176,405	117,566
General Revenues			
Property Taxes	6,238,395	6,133,699	104,696
Intergovernmental	5,509,621	5,690,554	(180,933)
Unrestricted Contributions	867	0	867
Investment Earnings	29,484	411,996	(382,512)
Miscellaneous	46,396	49,313	(2,917)
Total General Revenues	11,824,763	12,285,562	(460,799)
Total Revenues	13,118,734	13,461,967	(343,233)
Program Expenses			
Instruction:			
Regular	1,136,406	1,130,743	(5,663)
Vocational	4,935,264	5,202,104	266,840
Adult/Continuing	198,233	206,803	8,570
Support Services:			
Pupil	1,055,119	1,105,957	50,838
Instructional Staff	547,305	535,658	(11,647)
Board of Education	94,178	136,816	42,638
Administration	875,589	987,486	111,897
Fiscal	535,964	531,167	(4,797)
Business	258,967	243,659	(15,308)
Operation and Maintenance of Plant	1,245,932	1,251,510	5,578
Pupil Transportation	19,638	15,786	(3,852)
Central	421,862	355,104	(66,758)
Operation of Non-Instructional Services	73,954	53,121	(20,833)
Operation of Food Services	276,474	294,964	18,490
Extracurricular Activities	19,932	25,107	5,175
Total Program Expenses	11,694,817	12,075,985	381,168
Change in Net Position	1,423,917	1,385,982	37,935
Net Position Beginning of Year	32,705,717	31,319,735	1,385,982
Net Position End of Year	$34,129,634	$32,705,717	$1,423,917

Governmental Activities

Net position of the Center's governmental activities increased in fiscal year 2013 due to revenues outpacing expenses. The primary sources of revenue for the Center are derived from property taxes and intergovernmental revenue. These two revenue sources represent 89.55 percent of the total revenue. Property taxes, alone, represent 47.55 percent of revenues. The remaining 52.45 percent of revenue is from program revenues, State foundation, interest, and miscellaneous local sources.

A State law, enacted in 1976, does not allow for tax revenue increases caused by inflationary growth of real property. Increases in valuation prompt corresponding annual reductions in the "effective millage," the tax rates applied to real property. The Center operates on voted millage of 4 mills. The reduced or effective millage in fiscal year 2013 was 3.139445 mills for Residential/Agricultural property and 3.439264 mills for Commercial/Industrial property. The following table illustrates the rate of growth in property values in the past ten years which has positively impacted the Center:

Year Ending	Portage County	Summit County	Total Valuation	Growth Rate
2013	$2,154,881,120	$56,190,650	$2,211,071,770	(3.76) %
2012	2,241,339,510	56,110,980	2,297,450,490	(0.62)
2011	2,249,316,830	62,353,560	2,311,670,390	0.11
2010	2,247,875,525	61,166,880	2,309,042,405	(2.20)
2009	2,300,090,760	60,988,046	2,361,078,806	(1.14)
2008	2,319,596,103	68,824,430	2,388,420,533	0.07
2007	2,310,725,427	76,099,634	2,386,825,061	7.40
2006	2,137,086,710	85,363,185	2,222,449,895	0.38
2005	2,122,585,194	91,553,938	2,214,139,132	3.77
2004	2,048,432,563	85,331,750	2,133,764,313	11.00

The average rate of growth over the last 10 years is 1.50 percent.

Although the amount of State funding per pupil has risen slightly over the past several years, the Center has not received this increase because of a part of the funding formula called transitional aid guarantee. Being on the transitional aid guarantee means that the Center is guaranteed not to go below a certain amount of foundation funding and thus the number of pupils and funding per pupil is no longer impacting the funding equation. The Center has seen minor increases in State funding due to the passage of House Bill 1, the State's biennial budget for fiscal years 2010 and 2011, which specified that fiscal year 2010 funding for joint vocational schools would be inflated by 0.75 percent over the amount that was received in fiscal year 2009 and that fiscal year 2011 funding for joint vocational schools would be further inflated by 0.75 percent over the amount received in fiscal year 2010. House Bill 153, the State's biennial budget for fiscal years 2012 and 2013, specified zero percent increases for fiscal years 2012 and 2013 funding for joint vocational school districts.

Several of the expenses decreased in comparison between 2013 and 2012. The decreases are primarily due to staffing reductions.

Program revenues covered 11.06 percent of program expenses overall. The remaining 88.94 percent is supported through tax revenues and other general revenues. In fiscal year 2013, however, revenues totaled 112.18 percent of expenses resulting in an increase in net position of $1,423,917.

The Statement of Activities shows the cost of program services and the charges for services and grants and contributions offsetting those services. The following table shows the total cost of services and the net cost of services. That is, it identifies the cost of those services supported by tax revenue and unrestricted State grants and entitlements.

Table 3
Total and Net Cost of Program Services
Governmental Activities

	Total Cost of Services 2013	Net Cost of Services 2013	Total Cost of Services 2012	Net Cost of Services 2012
Program Expenses				
Instruction:				
Regular	$1,136,406	$1,051,322	$1,130,743	$1,108,819
Vocational	4,935,264	4,531,605	5,202,104	4,837,873
Adult/Continuing	198,233	58,978	206,803	74,766
Support Services:				
Pupil	1,055,119	903,606	1,105,957	962,312
Instructional Staff	547,305	515,188	535,658	493,295
Board of Education	94,178	91,694	136,816	134,174
Administration	875,589	744,031	987,486	857,858
Fiscal	535,964	516,283	531,167	515,694
Business	258,967	252,039	243,659	238,947
Operation and Maintenance of Plant	1,245,932	1,212,630	1,251,510	1,224,583
Pupil Transportation	19,638	19,463	15,786	15,693
Central	421,862	408,824	355,104	346,228
Operation of Non-Instructional Services	73,954	73,274	53,121	52,608
Operation of Food Services	276,474	17,075	294,964	26,691
Extracurricular Activities	19,932	4,834	25,107	10,039
Total	$11,694,817	$10,400,846	$12,075,985	$10,899,580

As one can see, the reliance upon local tax revenues for the governmental activities is crucial. 53.34 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs support 47.11 percent while program revenues, investments and other miscellaneous types of revenues support the remaining activity costs.

