

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

FAIRFIELD COUNTY

SINGLE AUDIT

For the Fiscal Year Ended June 30, 1999

JERRY L. UHRIG

Certified Public Accountant



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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April 17, 2000

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

On January 27, 2000, our office released the audit report dated December 21, 1999 for the Amanda-Clearcreek Local School District, Fairfield County, Ohio, (the District) for the year ended June 30, 1999. Since the issuance of that report, the IPA has requested that the report be re-issued. The report and management letter have been revised by the IPA to reflect audited information for the Ross County School Employees Insurance Consortium, which the District is a member of. The enclosed, revised audit report reflects the modifications to the internal service fund type as a result of the audited information for the Ross County School Employees Insurance Consortium.

Notification of this re-issue has been sent to all parties which received a copy of the original report directly from our office. Please notify those parties which may have requested a copy of the original report from your office. If you have any questions or concerns, please contact me at 1-800-282-0370.

Sincerely,

JIM PETRO
Auditor of State

A handwritten signature in cursive script that reads "Brad Blake".

Brad Blake
Director of Quality Assurance

**Amanda-Clearcreek Local School District
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Board of Education
Amanda-Clearcreek Local School District
414 North Fourth Street
Amanda, Ohio 43012

We have reviewed the reissued independent auditor's report of the Amanda-Clearcreek Local School District, Fairfield County, prepared by Jerry L. Uhrig, Certified Public Accountant, for the audit period July 1, 1998 through June 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



JIM PETRO
Auditor of State

April 17, 2000

Amanda-Clearcreek Local School Board of Education

List of Principal Officials

June 30, 1999

| BOARD OF EDUCATION | | Term |
|-----------------------------|----------------|---------------|
| Leigh Miller | President | 1996- 1999 |
| Wendell Lovett | Vice President | 1996- 1999 |
| Dennis Cramer | Member | 1998- 2001 |
| Charles Estel | Member | 1998- 2001 |
| Virginia Marshall | Member | 1998- 2001 |

| |
|-------------------|
| Treasurer |
| Patricia Williard |

| ADMINISTRATION | |
|----------------------------|------------------------------------|
| Gary Friedt | Superintendent |
| David Minnix | High School Principal |
| Jon Saxton | Asst. High School Principal |
| James B. Dick | Amanda Elementary School Principal |
| William Rinehart | Clearcreek Elementary Principal |

JERRY L. UHRIG

Certified Public Accountant

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(740) 775-8448
FAX: (740) 775-8442

Independent Auditor's Report

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

We have audited the accompanying financial statements of Amanda-Clearcreek Local School District (the District) as of and for the year ended June 30, 1999. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 21, 1999 on our consideration of the District's internal control over structure and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Board of Education
Amanda-Clearcreek Local School District
Independent Auditor's Report

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the District, taken as a whole. The year 2000 supplementary information is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. Further, we do not provide assurance that the District is or will become year 2000 compliant, that the District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the District does business are or will become year 2000 compliant. The accompanying schedule of federal awards expenditures required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*" is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



JERRY L. UHRIG
Certified Public Accountant

December 21, 1999

Amanda-Clearcreek Local School District

Combined Balance Sheet

All Fund Types and Account Groups

June 30, 1999

| | Governmental Fund Types | | | | Proprietary Fund Types | | | Fiduciary Fund Types | | | Account Groups | | | Totals (Memorandum Only) |
|---|-------------------------|--------------------|-----------------|--------------------|------------------------|---------------------|---------------------|-------------------------|---------------------------|----------------------|----------------|--------------------------------|--------------|--------------------------------|
| | General | Special Revenue | Debt Service | Capital Project | Enterprise | Internal Service | Trust and Agency | General Fixed Assets | General Long Term Debt | Account Groups | | Totals (Memorandum Only) | | |
| | | | | | | | | | | General | Long Term Debt | | | |
| Assets and Other Debits: | | | | | | | | | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 1,051,304 | 204,116 | 114,313 | 333,663 | 54,213 | 8,712 | 115,903 | 0 | 0 | 0 | 0 | 0 | \$ 1,982,224 | |
| Cash with Fiscal Agent | 0 | 0 | 1,629 | 0 | 0 | 37,714 | 0 | 0 | 0 | 0 | 0 | 0 | 39,343 | |
| Taxes Receivable | 1,685,006 | 0 | 0 | 204,611 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,889,617 | |
| Interfund Receivables | 136,208 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 136,208 | |
| Intergovernmental Receivables | 10,318 | 4,839 | 0 | 0 | 12,175 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27,332 | |
| Accounts Receivable | 9,314 | 2,952 | 0 | 0 | 10 | 2 | 17 | 0 | 0 | 0 | 0 | 0 | 12,295 | |
| Supplies Inventory | 18,596 | 0 | 0 | 0 | 1,250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19,846 | |
| Inventory for Resale | 0 | 0 | 0 | 0 | 6,249 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,249 | |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 | 202,456 | 0 | 0 | 0 | 0 | 0 | 0 | 202,456 | |
| Restricted Asset: | | | | | | | | | | | | | | |
| Cash and Cash Equivalents | 97,852 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97,852 | |
| Fixed Assets (Net of Accumulated Depreciation) | 0 | 0 | 0 | 0 | 74,000 | 0 | 0 | 6,601,296 | 0 | 0 | 0 | 0 | 6,675,296 | |
| Amount Available in Debt Service Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114,313 | 0 | 0 | 0 | 114,313 | |
| Amount to be Provided for Retirement of General Long Term Debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 494,309 | 0 | 0 | 0 | 494,309 | |
| Total Assets and Other Debits | \$ 3,007,798 | 211,907 | 115,942 | 538,274 | 147,897 | 248,884 | 115,920 | 6,601,296 | 608,622 | \$ 11,596,540 | | | | |

See Accompanying Notes to the General Purpose Financial Statements.

**Amanda-Clearcreek Local School District
Combined Balance Sheet
All Fund Types and Account Groups, Continued
June 30, 1999**

| | Governmental Fund Types | | | | Proprietary Fund Types | | | Fiduciary Fund Types | | | Account Groups | | | Totals (Memorandum Only) |
|--|-------------------------|--------------------|-----------------|--------------------|------------------------|---------------------|---------------------|----------------------|------------------|----------------|----------------------|------------------|--------------------|--------------------------------|
| | General | Special Revenue | Debt Service | Capital Project | Enterprise | Internal Service | Trust and Agency | General | Fixed Assets | Long Term Debt | General | | Memorandum Only | |
| | | | | | | | | | | | General | Long Term Debt | | |
| Liabilities: | | | | | | | | | | | | | | |
| Interfund Payables | 0 | 7 | 0 | 136,301 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 136,208 |
| Intergovernmental Payable | 131,078 | 3,838 | 0 | 0 | 14,181 | 0 | 0 | 0 | 0 | 0 | 0 | 65,607 | 0 | 214,704 |
| Accounts Payable | 101,399 | 9,599 | 0 | 43,016 | 0 | 0 | 1,247 | 0 | 0 | 0 | 0 | 0 | 0 | 155,221 |
| Claims Payable | 0 | 0 | 0 | 0 | 0 | 68,799 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 68,799 |
| Matured Bonds Payable | 0 | 0 | 1,629 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,629 |
| Accrued Salaries and Benefits | 627,166 | 27,764 | 0 | 0 | 23,936 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 678,866 |
| Deferred Revenue | 1,595,685 | 0 | 0 | 192,875 | 4,398 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,792,958 |
| Due to Others | 0 | 0 | 0 | 0 | 0 | 0 | 100,805 | 0 | 0 | 0 | 0 | 0 | 0 | 100,805 |
| General Obligation Bonds Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84,000 | 0 | 80,000 |
| Compensated Absences Payable | 17,421 | 0 | 0 | 0 | 5,182 | 0 | 0 | 0 | 0 | 0 | 0 | 463,015 | 0 | 485,618 |
| Total Liabilities | 2,472,709 | 41,208 | 1,629 | 372,092 | 47,697 | 68,799 | 102,052 | 0 | 608,622 | 0 | 0 | 608,622 | 0 | 3,714,808 |
| Fund Equity and Other Credits: | | | | | | | | | | | | | | |
| Investment in General Fixed Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,601,296 | 0 | 0 | 0 | 0 | 6,601,296 |
| Retained Earnings | 0 | 0 | 0 | 0 | 100,200 | 180,085 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 280,285 |
| Fund Balances: | | | | | | | | | | | | | | |
| Reserved for Inventory | 18,596 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,596 |
| Reserved for Encumbrances | 282,982 | 20,191 | 0 | 269,537 | 0 | 0 | 1,396 | 0 | 0 | 0 | 0 | 0 | 0 | 574,106 |
| Reserved for Budget Stabilization | 97,052 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97,052 |
| Reserved for Property Taxes | 89,321 | 0 | 0 | 11,736 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 101,057 |
| Unreserved Fund Balance | 47,138 | 150,508 | 114,313 | (115,091) | 0 | 0 | 12,472 | 0 | 0 | 0 | 0 | 0 | 0 | 209,340 |
| Total Fund Equity | 535,089 | 170,699 | 114,313 | 166,182 | 0 | 0 | 13,868 | 0 | 6,601,296 | 0 | 0 | 6,601,296 | 0 | 1,000,151 |
| Total Fund Equity and Other Credits | 535,089 | 170,699 | 114,313 | 166,182 | 100,200 | 180,085 | 13,868 | 0 | 6,601,296 | 0 | 0 | 6,601,296 | 0 | 7,881,732 |
| Total Liabilities, Fund Equity, and Other Credits | \$ 3,007,798 | 211,907 | 115,942 | 538,274 | 147,897 | 248,884 | 115,970 | 0 | 6,601,296 | 608,622 | \$ 11,596,540 | 0 | 0 | \$ 11,596,540 |

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
All Governmental Fund Types and Similar Fiduciary Funds
Year Ended June 30, 1999

| | Governmental Fund Types | | | | Fiduciary | Totals (Memorandum Only) |
|---|-------------------------|--------------------|-----------------|---------------------|-----------------------------------|--------------------------------|
| | General | Special Revenue | Debt Service | Capital Projects | Fund Types Expendable Trust | |
| REVENUES: | | | | | | |
| Taxes | \$ 1,550,352 | 0 | 0 | 161,345 | 0 | \$ 1,711,697 |
| Tuition | 123,904 | 0 | 0 | 0 | 0 | 123,904 |
| Earnings on Investments | 99,029 | 0 | 0 | 0 | 0 | 99,029 |
| Extracurricular Activities | 0 | 184,936 | 0 | 0 | 0 | 184,936 |
| Classroom Materials and Fees | 40,519 | 0 | 0 | 0 | 0 | 40,519 |
| Miscellaneous | 69,143 | 31,390 | 0 | 10,000 | 18,723 | 129,256 |
| Revenue from State Sources | | | | | | |
| Unrestricted Grants-in-Aid | 5,296,185 | 0 | 0 | 18,466 | 0 | 5,314,651 |
| Restricted Grants-in-Aid | 40,101 | 97,094 | 0 | 141,962 | 0 | 279,157 |
| Revenue for/on Behalf of District | 12,289 | 0 | 0 | 89,909 | 0 | 102,198 |
| Revenue from Federal Sources | | | | | | |
| Unrestricted Grants-in-Aid | 0 | 8,926 | 0 | 0 | 0 | 8,926 |
| Restricted Grants-in-Aid | 0 | 226,162 | 0 | 0 | 0 | 226,162 |
| Total Revenue | 7,231,522 | 548,508 | 0 | 421,682 | 18,723 | 8,220,435 |
| EXPENDITURES: | | | | | | |
| Instruction | | | | | | |
| Regular | 3,323,880 | 109,675 | 0 | 140,954 | 0 | 3,574,509 |
| Special | 438,769 | 228,607 | 0 | 0 | 0 | 667,376 |
| Vocational | 290,446 | 0 | 0 | 0 | 0 | 290,446 |
| Other | 119,114 | 0 | 0 | 0 | 0 | 119,114 |
| Supporting Services | | | | | | |
| Pupils | 262,444 | 0 | 0 | 0 | 523 | 262,967 |
| Instructional Staff | 215,329 | 6,352 | 0 | 0 | 11,116 | 232,797 |
| Board of Education | 35,135 | 0 | 0 | 0 | 0 | 35,135 |
| Administration | 670,945 | 11,876 | 0 | 0 | 0 | 682,821 |
| Fiscal Services | 170,971 | 0 | 0 | 2,916 | 0 | 173,887 |
| Business | 23,632 | 4,087 | 0 | 0 | 0 | 27,719 |
| Operation & Maintenance-Plant | 642,201 | 0 | 0 | 605,276 | 0 | 1,247,477 |
| Pupil Transportation | 675,435 | 0 | 0 | 0 | 0 | 675,435 |
| Central | 0 | 3,900 | 0 | 0 | 0 | 3,900 |
| Extracurricular Activities | | | | | | |
| Academic & Subject Oriented | 14,850 | 0 | 0 | 0 | 0 | 14,850 |
| Occupation Oriented Activities | 7,956 | 0 | 0 | 0 | 367 | 8,323 |
| Sports Oriented | 113,805 | 119,404 | 0 | 0 | 0 | 233,209 |
| Co-Curricular Activities | 6,649 | 0 | 0 | 0 | 0 | 6,649 |
| Capital Outlay | | | | | | |
| Other Facility Acquisition & Construction | 92,334 | 0 | 0 | 104,791 | 0 | 197,125 |
| Debt Service | | | | | | |
| Repayment of Debt | 0 | 0 | 46,500 | 0 | 0 | 46,500 |
| Total Expenditures | 7,103,895 | 483,901 | 46,500 | 853,937 | 12,006 | 8,500,239 |
| Excess of Revenues | | | | | | |
| Over (Under) Expenditures | 127,627 | 64,607 | (46,500) | (432,255) | 6,717 | (279,804) |
| Other Financing Sources and Uses: | | | | | | |
| Sale of Fixed Assets | 2,127 | 0 | 0 | 26,680 | 0 | 28,807 |
| Transfers-In | 0 | 306 | 0 | 1,866 | 0 | 2,172 |
| Transfers-Out | (1,866) | 0 | 0 | 0 | 0 | (1,866) |
| Total Other Financing Sources and Uses | 261 | 306 | 0 | 28,546 | 0 | 29,113 |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditure and Other Uses | 127,888 | 64,913 | (46,500) | (403,709) | 6,717 | (250,691) |
| Decrease in Inventory | (6,608) | 0 | 0 | 0 | 0 | (6,608) |
| Beginning Fund Balance | 413,809 | 105,786 | 160,813 | 569,891 | 7,151 | 1,257,450 |
| Ending Fund Balance | \$ 535,089 | 170,699 | 114,313 | 166,182 | 13,868 | \$ 1,000,151 |

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds
Year Ended June 30, 1999

| | General Fund | | | Special Revenue Funds | | |
|--|------------------|------------------|----------------------------------|-----------------------|-----------------|----------------------------------|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | | | | |
| Taxes | \$ 1,544,878 | 1,544,878 | 0 | 0 | 0 | \$ 0 |
| Tuition | 126,602 | 126,602 | 0 | 0 | 0 | 0 |
| Earnings on Investment | 92,332 | 92,187 | (145) | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 182,968 | 182,968 | 0 |
| Classroom Materials and Fees | 40,533 | 40,533 | 0 | 0 | 0 | 0 |
| Miscellaneous | 26,434 | 26,434 | 0 | 35,477 | 35,477 | 0 |
| State Unrestricted Grants-in-Aid | 5,296,185 | 5,296,185 | 0 | 0 | 0 | 0 |
| State Restricted Grants-in-Aid | 40,101 | 40,101 | 0 | 95,395 | 97,094 | 1,699 |
| Revenue for/on Behalf of District | 14,589 | 14,589 | 0 | 0 | 0 | 0 |
| Federal Restricted Grants-in-Aid | 0 | 0 | 0 | 226,162 | 226,162 | 0 |
| Total Revenue | 7,181,654 | 7,181,509 | (145) | 540,002 | 541,701 | 1,699 |
| Expenditures: | | | | | | |
| Regular Instruction | 3,407,127 | 3,376,425 | 30,702 | 145,374 | 118,815 | 26,559 |
| Special Instruction | 444,503 | 439,568 | 4,935 | 370,980 | 284,158 | 86,822 |
| Vocational Instruction | 286,865 | 282,518 | 4,347 | 0 | 0 | 0 |
| Other Instruction | 150,373 | 150,371 | 2 | 0 | 0 | 0 |
| Support Services-Pupils | 281,906 | 278,758 | 3,148 | 0 | 0 | 0 |
| Support Services-Instructional Staff | 215,181 | 211,032 | 4,149 | 19,289 | 10,060 | 9,229 |
| Support Services-Board of Education | 42,429 | 38,789 | 3,640 | 0 | 0 | 0 |
| Support Services-Administration | 669,902 | 662,691 | 7,211 | 12,335 | 11,620 | 715 |
| Fiscal Services | 174,715 | 171,675 | 3,040 | 0 | 0 | 0 |
| Support Services-Business | 27,939 | 23,846 | 4,093 | 4,087 | 4,087 | 0 |
| Operation & Maintenance-Plant | 718,332 | 692,624 | 25,708 | 0 | 0 | 0 |
| Support Services-Transportation | 782,537 | 765,840 | 16,697 | 0 | 0 | 0 |
| Support Services-Central/Community | 0 | 0 | 0 | 6,711 | 3,900 | 2,811 |
| Food Services Operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Academic & Subject Oriented | 16,035 | 14,850 | 1,185 | 0 | 0 | 0 |
| Occupation Oriented Activities | 19,672 | 19,672 | 0 | 0 | 0 | 0 |
| Sports Oriented | 116,134 | 114,830 | 1,304 | 183,603 | 139,033 | 44,570 |
| Co-Curricular Activities | 6,911 | 6,649 | 262 | 0 | 0 | 0 |
| Building Acquisition & Construction | 199,059 | 185,504 | 13,555 | 0 | 0 | 0 |
| Repayment of Debt | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 7,559,620 | 7,435,642 | 123,978 | 742,379 | 571,673 | 170,706 |
| Excess of Revenue Over (Under) Expenditures | (377,966) | (254,133) | 123,833 | (202,377) | (29,972) | 172,405 |
| Other Financing Sources (Uses): | | | | | | |
| Sale of Fixed Assets | 2,079 | 2,079 | 0 | 0 | 0 | 0 |
| Transfer-In | 0 | 0 | 0 | 306 | 306 | 0 |
| Advances-In | 7,938 | 7,938 | 0 | 0 | 0 | 0 |
| Refund of Prior Years Expenditures | 51,893 | 51,893 | 0 | 0 | 0 | 0 |
| Transfer-Out | (5,333) | (1,866) | 3,467 | 0 | 0 | 0 |
| Advances-Out | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | 56,577 | 60,044 | 3,467 | 306 | 306 | 0 |
| Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses | (321,389) | (194,089) | 127,300 | (202,071) | (29,666) | 172,405 |
| Beginning Fund Balance | 720,995 | 720,995 | -- | 168,074 | 168,074 | -- |
| Prior Year Carry Over Encumbrances | 251,880 | 251,880 | -- | 36,770 | 36,770 | -- |
| Ending Fund Balance | \$ 651,486 | \$ 778,786 | \$ 127,300 | \$ 2,773 | \$ 175,178 | \$ 172,405 |