The Center's Funds

The Center's governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of $22,235,441, an increase of $1,786,961 from fiscal year 2012.

General Fund

The general fund balance increased by $1,915,193 in fiscal year 2013. The increase in fund balance can be attributed to higher tuition and fees revenue and property tax revenue, as well as some reductions in expenditures.

Budgeting Highlights

The Center's appropriations are prepared according to Ohio law and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. In fiscal year 2013, all funds were appropriated at the fund level.

In fiscal year 2013, the Center adopted its appropriations prior to October 1, 2012 and amended those appropriations several times prior to fiscal year end. For the general fund, final amended estimated revenues, including other financing sources, were $12,414,578, an increase of $25,253 from the original estimate. Total final estimated revenues were more than original estimated revenues mainly due to an increase in property tax receipts.

General fund original appropriations, including other financing uses, of $14,596,486 were equal to the final appropriations. The Center's budget for instruction totaled 44.24 percent of general fund final appropriations; support services 43.90 percent; capital outlay 7.12 percent; and all other expenditures and transfers/advances made up the remaining 4.74 percent. Final appropriations exceeded actual expenditures by $2,844,236. This difference was due to the Center appropriating for the entirety of projects and by fiscal year end not all of the projects had been completed and also from salaries and benefits coming in lower than original predictions.

Capital Assets and Debt Administration

Capital Assets

The following table shows fiscal year 2013 balances compared to 2012.

Table 4
Capital Assets at June 30
(Net of Accumulated Depreciation)

	Governmental Activities	
	2013	2012
Land	$140,600	$140,600
Buildings and Improvements	11,504,653	11,790,855
Furniture, Fixtures and Equipment	882,245	930,212
Vehicles	83,639	125,630
Total Capital Assets	$12,611,137	$12,987,297

Capital assets net of depreciation decreased by $376,160, overall, which was mainly due to depreciation outpacing capital outlays for buildings and improvements.

The Center's capitalization threshold for capital assets was set at $5,000. For additional information on capital assets, see Note 10 to the basic financial statements.

Debt

At June 30, 2013, the Center had no outstanding bonded long-term debt. The long-term liabilities listed in Table 1 are those accumulated for compensated absences. For additional information on long-term obligations, see Note 15 to the basic financial statements.

Challenges and Opportunities

The vision of the Maplewood Career Center is to prepare learners to be productive, responsible, and successful members of society. Through progressive curriculum and dynamic hands-on learning, the Center challenges each student to develop lifelong skills that relate to the leadership and teamwork necessary in their future careers and community roles. The Center establishes a relationship with staff, students, parents and community businesses that allows all learners to reach their full potential.

The mission of the Center is to prepare all students to meet, to the best of their abilities, the career/technical, academic, social, cultural, current and future needs of the community. The mission will be accomplished by creating a safe learning environment that emphasizes the lifelong skills and knowledge necessary to continue learning, communicate clearly, solve problems, use information and technology effectively, enjoy productive employment, appreciate aesthetics and meet their obligations as citizens in a democratic and global society.

Keeping current is an ongoing challenge for the Center, where success is measured by graduate employment. As part of the Center's mission to provide relevant career technical programs that meet the needs of its students and its communities, medical and dental assisting were added at the beginning of fiscal year 2009 because those two fields were among the fastest growing career fields in the region. Also, at the beginning of fiscal year 2009, additional opportunities were added for students selecting auto service technology and cosmetology, doubling their capacity, since these programs have always been quickly filled. A new program titled Building and Property Maintenance was added, as well. These programs were fully operational with both juniors and seniors in fiscal year 2010. Unfortunately, the Building and Property Maintenance program was eliminated due to low enrollment at the end of the 2012 fiscal year. Research is being conducted as to what program would be best to replace it. Animal Science is currently being investigated and is being marketed to the sophomores in the fall of 2013. The Center will continue to access the needs of the students and communities and make changes and additions to programs in the future.

The adult education program assists individuals and companies in their efforts to develop leadership, build new skills, upgrade skills, keep abreast of technological developments, and to develop competencies in areas of need and workforce development and personal interest. The job training and re-training needs of area adults are important concerns to the Center's adult education department. In the fall of 2009, the Center started offering three new long-term adult education training programs. The three programs offered are Medical Assisting, Ohio Basic Peace Officer Training Academy, and Welding Technologies. These three programs are among those most requested by area employers. The programs will be affordable, in depth, and most importantly, graduates will be certified and ready to step into a job. The Center attained North Central Association (NCA) accreditation in 2012 but the NCA later stopped accrediting schools. The Center has now attained candidacy status with the Council on Occupational Education (COE) and is continuing to pursue authorization to offer federal financial aid to adult students.

In order to meet the goals mentioned above, it is imperative that the Center's management and staff continue to carefully and prudently plan in order to provide the resources and education required to meet student needs over the next several years. The Center has achieved a large measure of financial stability and forecasts a continuation of that stability throughout three of the five years of the required forecast period prior to a levy renewal or replacement being requested of its voters. Administrators and staff are cognizant of the vulnerability of this stability and the Board of Education and Administration continue to closely monitor both revenues and expenses. The Board of Education and Administration plan to maintain the current facility indefinitely and as a result must upgrade and maintain the facility in a manner distinctly different from many other school districts that are building or planning to build new facilities.

Contacting the Center's Financial Management Personnel

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Center's finances and to show the Center's accountability for the money it receives. If you have questions about this report or need additional financial information contact Michelle Seckman, Treasurer, Maplewood Career Center, 7075 State Route 88, Ravenna, Ohio 44266. You may also contact the Treasurer by phone at (330) 296-2892, extension 551005, or by e-mail at seckmanmi@mwood.cc.