See Accompanying Notes to the General Purpose Financial Statements.

(Continued)

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds- Continued
Year Ended June 30, 1999

| | Debt Service Funds | | | Capital Projects Funds | | |
|---|--------------------|----------------|--|------------------------|------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | | | | |
| Taxes | \$ 0 | 0 | 0 | 155,773 | 155,773 | \$ 0 |
| Tuition | 0 | 0 | 0 | 0 | 0 | 0 |
| Earnings on Investment | 0 | 0 | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 0 | 0 |
| Classroom Materials and Fees | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 10,000 | 10,000 | 0 |
| State Unrestricted Grants-in-Aid | 0 | 0 | 0 | 18,466 | 18,466 | 0 |
| State Restricted Grants-in-Aid | 0 | 0 | 0 | 141,962 | 141,962 | 0 |
| Revenue for/on Behalf of District | 0 | 0 | 0 | 89,909 | 89,909 | 0 |
| Federal Restricted Grants-in-Aid | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenue | 0 | 0 | 0 | 416,110 | 416,110 | 0 |
| Expenditures: | | | | | | |
| Regular Instruction | 0 | 0 | 0 | 150,244 | 142,107 | 8,137 |
| Special Instruction | 0 | 0 | 0 | 0 | 0 | 0 |
| Vocational Instruction | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Instruction | 0 | 0 | 0 | 0 | 0 | 0 |
| Support Services-Pupils | 0 | 0 | 0 | 0 | 0 | 0 |
| Support Services-Instructional Staff | 0 | 0 | 0 | 0 | 0 | 0 |
| Support Services-Board of Education | 0 | 0 | 0 | 0 | 0 | 0 |
| Support Services-Administration | 0 | 0 | 0 | 0 | 0 | 0 |
| Fiscal Services | 0 | 0 | 0 | 2,916 | 2,916 | 0 |
| Support Services-Business | 0 | 0 | 0 | 0 | 0 | 0 |
| Operation & Maintenance-Plant | 0 | 0 | 0 | 843,904 | 843,904 | 0 |
| Support Services-Transportation | 0 | 0 | 0 | 0 | 0 | 0 |
| Support Services-Central/Community | 0 | 0 | 0 | 0 | 0 | 0 |
| Food Services Operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Academic & Subject Oriented | 0 | 0 | 0 | 0 | 0 | 0 |
| Occupation Oriented Activities | 0 | 0 | 0 | 0 | 0 | 0 |
| Sports Oriented | 0 | 0 | 0 | 0 | 0 | 0 |
| Co-Curricular Activities | 0 | 0 | 0 | 0 | 0 | 0 |
| Building Acquisition & Construction | 0 | 0 | 0 | 165,878 | 163,238 | 2,640 |
| Repayment of Debt | 46,500 | 46,500 | 0 | 0 | 0 | 0 |
| Total Expenditures | 46,500 | 46,500 | 0 | 1,162,942 | 1,152,165 | 10,777 |
| Excess of Revenue Over (Under) Expenditures | (46,500) | (46,500) | 0 | (746,832) | (736,055) | 10,777 |
| Other Financing Sources (Uses): | | | | | | |
| Sale of Fixed Assets | 0 | 0 | 0 | 26,680 | 26,680 | 0 |
| Transfer-In | 0 | 0 | 0 | 1,866 | 1,866 | 0 |
| Advances-In | 0 | 0 | 0 | 0 | 0 | 0 |
| Refund of Prior Years Expenditures | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer-Out | 0 | 0 | 0 | 0 | 0 | 0 |
| Advances-Out | 0 | 0 | 0 | (7,938) | (7,938) | 0 |
| Total Other Financing Sources (Uses) | 0 | 0 | 0 | 20,608 | 20,608 | 0 |
| Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses | (46,500) | (46,500) | 0 | (726,224) | (715,447) | 10,777 |
| Beginning Fund Balance | 160,813 | 160,813 | -- | 273,393 | 273,393 | -- |
| Prior Year Carry Over Encumbrances | 0 | 0 | -- | 462,914 | 462,914 | -- |
| Ending Fund Balance | \$ 114,313 | 114,313 | 0 | 10,083 | 20,860 | \$ 10,777 |

See Accompanying Notes to the General Purpose Financial Statements.

(Continued)

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds- Continued
Year Ended June 30, 1999

| | Expendable Trust Funds | | | Totals (Memorandum Only) | | |
|---|------------------------|---------------|--|--------------------------|--------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | | | | |
| Taxes | \$ 0 | 0 | 0 | 1,700,651 | 1,700,651 | \$ 0 |
| Tuition | 0 | 0 | 0 | 126,602 | 126,602 | 0 |
| Earnings on Investment | 0 | 0 | 0 | 92,332 | 92,187 | (145) |
| Extracurricular Activities | 0 | 0 | 0 | 182,968 | 182,968 | 0 |
| Classroom Materials and Fees | 0 | 0 | 0 | 40,533 | 40,533 | 0 |
| Miscellaneous | 18,723 | 18,723 | 0 | 90,634 | 90,634 | 0 |
| State Unrestricted Grants-in-Aid | 0 | 0 | 0 | 5,314,651 | 5,314,651 | 0 |
| State Restricted Grants-in-Aid | 0 | 0 | 0 | 277,458 | 279,157 | 1,699 |
| Revenue for/on Behalf of District | 0 | 0 | 0 | 104,498 | 104,498 | 0 |
| Federal Restricted Grants-in-Aid | 0 | 0 | 0 | 226,162 | 226,162 | 0 |
| Total Revenue | 18,723 | 18,723 | 0 | 8,156,489 | 8,158,043 | 1,554 |
| Expenditures: | | | | | | |
| Regular Instruction | 1,000 | 0 | 1,000 | 3,703,745 | 3,637,347 | 66,398 |
| Special Instruction | 0 | 0 | 0 | 815,483 | 723,726 | 91,757 |
| Vocational Instruction | 0 | 0 | 0 | 286,865 | 282,518 | 4,347 |
| Other Instruction | 0 | 0 | 0 | 150,373 | 150,371 | 2 |
| Support Services-Pupils | 1,256 | 523 | 733 | 283,162 | 279,281 | 3,881 |
| Support Services-Instructional Staff | 20,579 | 11,590 | 8,989 | 255,049 | 232,682 | 22,367 |
| Support Services-Board of Education | 0 | 0 | 0 | 42,429 | 38,789 | 3,640 |
| Support Services-Administration | 0 | 0 | 0 | 682,237 | 674,311 | 7,926 |
| Fiscal Services | 0 | 0 | 0 | 177,631 | 174,591 | 3,040 |
| Support Services-Business | 0 | 0 | 0 | 32,026 | 27,933 | 4,093 |
| Operation & Maintenance-Plant | 0 | 0 | 0 | 1,562,236 | 1,536,528 | 25,708 |
| Support Services-Transportation | 0 | 0 | 0 | 782,537 | 765,840 | 16,697 |
| Support Services-Central/Community | 0 | 0 | 0 | 6,711 | 3,900 | 2,811 |
| Food Services Operations | 75 | 0 | 75 | 75 | 0 | 75 |
| Academic & Subject Oriented | 0 | 0 | 0 | 16,035 | 14,850 | 1,185 |
| Occupation Oriented Activities | 3,032 | 1,357 | 1,675 | 22,704 | 21,029 | 1,675 |
| Sports Oriented | 0 | 0 | 0 | 299,737 | 253,863 | 45,874 |
| Co-Curricular Activities | 0 | 0 | 0 | 6,911 | 6,649 | 262 |
| Building Acquisition & Construction | 0 | 0 | 0 | 364,937 | 348,742 | 16,195 |
| Repayment of Debt | 0 | 0 | 0 | 46,500 | 46,500 | 0 |
| Total Expenditures | 25,942 | 13,470 | 12,472 | 9,537,383 | 9,219,450 | 317,933 |
| Excess of Revenue Over (Under) Expenditures | (7,219) | 5,253 | 12,472 | (1,380,894) | (1,061,407) | 319,487 |
| Other Financing Sources (Uses): | | | | | | |
| Sale of Fixed Assets | 0 | 0 | 0 | 28,759 | 28,759 | 0 |
| Transfer-In | 0 | 0 | 0 | 2,172 | 2,172 | 0 |
| Advances-In | 0 | 0 | 0 | 7,938 | 7,938 | 0 |
| Refund of Prior Years Expenditures | 0 | 0 | 0 | 51,893 | 51,893 | 0 |
| Transfer-Out | 0 | 0 | 0 | (5,333) | (1,866) | 3,467 |
| Advance-Out | 0 | 0 | 0 | (7,938) | (7,938) | 0 |
| Total Other Financing Sources (Uses) | 0 | 0 | 0 | 77,491 | 80,958 | 3,467 |
| Excess of Revenues & Other Financing Sources Over (Under) Expenditures | (7,219) | 5,253 | 12,472 | (1,303,403) | (980,449) | 322,954 |
| Beginning Fund Balance | 7,151 | 7,151 | -- | 1,330,426 | 1,330,426 | -- |
| Prior Year Carry Over Encumbrances | 68 | 68 | -- | 751,632 | 751,632 | -- |
| Ending Fund Balance | \$ 0 | 12,472 | 12,472 | 778,655 | 1,101,609 | \$ 322,954 |

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings
All Proprietary Fund Types
Year Ended June 30, 1999

| | <u>Proprietary Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|---|-------------------------------|---------------------------------------|---|
| | <u>Enterprise Funds</u> | <u>Internal Service Funds</u> | |
| Operating Revenues: | | | |
| Food Service | \$ 257,806 | 0 | \$ 257,806 |
| Charges for Services | 0 | 673,480 | 673,480 |
| Total Operating Revenue | 257,806 | 673,480 | 931,286 |
| Operating Expenses: | | | |
| Personal Services - Salary | 138,307 | 0 | 138,307 |
| Employee Benefits | 50,174 | 0 | 50,174 |
| Purchased Services | 0 | 509,264 | 509,264 |
| Supplies and Materials | 160,704 | 0 | 160,704 |
| Depreciation | 1,085 | 0 | 1,085 |
| Total Operating Expenses | 350,270 | 509,264 | 859,534 |
| Operating Income (Loss) | (92,464) | 164,216 | 71,752 |
| Non-Operating Revenues: | | | |
| Earnings on Investment | 799 | 3,919 | 4,718 |
| State Unrestricted Grants-In-Aid | 3,990 | 0 | 3,990 |
| Federal Unrestricted Grants-in-Aid | 81,967 | 0 | 81,967 |
| Federal Restricted Grants-In-Aid | 21,506 | 0 | 21,506 |
| Total Non-Operating Revenues | 108,262 | 3,919 | 112,181 |
| Net Income | 15,798 | 168,135 | 183,933 |
| Beginning Retained Earnings | 84,402 | 11,950 | 96,352 |
| Retained Earnings at End of Year | \$ 100,200 | 180,085 | \$ 280,285 |

See Accompanying Notes to the General Purpose Financial Statements.

**Amanda-Clearcreek Local School District
 Combined Statement of Cash Flows
 All Proprietary Fund Types
 Year Ended June 30, 1999**

| | <u>Proprietary Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|--|-------------------------------|---------------------------------------|---|
| | <u>Enterprise Funds</u> | <u>Internal Service Funds</u> | |
| Cash Flows from Operating Activities: | | | |
| Operating Income (Loss) | \$ (92,464) | 164,216 | \$ 71,752 |
| Adjustment to Reconcile Operating Income (Loss) | | | |
| To Net Cash from Operating Activities: | | | |
| Depreciation | 1,085 | 0 | 1,085 |
| Net (Increases) Decreases in Assets: | | | |
| Accounts Receivable | (1) | (2) | (3) |
| Intergovernmental Receivable | 336 | 0 | 336 |
| Prepaid Items | 0 | (202,456) | (202,456) |
| Inventory | 2,207 | 0 | 2,207 |
| Net Increases (Decreases) in Liabilities: | | | |
| Intergovernmental Payable | 4,565 | 0 | 4,565 |
| Accounts Payable | (2,678) | 0 | (2,678) |
| Deferred Revenue | 964 | 0 | 964 |
| Claims Payable | 0 | 44,207 | 44,207 |
| Accrued Wages and Benefits | (1,616) | 0 | (1,616) |
| Compensated Absences | (5,223) | 0 | (5,223) |
| Total Adjustments | <u>(361)</u> | <u>(158,251)</u> | <u>(158,612)</u> |
| Net Cash from Operating Activities | (92,825) | 5,965 | (86,860) |
| Cash Flows from Noncapital Activities: | | | |
| Earnings on Investments | 799 | 3,919 | 4,718 |
| Grants from State Sources | 3,990 | 0 | 3,990 |
| Grants from Federal Sources | 81,967 | 0 | 81,967 |
| Federal Commodities | 21,506 | 0 | 21,506 |
| Net Cash from Noncapital Activities | <u>108,262</u> | <u>3,919</u> | <u>112,181</u> |
| Net Increase in Cash & Cash Equivalents | 15,437 | 9,884 | 25,321 |
| Cash and Cash Equivalents at Beginning of Year | <u>38,776</u> | <u>36,542</u> | <u>75,318</u> |
| Cash and Cash Equivalents at End of Year | <u>\$ 54,213</u> | <u>46,426</u> | <u>\$ 100,639</u> |

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The District 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 District is a local district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education (5 members) and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) as of October 1, 1998, was 1,509. The District employed 98 certified employees and 60 classified employees. The District is supervised by the Fairfield County Educational Service Center, a separate entity.

The District provides regular, vocational and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisitions and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities and functions for which the district is financially accountable. This report includes all activities considered by management to be part of the school by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

Section 2100 indicates that the reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Management believes the financial statements included in this report represent all of the funds of the District over which the District is financially accountable.

B. Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. Governmental Fund Types are accounted for on a flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their operating statements present sources (revenues and other financing sources) and uses (expenditures and other financing uses) of "available spendable resources" during the period.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

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

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital assets or facilities (other than those financed by proprietary and trust funds).

Proprietary Fund Types

Proprietary funds are used to account for the District's ongoing activities which are similar to those found in the private sector. The following are the proprietary fund types:

Enterprise Funds - These funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - These funds account for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. The following are the fiduciary fund types:

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

Expendable Trust Funds - These funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust agreement. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

Agency Funds - These funds are purely custodial and thus do not involve measurement of results of operations.

Account Groups

Account Groups are financial reporting devices to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not affect expendable available financial resources. The following are the account groups:

General Fixed Assets Account Group - This account group is used to account for all of the District's fixed assets other than those accounted for in the Proprietary funds.

General Long-Term Debt Account Group - This account group is used to account for all of the District's long-term obligations other than those accounted for in the Proprietary Funds.

C. Measurement Focus/Basis of Accounting

The modified accrual basis of accounting is followed for Governmental and Expendable Trust Funds. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. Under the basis of accounting:

- 1) Only current assets and current liabilities are generally included on their balance sheets.
- 2) Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.
- 3) Revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the District is 60 days after year end.
 - a) Revenue accrued at the end of the year may include grants, fines, fees, interest and tuition.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

- b) Property taxes measurable as of June 30, 1999 and delinquent property taxes, whose availability is indeterminate, and are intended to finance fiscal year 2000 operations, have been recorded as deferred revenues.

- 4) Expenditures are recognized in the period in which the fund liability is incurred with the following exceptions: general long term obligation principal and interest are reported only when due; the current costs of accumulated unpaid vacation and sick leave are reported in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The Proprietary Funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting" the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Agency fund assets and liabilities are recognized on the modified accrual basis of accounting.

D. Budget and Budgetary Accounting

All governmental and proprietary fund types are subject to annual expenditures budgets. The Board follows the procedures outlined below in establishing the expenditure budget data reported in the general purpose financial statements:

- 1) A Tax Budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the fiscal year commencing the following July 1st. The Board of Education normally adopts the Tax Budget at its regular board meeting in January.