Maplewood Career Center

Statement of Net Position

June 30, 2013

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	$22,410,876
Accounts Receivable	2,829
Intergovernmental Receivable	81,138
Prepaid Items	2,527
Materials and Supplies Inventory	712
Inventory Held for Resale	6,092
Property Taxes Receivable	6,764,666
Assets Held for Resale	53,968
Nondepreciable Capital Assets	140,600
Depreciable Capital Assets, Net	12,470,537
Total Assets	41,933,945
Liabilities	
Accounts Payable	53,871
Accrued Wages Payable	659,114
Matured Compensated Absences Payable	5,878
Vacation Benefits Payable	66,326
Intergovernmental Payable	141,911
Long-Term Liabilities:	
Due Within One Year	86,266
Due In More Than One Year	1,027,091
Total Liabilities	2,040,457
Deferred Inflows of Resources	
Property Taxes	5,763,854
Net Position	
Investment in Capital Assets	12,611,137
Restricted for:	
Food Service Operations	3,624
Other Purposes	4,236
Unrestricted	21,510,637
Total Net Position	$34,129,634

See accompanying notes to the basic financial statements

Maplewood Career Center

Statement of Activities

For the Fiscal Year Ended June 30, 2013

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Governmental Activities
Governmental Activities:				
Instruction:				
Regular	$1,136,406	$27,249	$57,835	($1,051,322)
Vocational	4,935,264	228,609	175,050	(4,531,605)
Adult/Continuing	198,233	54,448	84,807	(58,978)
Support Services:				
Pupil	1,055,119	32,403	119,110	(903,606)
Instructional Staff	547,305	14,045	18,072	(515,188)
Board of Education	94,178	2,484	0	(91,694)
Administration	875,589	98,795	32,763	(744,031)
Fiscal	535,964	14,121	5,560	(516,283)
Business	258,967	6,928	0	(252,039)
Operation and Maintenance of Plant	1,245,932	33,197	105	(1,212,630)
Pupil Transportation	19,638	175	0	(19,463)
Central	421,862	11,238	1,800	(408,824)
Operation of Non-Instructional Services	73,954	680	0	(73,274)
Operation of Food Services	276,474	130,282	129,117	(17,075)
Extracurricular Activities	19,932	15,098	0	(4,834)
Totals	$11,694,817	$669,752	$624,219	(10,400,846)

General Revenues	
Property Taxes Levied for General Purposes	6,238,395
Grants and Entitlements not Restricted to Specific Programs	5,509,621
Unrestricted Contributions	867
Investment Earnings	29,484
Miscellaneous	46,396
Total General Revenues	11,824,763
Change in Net Position	1,423,917
Net Position Beginning of Year	32,705,717
Net Position End of Year	$34,129,634

See accompanying notes to the basic financial statements

Maplewood Career Center
Balance Sheet
Governmental Funds
June 30, 2013

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	$22,007,733	$179,781	$22,187,514
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	223,362	0	223,362
Accounts Receivable	2,775	54	2,829
Interfund Receivable	543,459	0	543,459
Intergovernmental Receivable	35,597	45,541	81,138
Prepaid Items	2,527	0	2,527
Materials and Supplies Inventory	0	712	712
Inventory Held for Resale	0	6,092	6,092
Property Taxes Receivable	6,764,666	0	6,764,666
Assets Held for Resale	53,968	0	53,968
Total Assets	$29,634,087	$232,180	$29,866,267
Liabilities			
Accounts Payable	$53,469	$402	$53,871
Accrued Wages Payable	609,312	49,802	659,114
Matured Compensated Absences Payable	5,878	0	5,878
Intergovernmental Payable	117,121	24,790	141,911
Interfund Payable	0	543,459	543,459
Total Liabilities	785,780	618,453	1,404,233
Deferred Inflows of Resources			
Property Taxes	5,763,854	0	5,763,854
Unavailable Revenue	462,739	0	462,739
Total Deferred Inflows of Resources	6,226,593	0	6,226,593
Fund Balances			
Nonspendable	56,495	712	57,207
Restricted	12,206	28,398	40,604
Committed	255,901	0	255,901
Assigned	710,070	0	710,070
Unassigned (Deficit)	21,587,042	(415,383)	21,171,659
Total Fund Balances (Deficit)	22,621,714	(386,273)	22,235,441
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$29,634,087	$232,180	$29,866,267

See accompanying notes to the basic financial statements

Maplewood Career Center

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2013

Total Governmental Funds Balances	$22,235,441
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	12,611,137
Other long-term assets, such as delinquent property taxes, are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.	462,739
Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(66,326)
Long-term liabilities, such as compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(1,113,357)
Net Position of Governmental Activities	$34,129,634

See accompanying notes to the basic financial statements

Maplewood Career Center

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2013

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	$6,294,007	$0	$6,294,007
Intergovernmental	5,509,738	624,065	6,133,803
Interest	29,484	37	29,521
Tuition and Fees	282,188	136,348	418,536
Rentals	14,565	0	14,565
Contributions and Donations	867	0	867
Charges for Services	106,486	130,165	236,651
Miscellaneous	38,216	8,180	46,396
Total Revenues	12,275,551	898,795	13,174,346
Expenditures			
Current:			
Instruction:			
Regular	1,015,380	57,664	1,073,044
Vocational	4,070,187	177,030	4,247,217
Adult/Continuing	8,191	178,829	187,020
Support Services:			
Pupil	922,240	134,546	1,056,786
Instructional Staff	484,737	17,780	502,517
Board of Education	92,882	0	92,882
Administration	665,930	176,455	842,385
Fiscal	522,319	5,449	527,768
Business	252,429	0	252,429
Operation and Maintenance of Plant	1,220,510	873	1,221,383
Pupil Transportation	6,553	0	6,553
Central	411,724	1,800	413,524
Operation of Non-Instructional Services	25,108	0	25,108
Operation of Food Services	491	276,601	277,092
Extracurricular Activities	19,932	0	19,932
Capital Outlay	641,745	0	641,745
Total Expenditures	10,360,358	1,027,027	11,387,385
Net Change in Fund Balances	1,915,193	(128,232)	1,786,961
Fund Balances (Deficit) Beginning of Year	20,706,521	(258,041)	20,448,480
Fund Balances (Deficit) End of Year	$22,621,714	($386,273)	$22,235,441