- 2) The County Budget Commission certifies its actions to the District by March 1st. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. During the month of July, this certificate is amended to include any unencumbered balances from the preceding fiscal year.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

- 3) An annual appropriation measure must be passed by the Board of Education by October 1st of each year for the period July 1st to June 30th. Unencumbered appropriations lapse at year-end and the encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. The Board of Education usually adopts three month temporary appropriations at its regular board meeting in June. The Annual Appropriation Resolution is usually adopted at the October regular board meeting. The appropriation measure may be amended or supplemented during the year as new information becomes available. Individual building and/or departments may transfer funds within their budgets upon review and approval of the Board of Education. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund at the object level.
- 4) The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Basis)-All Governmental Fund Types" in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- b) Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- c) Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis); and
- d) For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education. Because the activity of agency funds is not budgeted, transfers in and transfers out do not equal on a budgetary basis due to a transfer of \$306 to an agency fund from the general fund.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

Encumbrances - As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded as the equivalent of expenditures on the budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

E. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet. During fiscal year 1999, investments were limited to a NOW account and certificates of deposit.

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. For the District, all investment earnings accrue to the General Fund, Enterprise Fund and Internal Service Funds as authorized by board resolution. Interest revenue credited during the fiscal year amounted to \$103,747.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

F. Taxes Receivable

The financial statements reflect taxes receivable as of June 30, 1999. GAAP permits the recognition of revenue from any property tax assessment in the fiscal period levied, provided the funds are "available". "Available" means then due, or past due and receivable within the current period or expected to be collected soon thereafter. While these taxes have been assessed, the majority are not due at June 30, 1999 and accordingly have been recorded as deferred revenue in the accompanying financial statements. Taxes that become delinquent remain recorded in deferred revenue until they are determined to be uncollectible.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

G. Inventories

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventories are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of the governmental fund type inventories are recorded as expenditures when purchased (purchase method) rather than when consumed. Reported inventories in these funds are equally offset by a fund balance reserve which indicates they are unavailable for appropriation.

Inventories of proprietary funds consist of donated food, purchased food, and general supplies, and are expended when used.

H. Prepaid Items

For governmental funds, payments made to vendors for services that will benefit periods beyond June 30, 1999, are recognized under the nonallocation method. The nonallocation method of prepayments and deferrals is consistent with the basic governmental concept that only expendable financial resources are reported by a specific governmental fund. Payments for the prepaid items or deferrals are fully recognized as an expenditure in the year of payment. Under the nonallocation method no asset for the prepayment or deferral is created, and no expenditure allocation to future accounting periods is required.

For proprietary funds, prepaid items represent insurance premiums that have been overpaid. These assets are recognized using the allocation method and will be recovered through future premium reductions.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The District does not possess any infrastructure.

The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend asset lives, are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method over an estimated useful life (five to twenty years) of the assets.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

J. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis and entitlements, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and become measurable.

The District currently participates in several State and Federal programs, categorized as follows:

Entitlements:

General Fund

State Foundation Program
School Bus Funding

Special Revenue Funds

Educational Management Information Systems

Capital Projects Funds

School Net Grant

Non-Reimbursable Grants:

Special Revenue Funds

| | |
|--------------------------|------------------|
| Title I | ERate Funding |
| DPPF | Title VI |
| Data Communications | DPIA |
| Tech Prep | Title VIB |
| Professional Development | Textbook Subsidy |

Reimbursable Grants:

General Fund

| | |
|--------------------------------|------------------------------------|
| Driver Education Reimbursement | Vocational Education Reimbursement |
| Tutor Reimbursement | |

Proprietary Funds

National School Lunch Program
Government Donated Commodities

Grants and entitlements amounted to approximately 72% of the District's operating revenue during the 1999 fiscal year.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

K. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds". Short-term interfund loans are classified as "interfund receivables/payables". At June 30, 1999, the District had \$136,208 in "Interfund Receivables/Payables" and no "Due to/from Other Funds".

L. Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicated that they do not constitute expendable available financial resources and therefore are not available for appropriation. At June 30, 1999 the District had no long-term interfund loans.

M. Compensated Absences

The District accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments.

To calculate the liability, these accumulations are reduced to the maximum amount allowed as a termination payment. Accruals for those employees who are expected to become eligible in the future are based on assumptions concerning the probability that individual employees or class or group of employees will become eligible to receive termination payments. All employees projected to be eligible were included in the calculation of the long-term compensated absences accrual amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met: 1.) The employees' rights to receive compensation are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee. 2.) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

For governmental funds, the District records a liability for accumulated unused vacation and sick leave when earned. The current portion of these unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

The remainder is reported in the general long-term debt account group. In proprietary funds, compensated absences are expensed when earned with the amount reported as a fund liability.

N. Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. The assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expended and closed to unreserved retained earnings at year end. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. At June 30, 1999, the District had no contributed capital.

O. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

P. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Q. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 1. Summary of Significant Accounting Policies (continued)

R. Fund Balance Reserves

Reserved Fund Balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund Balances are reserved for encumbrances, supplies inventory, budget reserve (stabilization) and property taxes.

The reserve for property taxes represents the amount of the property taxes available for advance and recognized as revenue. The District is prohibited by law from appropriating the advance, since it was not received, for the current fiscal year. The unreserved portions of fund equity reflected for the Governmental Funds are available for use within the specific purposes of those funds.

S. Memorandum Only - Total Columns

Total columns on the general purposes financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

T. Estimates

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

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 2. Budgetary Basis of Accounting

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

| | Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Governmental Fund Types and Expendable Trust Funds | | | |
|---|--|--------------------|---------------------|---------------------|
| | Governmental Fund Types | | | |
| | General Fund | Special Revenue | Capital Projects | Expendable Trust |
| GAAP Basis | \$ 127,888 | \$ 64,913 | \$(403,709) | \$ 6,717 |
| Increase (Decrease): | | | | |
| Due to Revenues: | | | | |
| Net Adjustments to Revenue Accruals | (6,894) | (6,807) | (5,572) | 0 |
| Due to Expenditures: | | | | |
| Net Adjustments to Expenditure Accruals | (331,747) | (87,772) | (298,228) | (1,464) |
| Due to Other Sources/Uses | 16,664 | 0 | (7,938) | 0 |
| Budget Basis | <u>\$ (194,089)</u> | <u>\$ (29,666)</u> | <u>\$ (715,447)</u> | <u>\$ 5,253</u> |

Note 3. Accountability and Compliance

Pursuant to Section 117.11(A) of the Revised Code, the independent auditors performed tests of compliance with various provisions of local, state and/or federal laws, as appropriate.

Note 4. Cash and Investments

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District 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 the Board of Education has identified as not required for use within the current two 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 accounts, including passbook accounts.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 4. Cash and Investments (continued)

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 4. Cash and Investments (continued)

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."

Deposits: At year end, the carrying amount of the District's deposits was \$2,048,485 and the bank balance was \$2,272,954. Of the bank balance, \$101,629 was covered by federal depository insurance and \$2,171,325 was covered by collateral held by third party trustees in collateral pools securing all public funds on deposit with each specific depository institution. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

Investments: The District's investments are categorized to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which are held by the counter party's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter party, or by its trust department or agent but not in the District's name. The District had no investments at year end as defined in GASB Statement No. 3.

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

Note 5. Property Tax

Property taxes are levied, assessed and collected on a calendar year basis. They include amounts levied against all real, public utility, and tangible personal property located in the District. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the Fairfield County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation for the District was completed in 1995, an update was done in 1999. The next revaluation is scheduled for 2001. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31, (although the Fairfield County Auditor usually files for an extension in sending out tax bills so payment is then due by February 14th). If paid semi-annually, the first payment is usually due February 14, with the remainder payable June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before December 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for taxation purposes at 25% of its true value.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 5. Property Tax(continued)

Amounts paid by multi-county taxpayers may pay annually or semi-annually, the first payment is due April 30, with the remainder payable by September 28.

Public utility real and public utility personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Fairfield County Treasurer collects property tax on behalf of the District. The Fairfield County Auditor remits to the District the taxes collected. Tax settlements are made each March and August for real property taxes and each June and October for personal property.

Taxes available for advance and recognized as revenue, but not received by the District prior to June 30, are reflected as a reservation of fund balance. The District is prohibited by law from appropriating the property taxes recognized as revenue in accordance with Ohio Revised Code Section 5705.35 since an advance of tax revenue was not received by the end of the fiscal year.

The full tax rate at the fiscal year ended June 30, 1999 for operations was \$30.30 per \$1,000 of assessed valuation and \$3.00 per \$1,000 of assessed valuation for permanent improvements. The assessed values of real and tangible personal property on which the fiscal year 1999 taxes were collected were as follows:

| | |
|--|----------------------|
| Real Property-Commercial/Industrial | \$ 2,582,310 |
| Real Property-Residential/Agricultural | 73,749,810 |
| Mineral Property | 51,890 |
| Personal Property-General | 2,908,181 |
| Personal Property-Public Utilities | 4,612,380 |
| Total Assessed Value | <u>\$ 83,904,571</u> |

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 6. Receivables

Receivables at June 30, 1999 consisted of taxes, accounts (miscellaneous), and intergovernmental grants and entitlements. 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 guarantee of Federal funds.

A summary of the principal items of Intergovernmental Receivables follows:

| | |
|------------------------------|-------------------------|
| General Fund: | |
| Transportation Reimbursement | \$ 7,681 |
| Tuition Reimbursement | <u>2,637</u> |
| Total General Fund | 10,318 |
| Special Revenue Fund: | |
| ERate Subsidy | 4,839 |
| Enterprise Fund: | |
| State and Federal Subsidy | <u>12,175</u> |
| Grand Total | <u><u>\$ 27,332</u></u> |

Note 7. Fixed Assets

The following is a summary of the proprietary funds property, plant and equipment at June 30, 1999:

| | |
|--------------------------------|-------------------------|
| Furniture and Equipment | \$ 162,808 |
| Less: Accumulated Depreciation | <u>(88,808)</u> |
| Net Fixed Assets | <u><u>\$ 74,000</u></u> |

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 7. Fixed Assets (continued)

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year 1999:

| | General Fixed Assets June 30, 1998 | Additions | Deletions | General Fixed Assets June 30, 1999 |
|-----------------------------------|--|----------------|---------------|--|
| Land and Improvements | \$ 211,872 | 440,374 | 0 | \$ 652,246 |
| Buildings | 2,181,590 | 57,066 | 0 | 2,238,656 |
| Construction in Progress | 0 | 76,784 | 0 | 76,784 |
| Furniture and Equipment | 2,243,510 | 239,919 | 40,049 | 2,443,380 |
| Vehicles | 1,092,632 | 97,598 | 0 | 1,190,230 |
| Total General Fixed Assets | \$ 5,729,604 | 911,741 | 40,049 | \$ 6,601,296 |

The District had a bus garage under construction at June 30, 1999 (Note 20).

Note 8. Defined Benefit Pension Plans

A. State Teachers Retirement System

The District participates in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 E. Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 10.5 percent was the portion used to fund pension obligations. Prior to July 1, 1997, the portion used to fund pension obligations was 12 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$511,008, \$482,736, and \$503,172, respectively; 82.4 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$89,880 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

B. School Employees Retirement System

The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. For fiscal year 1999, 9.02 percent was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$162,144, \$160,380, and \$151,194, respectively; 49 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$103,529 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term debt account group.

C. Social Security

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System /State Teachers Retirement System. As of June 30, 1999, all members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

Note 9. Postemployment Benefits

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly medicare premiums. Benefit provisions and the obligation to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. Through June 30, 1998, the Board allocated employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund. Beginning July 1, 1998, this allocation was increased to 3.5 percent. For the District, this amount equaled \$127,752 during fiscal 1999.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 9. Postemployment Benefits (continued)

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,156 million at June 30, 1998 (the latest information available). For the year ended June 30, 1998, net health care costs paid by STRS were \$219,224,000 and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll, an increase from 4.21 percent for fiscal year 1998. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 125 percent of annual health care expenses. Expenses for health care at June 30, 1998, were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998 SERS had net assets available for payment of health care benefits of \$160.3 million (the latest information available). SERS has approximately 50,000 participants currently receiving health care benefits. For the District, the amount to fund health care benefits, including the surcharge, equaled \$79,250 during the 1999 fiscal year.

Note 10. Compensated Absences

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Only administrative and support personnel who are under a full year contract (260 days) are eligible for vacation time. The administrators are generally granted twenty days of vacation per year.

Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

The classified personnel accumulate vacation based on the following schedule:

| Years Service | Vacation Days |
|---------------|---------------|
| 1-9 | 1 -10 days |
| 10-19 | 10-15 days |
| 20 and beyond | 16-20 days |

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 10. Compensated Absences (continued)

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave shall accumulate during active employment on a continuous year-to-year basis. Maximum sick leave accumulation for classified employees is 225 days and for certified employees it is 250 days.

For classified employees, retirement severance is paid to each employee retiring from the District at a per diem rate of the annual salary at the time of retirement if the employee has been employed by the District for a minimum of ten consecutive years at the time of retirement. Any employee receiving retirement severance pay shall be entitled to a dollar amount equivalent to one-fourth of all accumulated sick leave credited to that employee up to fifty days. A bonus of twenty days is granted if retirement is by the State Teachers Retirement standards.

Note 11. Risk Management

A. General Risk

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District has addressed these various types of risk by purchasing a comprehensive insurance policy through commercial carriers. General liability insurance is maintained in the amount of \$1,000,000 for each occurrence and \$5,000,000 in the aggregate.

The District maintains fleet insurance in the amount of \$1,000,000 for any one accident or loss and a rider for volunteers.

The District maintains replacement cost insurance on buildings and contents in the amount of \$15,456,900.

B. Workers Compensation-Public Entity Risk Pool

The District 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 Ohio School Boards Association. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts 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. Total savings are then calculated and each

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 11. Risk Management (continued)

participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

C. Health Insurance

The District has established an internal service "self-insurance" fund, in conjunction with a formalized risk management program, in an effort to minimize risk exposure and control claims and premium costs.

This self-insurance fund was established in February of 1997 for the purpose of accumulating balances sufficient to self-insure basic medical, dental, vision, and prescription drug coverage and permit excess umbrella coverage for claims over a pre-determined level. Board and employee premium contributions are determined by negotiated agreement. Amounts are paid into this fund from the General Fund, Lunchroom Fund, and certain Special Revenue Funds (Grants). Claims payments are made on an as-incurred basis, thus no "reserve" remains with the insurance carrier.

Expenses for claims are recorded as other expenses when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment assumptions as determined by the third party administrator. These liabilities are reported at their present value of \$76,016 at June 30, 1999. A summary of changes in self-insurance claims for the year ended June 30, 1999 follows:

| | Fiscal Year 1999 | Fiscal Year 1998 |
|------------------------------------|---------------------|---------------------|
| Beginning Claims Liabilities | \$ 24,592 | \$ 167,131 |
| Incurred Claims | 492,264 | 480,549 |
| Claims Paid | (448,057) | (623,088) |
| Claim Liabilities at June 30, 1999 | \$ 68,799 | \$ 24,592 |

Monies are provided from each fund based on a per-employee charge and are recorded as charges for services in the Self-Insurance Fund and as an expenditure in the disbursing fund.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 11. Risk Management (continued)

The following is a summary of payments made to the Self-Insurance Fund:

| | | |
|----------------------------|----|----------------|
| Total Contributed by Funds | \$ | 560,146 |
| Fiscal Agent Fee | | 6,606 |
| Employee Contributions | | <u>106,728</u> |
| Total Contributions | \$ | <u>673,480</u> |

Note 12. Notes and Long-Term Debt

A summary of changes in long-term obligations for the year ended June 30, 1999, are as follows:

| | Balance June 30, 1998 | Additions | Deletions | Balance June 30, 1999 |
|----------------------------------|--------------------------|----------------|----------------|--------------------------|
| Intergovernmental Payable | \$ 72,019 | 65,607 | 72,019 | \$ 65,607 |
| General Obligation Bonds Payable | 120,000 | 0 | 40,000 | 80,000 |
| Compensated Absences Payable | 437,594 | 463,015 | 437,594 | 463,015 |
| | <u>\$ 629,613</u> | <u>528,622</u> | <u>549,613</u> | <u>\$ 608,622</u> |

The \$80,000 of outstanding general obligation bonds relate to a project in 1976, for which bonds were issued for the purpose of constructing an addition and equipping elementary schools and the high school building and improving the site thereof. These bonds mature December 2000, and are in full compliance with the general laws of the State of Ohio, particularly Sections 133.01 to 133.48, inclusive, of the Revised Code and Section 133.09 thereof.

The annual maturities of the general obligation bonds as of June 30, 1999, and related interest payments are as follows:

| | Principal | Interest | Payment |
|--------|------------------|--------------|------------------|
| FY2000 | \$ 40,000 | 5,200 | \$ 45,200 |
| FY2001 | 40,000 | 2,600 | 42,600 |
| | <u>\$ 80,000</u> | <u>7,800</u> | <u>\$ 87,800</u> |

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 13. Interfund Transactions

At June 30, 1999, the District had short-term interfund loans which are classified as "interfund receivables/payables." An analysis of interfund balances is as follows:

| | Receivable | Payable | |
|----------------------|------------|------------|--|
| General Fund | \$ 136,208 | \$ 0 | |
| Special Revenue Fund | 0 | 7 | |
| Capital Project Fund | 0 | 136,201 | |
| | \$ 136,208 | \$ 136,208 | |

Note 14. Jointly Governed Organizations

Metropolitan Educational Council - MEC is a not-for-profit educational council whose primary purpose and objective is to contribute to the educational services available to school districts in Franklin County and surrounding areas by cooperative action membership. The governing board consists of a representative from each of the Franklin County districts. Districts outside of Franklin County are associate members and each county selects a single district to represent them on the governing board. MEC is its own fiscal agent. The District does not have an ongoing financial interest in or ongoing financial responsibility for MEC. MEC provides computer services to the District.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 15. Segment Information for Enterprise Funds

Key financial data for the District's Enterprise Funds for the year ended June 30, 1999, are as follows:

| | Lunchroom Fund | Uniform Supply Fund | Total |
|--------------------------------------|-------------------|---------------------------|-------------------|
| Operating Revenues | \$ 257,806 | 0 | \$ 257,806 |
| Operating Expenses: | | | |
| Depreciation | (1,085) | 0 | (1,085) |
| Other Expenses | (345,565) | (3,620) | (349,185) |
| Total Operating Expenses | (346,650) | (3,620) | (350,270) |
| Operating Loss | (88,844) | (3,620) | (92,464) |
| Non Operating Revenues and Expenses: | | | |
| Earnings on Investments | 799 | 0 | 799 |
| Grants | 107,463 | 0 | 107,463 |
| Net Income (Loss) | <u>\$ 19,418</u> | <u>(3,620)</u> | <u>\$ 15,798</u> |
| Net Working Capital | <u>\$ 26,200</u> | <u>0</u> | <u>\$ 26,200</u> |
| Encumbrances | <u>\$ 75</u> | <u>0</u> | <u>\$ 75</u> |
| Total Assets | <u>\$ 147,897</u> | <u>0</u> | <u>\$ 147,897</u> |
| Retained Earnings | <u>\$ 100,200</u> | <u>0</u> | <u>\$ 100,200</u> |

Note 16. Contingencies

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 1999.