See accompanying notes to the basic financial statements

Maplewood Career Center

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2013

Net Change in Fund Balances - Total Governmental Funds		$1,786,961
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital Outlay	657,414	
Depreciation	(1,017,074)	
Total		(359,660)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(16,500)
Revenues in the statement of activities that do not provide current financial resources, such as property taxes, are not reported as revenues in the funds.		(55,612)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences	77,510	
Vacation Benefits Payable	(8,782)	
Total		68,728
Change in Net Position of Governmental Activities		$1,423,917

See accompanying notes to the basic financial statements

Maplewood Career Center

Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$6,167,418	$6,192,904	$6,327,450	$134,546
Intergovernmental	5,556,170	5,556,170	5,474,141	(82,029)
Interest	122,000	122,000	257,777	135,777
Tuition and Fees	80,000	80,000	246,309	166,309
Rentals	15,100	14,867	14,565	(302)
Contributions and Donations	1,000	1,000	867	(133)
Charges for Services	5,500	5,500	7,656	2,156
Miscellaneous	9,700	9,700	39,883	30,183
Total Revenues	11,956,888	11,982,141	12,368,648	386,507
Expenditures				
Current:				
Instruction:				
Regular	1,309,693	1,312,651	1,055,317	257,334
Vocational	5,179,507	5,145,004	4,069,265	1,075,739
Support Services:				
Pupil	1,031,183	1,033,461	936,723	96,738
Instructional Staff	546,280	546,897	488,445	58,452
Board of Education	264,960	264,960	105,708	159,252
Administration	872,121	873,421	696,597	176,824
Fiscal	689,546	689,546	617,172	72,374
Business	265,241	265,241	253,158	12,083
Operation and Maintenance of Plant	2,157,677	2,157,677	1,691,548	466,129
Pupil Transportation	26,986	26,986	8,209	18,777
Central	472,659	549,810	473,791	76,019
Operation of Non-Instructional Services	26,200	26,400	25,399	1,001
Extracurricular Activities	45,474	45,474	20,840	24,634
Capital Outlay	1,163,958	1,038,958	762,037	276,921
Total Expenditures	14,051,485	13,976,486	11,204,209	2,772,277
Excess of Revenues Over (Under) Expenditures	(2,094,597)	(1,994,345)	1,164,439	3,158,784
Other Financing Sources (Uses)				
Advances In	292,437	382,437	382,437	0
Advances Out	(520,001)	(545,000)	(543,459)	1,541
Transfers In	140,000	50,000	0	(50,000)
Transfers Out	(25,000)	(75,000)	(4,582)	70,418
Total Other Financing Sources (Uses)	(112,564)	(187,563)	(165,604)	21,959
Net Change in Fund Balance	(2,207,161)	(2,181,908)	998,835	3,180,743
Fund Balance Beginning of Year	18,920,407	18,920,407	18,920,407	0
Prior Year Encumbrances Appropriated	1,282,556	1,282,556	1,282,556	0
Fund Balance End of Year	$17,995,802	$18,021,055	$21,201,798	$3,180,743

See accompanying notes to the basic financial statements

Maplewood Career Center

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2013

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	$45,432	$78,167
Liabilities		
Due to Students	0	$78,167
Net Position		
Held in Trust for Scholarships	$45,432	

See accompanying notes to the basic financial statements

Maplewood Career Center

Statement of Changes in Fiduciary Net Position

Private Purpose Trust Fund

For the Fiscal Year Ended June 30, 2013

	Private Purpose Trust
	Scholarship
Additions	
Contributions and Donations	$3,500
Interest	26
Miscellaneous	7,898
Total Additions	11,424
Deductions	
Scholarships Awarded	6,500
Change in Net Position	4,924
Net Position Beginning of Year	40,508
Net Position End of Year	$45,432

See accompanying notes to the basic financial statements

Note 1 – Description of the Center and Reporting Entity

The Maplewood Career Center (the "Center") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the Constitution and laws of the State of Ohio. The Center is a joint vocational center as defined by Section 3311.18 of the Ohio Revised Code. The Center operates under a Board of Education consisting of eleven members appointed for three year terms. Each Board member is selected in their home district and then appointed to the Center's board. The Center provides educational services as authorized by state statute and federal guidelines to the following school districts: Crestwood Local School District, Field Local School District, James A. Garfield Local School District, Mogadore Local School District, Ravenna City School District, Rootstown Local School District, Southeast Local School District, Streetsboro City School District, Waterloo Local School District, and Windham Exempted Village School District. Each of these school districts has one board member on the Center's Board of Education, except for Ravenna City School District which has two members. The Center employs 69 certified employees and 31 non-certified employees who provide services to 598 students and other community members.

Reporting Entity

The Center is considered to be a stand-alone government because it is a legally separate entity but does not have an elected board. The reporting entity is composed of the stand-alone government, component units, and other organizations that are included to insure that the basic financial statements are not misleading. The stand-alone government consists of all funds, departments, boards, and agencies that are not legally separate from the Center. For the Center, this includes the agencies and departments that provide the following services: general operations, food service, and student related activities of the Center.

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

The Center participates in a jointly governed organization and two insurance purchasing pools. These organizations are the Northeast Ohio Network for Educational Technology, the Ohio School Boards Association Workers' Compensation Group Rating Program and the Portage Area Schools Consortium. These organizations are presented in Notes 18 and 19 to the basic financial statements.

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

Note 2 – Summary of Significant Accounting Policies

The financial statements of the Center have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Center's accounting policies.