B. Litigation

The District is not a party to any legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending at June 30, 1999.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 17. School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the District. During the fiscal year ended June 30, 1999, the District received \$5,061,265 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State's legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution.

The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. As of December 21, 1999, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 18. Statutory Reserves

The District is required by state law to set-aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 1999, the reserve activity was as follows:

| | Textbook Acquisition | Capital Acquisition | Budget Stabilization | Total |
|---|-------------------------|------------------------|-------------------------|------------------|
| Set-aside Cash Balance as of June 30, 1998 | \$ 0 | 0 | 42,016 | \$ 42,016 |
| Current Year Set-Aside Requirement | 96,110 | 96,110 | 55,036 | 247,256 |
| Current Year Offsets | 0 | 0 | 0 | 0 |
| Qualifying Disbursements | (344,871) | (438,823) | 0 | (783,694) |
| Total | <u>(248,761)</u> | <u>(342,713)</u> | <u>97,052</u> | <u>(494,422)</u> |
| Cash Balance Carried Forward to FY2000 | <u>\$ 0</u> | <u>0</u> | <u>97,052</u> | |
| Amount Restricted for Budget Stabilization | | | | <u>\$ 97,052</u> |
| Total Restricted Assets | | | | <u>\$ 97,052</u> |

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, these amounts may not be used to reduce the set-aside requirement of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

Note 19. Fund Deficits

Fund Deficits:

Fund balances/retained earnings at June 30, 1999, included the following individual fund deficits:

Special Revenue Fund:

Local Grant (\$514)
Title I (\$3,560)

Capital Project Funds:

Emergency School Repair (\$133,561)

The special revenue fund deficits resulted from adjustments for accrued liabilities. The capital project fund deficit resulted from interfund payables. The general fund is liable for any deficits in these funds and provides operating transfers when cash is required, not when accruals occur. These deficits do not exist on the cash basis.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 1999

Note 20. Construction Commitments

As of June 30, 1999, the District had the following contractual commitments for construction of the bus garage:

| Contractor | Contract Amount | Amount Expended | Unexpended Balance at June 30, 1999 |
|--------------------------|--------------------|--------------------|---|
| Schorr & Associates | \$ 23,500 | 18,503 | \$ 4,997 |
| Good Builders, Inc. | 213,096 | 32,788 | 180,308 |
| Radico, Inc. | 60,000 | 8,867 | 51,133 |
| M.G. Abbott, Inc. | 37,660 | 16,626 | 21,034 |
| Gateway Mechanical, Inc. | 20,400 | 0 | 20,400 |
| Total | \$ 354,656 | 76,784 | \$ 277,872 |

Amanda-Clearcreek Local School District
Required Supplementary Information
June 30, 1999

REQUIRED SUPPLEMENTARY INFORMATION - YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations.

The District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting (through the State's Education Management and Information System (EMIS)). The District has several school buildings with power and heating systems which have extensive efficiency utilization measures within the systems.

The District utilizes Metropolitan Education Council, an external service organization, for its accounting and financial reporting. The District utilizes Snyder Software for its financial reporting, payroll and employee benefits. Both of these systems have been tested and validated.

The State of Ohio distributes a substantial sum of money to the District in the form of "Foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and non-financial information about the District through EMIS. The State has tested and validated these systems.

Fairfield County is solely responsible for any cost associated with the tax collection system project. The State of Ohio is solely responsible for any cost associated with the Foundation processing and EMIS system.

The District's power and heating systems which have extensive efficiency utilization measures within the systems have been tested and validated.

The District's utilities: water - Village of Amanda, gas - Columbia Gas Company of Ohio /ENRON, electric - South Central Power Company, and telephone - GTE North, have all issued testing and validation statements.

Because of the unprecedented nature of the year 2000 issue, its effects and the success or related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

Amanda-Clearcreek Local School District
Schedule of Federal Awards Expenditures
Year Ended June 30, 1999

| Federal Grantor / Pass Through Grantor / Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Expenditures |
|--|-------------------------------|---------------------------|------------------|------------------|
| <u>U.S. Department of Agriculture</u> | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | |
| Nutrition Cluster: | | | | |
| National School Lunch Program | 04-PJ 98 | 10.555 | \$82,253 | \$82,253 |
| Total U.S. Department of Agriculture | | | 82,253 | 82,253 |
| <u>U.S. Department of Education</u> | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | |
| Title I Grants to Local Educational Agencies | C1-S1 98 | 84.010 | 152,201 | 176,672 |
| Special Education - Grants to States (IDEA Part B) | 6B-SF 97 P | 84.027 | 60,600 | 60,120 |
| Goals 2000 - State and Local Education Systemic Improvement Grant | C2-S1 98 | 84.276 | 4,963 | 993 |
| Telecommunications Act Grant | - | 84.000 | 4,087 | 4,087 |
| Total U.S. Department of Education | | | 221,851 | 241,872 |
| Total Federal Financial Assistance | | | \$304,104 | \$324,125 |

Note 1 - Noncash Federal Financial Assistance

During the year ended June 30, 1999, the District received \$22,470 and used \$20,506 in fair value inventory under the Nutrition Cluster - Food Distribution (Commodities) Program, Federal CFDA Number 10.550, that is not reported in the above schedule. At June 30, 1999 the District had no significant food commodities inventory.

Note 2 - Significant Accounting Policies

The District prepares its Schedule of Federal Awards Expenditures on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

**Report on Compliance and on Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards**

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

We have audited the financial statements of the Amanda-Clearcreek Local School District (the District), as of and for the year ended June 30, 1999, and have issued our report thereon dated December 21, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

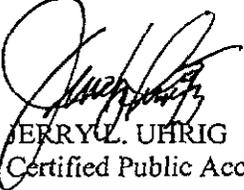
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that we have reported to the management of the District in a separate letter dated December 21, 1999.

Board of Education
Amanda-Clearcreek Local School District
Report on Compliance and on Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

This report is intended for the information and use of the Board of Education, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



JERYL L. UHRIG
Certified Public Accountant

December 21, 1999

**Report on Compliance with Requirements Applicable to Each Major
Program and Internal Control over Compliance in Accordance with
OMB Circular A-133**

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

Compliance

We have audited the compliance of Amanda-Clearcreek Local School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 1999. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

Internal Control over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Board of Education
Amanda-Clearcreek Local School District
Report on Compliance with Requirements Applicable to Each Major
Program and Internal Control over Compliance in Accordance with
OMB Circular A-133

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Board of Education, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



JERRY L. UHRIG
Certified Public Accountant

December 21, 1999

**Amanda-Clearcreek Local School District
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 1999**

A. SUMMARY OF AUDITOR'S RESULTS

| | |
|--|--|
| 1. <i>Type of Financial Statement Opinion</i> | Unqualified |
| 2. <i>Were there any material internal control weaknesses reported at the financial statement level (GAGAS)?</i> | No |
| 3. <i>Were there any other reportable internal control weaknesses reported at the financial statement level (GAGAS)?</i> | No |
| 4. <i>Was there any material noncompliance reported at the financial statement level (GAGAS)?</i> | No |
| 5. <i>Were there any material internal control weaknesses reported for major federal programs?</i> | No |
| 6. <i>Were there any other reportable internal control weaknesses reported for major federal programs?</i> | No |
| 7. <i>Type of Major Programs' Compliance Opinion</i> | Unqualified |
| 8. <i>Are there any reportable findings under § .510?</i> | No |
| 9. <i>Major Programs (list):</i> | Title I Grants to Local Educational Agencies CFDA #84.010 |
| 10. <i>Dollar Threshold: Type A/B Programs</i> | Type A: >\$300,000 Type B: All Other Programs |
| 11. <i>Low Risk Auditee?</i> | No |

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

There were no findings related to the financial statements required to be reported in accordance with GAGAS.

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.