Basis of Presentation

The Center's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the Center as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the Center that are governmental and those that are considered business-type. The Center, however, has no business-type activities.

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

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

Fund Accounting

The Center uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Center are grouped into two categories: governmental and fiduciary.

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

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

The other governmental funds of the Center account for grants and other resources whose uses are restricted, committed, or assigned to a particular purpose.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the Center under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Center's own programs. The Center's only trust fund is a private purpose trust which accounts for a college scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Center's agency fund accounts for student activities.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Center are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust fund is accounted for on a flow of economic resources measurement focus.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Center, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the Center receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the

Center must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Center on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, grants, interest, tuition and student fees.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Center, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Center, unavailable revenue includes delinquent property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original and final appropriations were passed by the Board of Education.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Cash and Investments

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

During fiscal year 2013, investments were limited to United States Treasury notes, federal home loan mortgage corporation notes, federal home loan bank notes, federal national mortgage association notes and STAR Ohio. Investments are reported at fair value which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share, which is the price the investment could be sold for on June 30, 2013.

By Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2013 amounted to $29,484, which includes $200 assigned from other Center funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the Center are presented on the financial statements as cash equivalents.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or the laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the general fund represent amounts required by State statute to be set aside to create a budget stabilization balance. See Note 17 for additional information regarding set-asides.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Inventory

Inventories are presented at the lower of cost or market value and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale.

Assets Held for Resale

Assets held for resale represent land purchased by the Center which will be sold with student-built houses.

Capital Assets

All capital assets of the Center are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. The Center was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The Center maintains a capitalization threshold of five thousand dollars. The Center does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

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

Description	Governmental Activities Estimated Lives
Buildings and Improvements	40-60 years
Furniture, Fixtures and Equipment	5-25 years
Vehicles	5-15 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Center records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Since the Center’s policy limits the accrual of vacation time to one year from the employee’s anniversary date, the outstanding liability is recorded as “vacation benefits payable” on the statement of net position rather than as a long-term liability.

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

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have resigned or retired will be paid.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Center is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted Fund balance is reported as 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.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Center Board of Education. Those committed amounts cannot be used for any other purpose unless the Center Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Center for specific purposes but do not meet the criteria to be classified as restricted or committed. These amounts are assigned by the Center Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the Center Board of Education or by State Statute. State Statue authorizes the Treasurer to assign fund balances for purchases on order provided such amounts have been lawfully appropriated.

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

The Center 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.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through either external restrictions imposed by creditors, grantors or laws, or regulations of other governments. Net position restricted for other purposes includes vocational education programs and other miscellaneous federal grant programs.

The Center applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Estimates

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

Note 3 – Changes in Accounting Principles

For fiscal year 2013, the Center has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements,” Statement No. 61, “The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,” Statement No. 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements,” Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” Statement No. 65, “Items Previously Reported as Assets and Liabilities” and Statement No. 66, “Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62.”

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the Center’s financial statements.

GASB Statement No. 61 modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units presentation and certain disclosure requirements. These changes were incorporated in the Center’s fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 62 incorporates into GASB’s authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the Center’s financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the Center's fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the Center's fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the Center's financial statements.

Note 4 – Fund Deficits

Fund balances at June 30, 2013, included the following individual fund deficits:

Special Revenue Funds:	
Adult Education	$413,700
Adult Basic Education	1,683

The special revenue fund deficit balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide transfers when cash is required, not when accruals occur.

Note 5 – Budgetary Basis of Accounting

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

The major differences between the budget basis and GAAP (modified accrual) basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the fund liability is incurred (GAAP basis).

3. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed, or assigned fund balance (GAAP basis).

4. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

5. Investments reported at cost (budget basis) rather than fair value (GAAP basis).

6. Budgetary revenues and expenditures of the uniform school supplies, rotary-special services, and public school support funds are reclassified to the general fund for GAAP reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	$1,915,193
Net Adjustment for Revenue Accruals	(274,631)
Advances In	382,437
Beginning Fair Value Adjustment for Investments	250,186
Ending Fair Value Adjustment for Investments	(21,893)
Net Adjustment for Expenditure Accruals	156,077
Advances Out	(543,459)
Perspective Differences:	
Uniform School Supplies	(3,424)
Rotary - Special Services	(343)
Public School Support	(556)
Encumbrances	(860,752)
Budget Basis	$998,835

Note 6 – Deposits and Investments

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above;

4. Bonds and other obligations of the State of Ohio;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);

7. The State Treasurer's investment pool (STAR Ohio); and

8. Commercial paper and bankers acceptances if training requirements have been met.

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

<u>Investments</u>

All investments are in an internal investment pool. As of June 30, 2013, the Center had the following investments:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-2	2-3	3-5
U.S. Treasury Notes	$1,188,872	$257,117	$207,654	$261,432	$462,669
Federal Home Loan Mortgage Corporation Notes	3,243,417	1,122,329	623,625	1,283,582	213,881
Federal Home Loan Bank Notes	3,816,854	1,096,581	320,751	692,586	1,706,936
Federal National Mortgage Association Notes	6,077,980	1,225,000	1,846,690	534,867	2,471,423
STAR Ohio	35,934	35,934	0	0	0
Total Investments	$14,363,057	$3,736,961	$2,998,720	$2,772,467	$4,854,909

Interest Rate Risk. The Center has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Center, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk. The United States Treasury Notes, Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Bank Notes, and Federal National Mortgage Association Notes, carry a rating of Aaa by Moody's. STAR Ohio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Center has no investment policy that addresses credit risk.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The United States Treasury Notes, Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Bank Notes, and the Federal National Mortgage Association Notes are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty. The Center has no investment policy dealing with the investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk. The Center places no limit on the amount it may invest in any one issuer. The following is the Center's allocation as of June 30, 2013:

Investment Issuer	Percentage of Investments
United States Treasury Notes	8.28 %
Federal Home Loan Mortgage Corporation Notes	22.58
Federal Home Loan Bank Notes	26.57
Federal National Mortgage Association Notes	42.32

Note 7 – Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the Center's parameters. Real property tax revenue received in calendar year 2013 represents collections of calendar year 2012 taxes. Real property taxes received in calendar year 2013 were levied after April 1, 2012, on the assessed value listed as of January 1, 2012, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2013 represents collections of calendar year 2012 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 became a lien December 31, 2011, were levied after April 1, 2012 and are collected in calendar year 2013 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The Center receives property taxes from Portage and Summit Counties. The County Auditor and Fiscal Officer periodically advance to the Center its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2013, are available to finance fiscal year 2013 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2013 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset to deferred inflows of resources – property taxes.

The amount available as an advance in the general fund was $538,073 at June 30, 2013, and $571,516 at June 30, 2012. The difference was in the timing and collection by the County Auditors.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which the fiscal year 2013 taxes were collected are:

	2012 Second Half Collections		2013 First Half Collections	
	Amount	Percent	Amount	Percent
Real Property:				
Residential/Agricultural	$1,829,532,720	79.63 %	$1,752,861,770	79.28 %
Commercial/Industrial/Public Utility	402,483,900	17.52	387,391,510	17.52
Tangible Personal Property:				
Public Utility	65,433,870	2.85	70,818,490	3.20
Total	$2,297,450,490	100.00 %	$2,211,071,770	100.00 %
Tax rate per $1,000 of assessed valuation	$4.00		$4.00	

Note 8 – Receivables

Receivables at June 30, 2013, consisted of taxes, accounts (rent, student fees and tuition), interfund, and intergovernmental grants and disbursements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current fiscal year guarantee of federal funds. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
Workers' Compensation Reimbursement	$36,856
Vocational Education Grant	33,343
Adult Basic Education Grant	10,864
Other	75
Total	$81,138

Note 9 – Assets Held for Resale

Assets held for resale represents home lots purchased by and donated to the Center, which will be sold with student-built houses. One lot was purchased in fiscal year 2005, with a value of $37,168, and another was donated in fiscal year 2011, with a value of $27,200. In fiscal year 2012, the Center donated the $27,200 lot to the Family and Community Services Agency, but had two additional lots, valued at $8,400 each, donated to the Center. At June 30, 2013, the Center had three lots held for resale with a value of $53,968.

Note 10 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance 6/30/12	Additions	Reductions	Balance 6/30/13
Governmental Activities:				
Capital assets not being depreciated				
Land	$140,600	$0	$0	$140,600
Capital assets being depreciated				
Buildings and improvements	18,964,524	418,816	0	19,383,340
Furniture, fixtures and equipment	2,807,342	238,598	(62,564)	2,983,376
Vehicles	342,199	0	0	342,199
Total capital assets being depreciated	22,114,065	657,414	(62,564)	22,708,915
Accumulated depreciation				
Buildings and improvements	(7,173,669)	(705,018)	0	(7,878,687)
Furniture, fixtures and equipment	(1,877,130)	(270,065)	46,064	(2,101,131)
Vehicles	(216,569)	(41,991)	0	(258,560)
Total accumulated depreciation	(9,267,368)	(1,017,074) *	46,064	(10,238,378)
Capital assets being depreciated, net	12,846,697	(359,660)	(16,500)	12,470,537
Governmental activities capital assets, net	$12,987,297	($359,660)	($16,500)	$12,611,137

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$60,196
Vocational	821,965
Adult/Continuing	11,213
Support Services:	
Pupil	9,962
Instructional Staff	20,431
Board of Education	1,296
Administration	7,209
Fiscal	2,670
Operation and Maintenance of Plant	20,201
Pupil Transportation	13,085
Operation of Non-Instructional Services	43,254
Operation of Food Services	5,592
Total Depreciation Expense	$1,017,074

Note 11 - Risk Management

Property and Liability Insurance

The Center maintains comprehensive insurance coverage with a private carrier, Ohio Casualty, a member of the Liberty Group, for liability coverage. Real property, building contents and vehicles are also maintained with Ohio Casualty; however, the Center makes the payment through the Portage Area School Consortium Property and Casualty Pool. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from last year. See Note 19 for more information on the Pool.

Workers' Compensation

For fiscal year 2013, the Center participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (See Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the Center by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of Comp Management, A Sedgwick CMS Company, provides administrative, cost control and actuarial services to the GRP.

Employee Medical Benefits

The Center is a member of the Portage Area School Consortium Health and Welfare Insurance Pool (the Consortium), a shared risk pool (See Note 19), through which a cooperative Health Benefit Program was created for the benefit of its members. The Health Benefit Program (the Program) is an employee health benefit plan which covers the participating members' employees. The Consortium acts as a fiscal agent for the cash funds paid into the program by the participating school districts. These funds are pooled together for the purposes of paying health benefit claims of employees and their covered dependents, administrative expenses of the program and premiums for stop-loss insurance coverage. A reserve exists which is to cover any unpaid claims if the Center were to withdraw from the pool. If the reserve would not cover such claims, the Center would be liable for any costs above the reserve.

Note 12 – Defined Benefit Pension Plans

School Employees Retirement System

Plan Description – The Center participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Center is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2013, the allocation to pension and death benefits was 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The Center's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2013, 2012, and 2011 were $184,936, $183,314, and $167,542, respectively. For fiscal year 2013, 98.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

State Teachers Retirement System

Plan Description – The Center participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. 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 can 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 multiplied by 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 DB Plan and the DC 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 payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

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 – Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The statutory maximum employee contribution rate will be increased one percent each year beginning July 1, 2013, until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2013, plan members were required to contribute 10 percent of their annual covered salary. The Center was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The Center's required contributions to STRS Ohio for the DB Plan and for the defined benefit portion of the Combined Plan were $579,565 and $40,206 for the fiscal year ended June 30, 2013, $597,867 and $38,991 for the fiscal year ended June 30, 2012, and $623,183 and $36,902 for the fiscal year ended June 30, 2011. For fiscal year 2013, 86.98 percent has been contributed for the DB plan and 86.98 percent has been contributed for the Combined Plan, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

Contributions made to STRS Ohio for the DC Plan for fiscal year 2013 were $35,523 made by the Center and $25,374 made by the plan members. In addition, member contributions of $28,719 were made for fiscal year 2013 for the defined contribution portion of the Combined Plan.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2013, six members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

Note 13 – Postemployment Benefits

School Employees Retirement System

Plan Description – The Center participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administrated by the School Employees Retirement System 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 as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at 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 fiscal year 2013, 0.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2013, this amount was $20,525. During fiscal year 2013, the Center paid $20,033 in surcharge.

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

The Center's contributions for health care for the fiscal years ended June 30, 2013, 2012, and 2011 were $22,292, $27,158, and $40,755, respectively. For fiscal year 2013, 98.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2013, this actuarially required allocation was 0.74 percent of covered payroll. The Center's contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011, were $10,447, $10,826, and $10,782, respectively. For fiscal year 2013, 98.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

State Teachers Retirement System

Plan Description – The Center contributes to the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. 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 can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 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 Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2013, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The Center's contributions for health care for the fiscal years ended June 30, 2013, 2012, and 2011 were $47,675, $51,042, and $50,776, respectively. For fiscal year 2013, 86.98 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

Note 14 – Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators earn ten to twenty five days of vacation per fiscal year, depending upon length of service. Classified employees' vacation that is accrued in one fiscal year must be used by the end of the following fiscal year. Administrators may accrue a maximum of ten days of vacation time from one year to the next. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service. This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to certified and classified employees upon retirement is limited to fifty percent of accumulated sick days not to exceed 170 days. The total maximum payment is for 85 days.

Note 15 – Long-term Obligations

The changes in the Center's long-term obligations during fiscal year 2013 were as follows:

	Amount Outstanding 06/30/12	Additions	Reductions	Amount Outstanding 06/30/13	Amount Due in One Year
Governmental Activities					
Compensated Absences	$1,190,867	$1,644	($79,154)	$1,113,357	$86,266

Compensated absences will be paid from the general fund and the food service and adult education special revenue funds.

The Center's overall legal debt margin was $198,996,459 with an unvoted debt margin of $2,211,072 at June 30, 2013.

Note 16 – Operating Lease

During fiscal year 2012, the Center entered into an operating lease with Lake Business Products for nine copiers. The Center paid $17,386 in principal and $1,994 in interest on the lease in fiscal year 2013. The following is a schedule by year of future minimum lease payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of June 30, 2013:

Fiscal Year	Principal	Interest	Total Payments
2014	$17,915	$1,465	$19,380
2015	18,460	920	19,380
2016	19,021	359	19,380
2017	1,611	4	1,615
Total	$57,007	$2,748	$59,755

Note 17 – Set-Asides

The Center is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward to be used for the same purposes in future years. In prior years, the Center was also required to set aside money for budget stabilization. At June 30, 2013, all funds placed in the budget stabilization fund since its inception in 1998 continue to be set-aside.

The following cash basis information describes the change in the fiscal year end set aside amounts for capital acquisition and budget stabilization. Disclosure of this information is required by State statute.

	Budget Stabilization	Capital Improvements
Set-aside Balance as of June 30, 2012	$223,362	$0
Current Year Set-aside Requirement	0	103,489
Qualifying Disbursements	0	(103,489)
Totals	$223,362	$0
Set-aside Balance Carried Forward to Future Fiscal Years	$223,362	$0
Set-aside Balance as of June 30, 2013	$223,362	$0

The total balance for the two set-asides at the end of the fiscal year was $223,362.

Note 18 – Jointly Governed Organization

Northeast Ohio Network for Educational Technology

The Northeast Ohio Network for Educational Technology (NEONet) is the computer service organization or Data Acquisition Site (DAS) used by the Center. NEONet is a jointly governed organization among twenty-five school districts, three career centers, and the Summit and Medina County Educational Service Centers. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and state funding. The Career Center does not retain an ongoing financial interest or an ongoing financial responsibility in NEONet. During the current fiscal year, the Career Center made $51,024 in payments to NEONet. Financial information can be obtained by writing to the Summit County Educational Service Center, 420 Washington Avenue, Suite 200, Cuyahoga Falls, OH 44221.

Note 19 – Insurance Purchasing Pools

Ohio School Boards Association Workers' Compensation Group Rating Program

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

Portage Area Schools Consortium

The Portage Area School Consortium (the Consortium) is a regional council of governments established pursuant to Chapter 167 of the Ohio Revised Code, consisting mainly of school districts within Portage County, while also including school districts in other northeast and southeast Ohio counties. The Consortium is a stand alone entity, comprised of two stand-alone Pools; the Portage Area School Consortium Property and Casualty Pool and the Portage Area School Consortium Health and Welfare Insurance Pool. These Pools were established by the Consortium on August 5, 1988 to provide property and casualty risk management services and risk sharing to its members. The Pools were established as local government risk pools under Section 1744.081 of the Ohio Revised Code and are not subject to federal tax filing requirements.

The Ohio Revised Code Section 167.04 requires the Consortium to adopt bylaws designating the officers of the Consortium and their method of selection, creating a governing body to act for the Consortium, appointing a fiscal officer, and providing for the conduct of the Consortium's business. The Assembly is the legislative and managerial body of the Consortium. The Assembly is composed of representation of the member schools. The member school's governing body appoints one representative to the Consortium (usually the superintendent or designee). In the case of a member that is a school district, that representative shall be an executive appointed by the board of education. The Assembly serves without compensation.

Note 20 – Contingencies

Grants

The Center received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require 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, the effect of any such disallowed claims on the overall financial position of the Center at June 30, 2013, if applicable, cannot be determined at this time.

Litigation

The Center is not party to legal proceedings as of June 30, 2013.

Note 21 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Center is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental fund and all other governmental funds are presented below:

Fund Balances	General	Other Governmental	Total
Nonspendable:			
Inventory	$0	$712	$712
Prepaids	2,527	0	2,527
Assets Held for Resale	53,968	0	53,968
Total Nonspendable	56,495	712	57,207
Restricted for:			
Food Service	0	24,162	24,162
Vocational Education	0	3,362	3,362
Internal Services	12,206	0	12,206
Other Purposes	0	874	874
Total Restricted	12,206	28,398	40,604
Committed to:			
Compensated Absences	148,746	0	148,746
Building Improvements	107,155	0	107,155
Total Committed	255,901	0	255,901
Assigned to:			
Public School Support	4,625	0	4,625
Purchases on Order	705,445	0	705,445
Total Assigned	710,070	0	710,070
Unassigned (Deficit)	21,587,042	(415,383)	21,171,659
Total Fund Balances	$22,621,714	($386,273)	$22,235,441

Note 22 – Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General Fund	$860,752
Nonmajor Funds	42,611
Total	$903,363

Note 23 – Interfund Balances

Interfund Payable	Interfund Receivable General
Other Governmental Funds:	
Adult Education	$418,000
Adult Basic Education	24,470
Race To The Top	1,750
Vocational Education	33,445
Improving Teacher Quality	3,130
Miscellaneous Federal Grants	62,664
Total	$543,459

Interfund receivables and payables are due to the timing of the receipt of grant monies and monies collected for some programs received by various funds. The general fund provides money to operate the programs until grants and other monies are received and the advances can be repaid.

Note 24 - Subsequent Event

Effective September 29, 2013, Ohio Revised Code Section 3311.19 changes the qualifications necessary to serve as a member of the board of education of vocational schools. Current board members will continue until the expiration of their term.

(This Page Intentionally Left Blank.)

MAPLEWOOD CAREER CENTER
PORTAGE COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal Grantor/ *Pass-Through/* **Program Title**	**Pass Through Entity Number**	**Federal CFDA Number**	**Receipts**	**Expenditures**
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through Ohio Department of Education:				
Nutrition Cluster :				
Non Cash Assistance (Food Distribution)				
National School Lunch Program		10.555	$12,925	$11,795
National School Breakfast Program	051391-3L70-13	10.553	17,670	17,670
National School Lunch Program	051391-3L60-13	10.555	94,548	94,548
Total Nutrition Cluster			125,143	124,013
State Administrative Expenses for Child Nutrition	051391-3670-13	10.560	746	746
Total U.S.Department of Agriculture			**125,889**	**124,759**
U.S. DEPARTMENT OF EDUCATION				
Direct:				
Rural Education Achievement Program		84.358A	57,664	57,664
Passed Through the Ohio Department of Education:				
Adult Education - Basic Grants to States	051391-ABS1-12	84.002	6,253	6,253
	051391-ABS1-13	84.002	98,339	98,339
Total Adult Education - Basic Grants to States			104,592	104,592
Career and Technical Education - Basic Grants to States	051391-3L90-12	84.048	33,914	35,059
	051391-3L90-13	84.048	192,931	192,849
Total Career and Technical Education - Basic Grants to States			226,845	227,908
Race to the Top	051391-3FD0-13	84.413	1,400	1,400
Improving Teacher Quality State Grants (Title II-A)	051391-3Y60-13	84.367	2,058	2,058
Passed Through Portage County:				
Family Literacy	PRC-67200203	84.314	0	571
Total U.S. Department of Education			**393,009**	**394,193**
U.S. DEPARTMENT OF LABOR				
Passed Through the Workforce Development Agency:				
Department of Labor Employment Training Administration	PY11-JFSFYPU-3100	17.259	450	0
Totals			$518,898	$518,952

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

MAPLEWOOD CAREER CENTER
PORTAGE COUNTY

NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2013

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

The Center reports commodities consumed on the Schedule at the fair value. The Center allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

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

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' Government Auditing Standards, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Maplewood Career Center, Portage County, (the Center) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements and have issued our report thereon dated November 15, 2013, wherein we noted the Center adopted the provisions of Governmental Accounting Standard No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and No. 65, "Items Previously Reported as Assets and Liabilities."

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Center's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Center's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Center'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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Center's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dave Yost
Auditor of State
Columbus, Ohio

November 15, 2013

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

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Maplewood Career Center's (the Center) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Center's major federal programs for the year ended June 30, 2013. The *Summary of Audit Results* in the accompanying schedule of findings identifies the Center's major federal programs.

Management's Responsibility

The Center's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Center's compliance for each of the Center's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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 us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Center's major programs. However, our audit does not provide a legal determination of the Center's compliance.

Opinion on Each Major Federal Program

In our opinion, the Maplewood Career Center complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The Center's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Center's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Center'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's applicable 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance**.**

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Dave Yost

Dave Yost
Auditor of State
Columbus, Ohio

November 15, 2013

MAPLEWOOD CAREER CENTER
PORTAGE COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2013

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(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**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under § .510(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Career & Technical Education CFDA # 84.048 Child Nutrition Cluster CFDA #10.553 and 10.555
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 300,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	No

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

This page intentionally left blank.

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Maplewood Career Center
Portage County
7075 State Route 88
Ravenna, Ohio 44266

To the Board of Education:

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

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Maplewood Career Center (the Center) 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 Board. 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 Board amended its anti-harassment policy at its meeting on February 21, 2013 to include prohibiting harassment, intimidation, or bullying of any student "on a school bus" or by an "electronic act".

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 of Education and is not intended to be and should not be used by anyone other than these specified parties.

Dave Yost

Dave Yost
Auditor of State

November 15, 2013

This page intentionally left blank.

MAPLEWOOD CAREER CENTER

PORTAGE 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
DECEMBER 10, 2013