Data Collection Form for Reporting on
AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS

Complete this form, as required by OMB Circular A-133,
"Audits of States, Local Governments, and Non-Profit
Organizations"

RETURN TO Single Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, IN 47132

PART I GENERAL INFORMATION (To be completed by auditee, except for Item 7)

| | | | | |
|--|----|----|----|---|
| <p>1. Fiscal year ending date for this submission</p> <p>Month Day Year</p> <table border="1"> <tr> <td>06</td> <td>30</td> <td>99</td> </tr> </table> | 06 | 30 | 99 | <p>2. Type of Circular A-133 audit</p> <p>1 <input checked="" type="checkbox"/> Single audit 2 <input type="checkbox"/> Program-specific audit</p> |
| 06 | 30 | 99 | | |

| | | |
|--|------------------------------------|--|
| <p>3. Audit period covered</p> <p>1 <input checked="" type="checkbox"/> Annual 3 <input type="checkbox"/> Other- <input type="checkbox"/> Months</p> <p>2 <input type="checkbox"/> Biennial</p> | <p>FEDERAL GOVERNMENT USE ONLY</p> | <p>4. Date received by Federal clearinghouse</p> |
|--|------------------------------------|--|

5. Employer Identification Number (EIN)

| | | | | | | | | | | | | | | |
|----------------|---|---|---|---|---|---|---|---|---|--|---|-----|---|--|
| a. Auditee EIN | 3 | 1 | 6 | 0 | 1 | 0 | 3 | 9 | 0 | b. Are multiple EINs covered in this report? | 1 | Yes | 2 | <input checked="" type="checkbox"/> No |
|----------------|---|---|---|---|---|---|---|---|---|--|---|-----|---|--|

| 6. AUDITEE INFORMATION | 7. AUDITOR INFORMATION (To be completed by auditor) |
|--|--|
| <p>a. Auditee name</p> <p>AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT</p> | <p>a. Auditor name</p> <p>JERRY L. UHRIG, CPA</p> |
| <p>b. Auditee address (Number and street)</p> <p>414 NORTH SCHOOL STREET</p> | <p>b. Auditor address (Number and street)</p> <p>78 NORTH PLAZA BLVD</p> |
| <p>City</p> <p>AMANDA</p> | <p>City</p> <p>CHILLICOTHE</p> |
| <p>State ZIP Code</p> <p>OHIO 43012</p> | <p>State ZIP Code</p> <p>OHIO 45601</p> |
| <p>c. Auditee contact</p> | <p>c. Auditor contact</p> |
| <p>Name</p> <p>PATRICIA WILLIARD</p> | <p>Name</p> <p>JERRY L. UHRIG</p> |
| <p>Title</p> <p>TREASURER</p> | <p>Title</p> <p>PROPRIETOR</p> |
| <p>d. Auditee contact telephone</p> <p>(740) 969 - 4622</p> | <p>d. Auditor contact telephone</p> <p>(740) 775 - 8448</p> |
| <p>e. Auditee contact FAX (Optional)</p> <p>(740) 969 - 3102</p> | <p>e. Auditor contact FAX (Optional)</p> <p>(740) 775 - 8442</p> |
| <p>f. Auditee contact E-mail (Optional)</p> <p>() -</p> | <p>f. Auditor contact E-mail (Optional)</p> <p>() -</p> |

g. AUDITEE CERTIFICATION STATEMENT - This is to certify that, to the best of my knowledge and belief, the auditee has: (1) Engaged an auditor to perform an audit in accordance with the provisions of OMB Circular A-133 for the period described in Part I, Items 1 and 3; (2) the auditor has completed such audit and presented a signed audit report which states that the audit was conducted in accordance with the provisions of the Circular; and, (3) the information included in Parts I, II, and III of this data collection form is accurate and complete. I declare that the foregoing is true and correct.

Signature of certifying official

Date
Month Day Year

| | | |
|---|---|----|
| 1 | 7 | 00 |
|---|---|----|

g. AUDITOR STATEMENT - The data elements and information included in this form are limited to those prescribed by OMB Circular A-133. The information included in Parts II and III of the form, except for Part III, Items 5 and 6, was transferred from the auditor's report(s) for the period described in Part I, Items 1 and 3, and is not a substitute for such reports. The auditor has not performed any auditing procedures since the date of the auditor's report(s). A copy of the reporting package required by OMB Circular A-133, which includes the complete auditor's report(s), is available in its entirety from the auditee at the address provided in Part I of this form. As required by OMB Circular A-133, the information in Parts II and III of this form was entered in this form by the auditor based on information included in the reporting package. The auditor has not performed any additional auditing procedures in connection with the completion of this form.

Name/Title of certifying official

Patricia Williard
PATRICIA WILLIARD, TREASURER

Signature of auditor

[Handwritten Signature]

Date
Month Day Year

| | | |
|---|---|----|
| 1 | 7 | 00 |
|---|---|----|

GENERAL INFORMATION - Continued

8. Indicate whether the auditee has either a Federal cognizant or oversight agency for audit. (Mark (x) one box)

1 Cognizant agency 2 Oversight agency

9. Name of Federal cognizant or oversight agency for audit (Mark (x) one box)

| | | | | | | | |
|----|--|----|--|----|---|----|----------------------------------|
| 1 | African Development Foundation | 83 | Federal Emergency Management Agency | 16 | Justice | 8 | Peace Corps |
| 2 | Agency for International Development | 34 | Federal Mediation and Conciliation Service | 17 | Labor | 59 | Small Business Administration |
| 10 | Agriculture | 39 | General Services Administration | 43 | National Aeronautics and Space Administration | 96 | Social Security Administration |
| 11 | Commerce | 93 | Health and Human Services | 89 | National Archives and Records Administration | 19 | State |
| 94 | Corporation for National and Community Service | 14 | Housing and Urban Development | 5 | National Endowment for the Arts | 20 | Transportation |
| 12 | Defense | 3 | Institute for Museum Services | 6 | National Endowment for the Humanities | 21 | Treasury |
| 84 | <input checked="" type="checkbox"/> Education | 4 | Inter-American Foundation | 47 | National Science Foundation | 82 | United States Information Agency |
| 81 | Energy | 15 | Interior | 7 | Office of National Drug Control Policy | 64 | Veterans Affairs |
| 66 | Environmental Protection Agency | | | | | | Other - Specify |

PART II FINANCIAL STATEMENTS (To be completed by auditor)

1. Type of audit report (Mark (x) by one)

1 Unqualified opinion 2 Qualified opinion 3 Adverse opinion 4 Disclaimer of opinion

| | | | | |
|---|---|-----|---|---|
| 2. Is a "going concern" explanatory paragraph included in the audit report? | 1 | Yes | 2 | <input checked="" type="checkbox"/> No |
| 3. Is a reportable condition disclosed? | 1 | Yes | 2 | <input checked="" type="checkbox"/> No If "NO," SKIP to Item 5 |
| 4. Is any reportable condition reported as a material weakness | 1 | Yes | 2 | <input type="checkbox"/> No |
| 5. Is a material noncompliance disclosed? | 1 | Yes | 2 | <input checked="" type="checkbox"/> No |

PART III FEDERAL PROGRAMS (To be completed by auditor)

1. Type of audit report on major program compliance

1 Unqualified opinion 2 Qualified opinion 3 Adverse opinion 4 Disclaimer of opinion

2. What is the dollar threshold to distinguish Type A and Type B programs § ____520(b)?

\$ 300,000

3. Did the auditee qualify as a low-risk auditee (§ ____530)?

1 Yes 2 No

4. Are there any audit findings required to be reported under § ____510(a)?

1 Yes 2 No

PART III FEDERAL PROGRAMS - Continued

| 6. FEDERAL AWARDS EXPENDED DURING FISCAL YEAR | | | | | | | | | | | | |
|---|---|------------------------|----------------------|-----|--|-----------------------------------|---|---|---|--|---|-----|
| CFDA number ¹ (a) | Name of Federal program (b) | Amount expended (c) | Major program (a) | | Type of compliance requirement ² (b) | Amount of questioned costs (c) | Internal control findings ³ (d) | | | Audit finding reference number(s) (e) | | |
| | | | 1 | 2 | | | 1 | 2 | 3 | | | |
| 10.550 | Food Distribution (Commodities) Program | \$ 20,506 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| 10.555 | National School Lunch Program | \$ 82,253 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| 84.000 | Telecommunications Act Grant | \$ 4,087 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| 84.010 | Title I Grants to Local Educational Agencies | \$ 176,672 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| 84.027 | Special Education - Grants to States (IDEA Part B) | \$ 60,120 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| 84.276 | Goals 2000 - State & Local Education Systemic Improvement Grant | \$ 993 | 1 | Yes | O. | \$0 | 1 | A | 3 | X | C | N/A |
| | | | 2 | No | | | 2 | B | | | | |
| | | \$ | 1 | Yes | | | 1 | A | 3 | X | C | |
| | | | 2 | No | | | 2 | B | | | | |
| TOTAL FEDERAL AWARDS EXPENDED | | \$ 344,631 | | | | | | | | | | |

IF ADDITIONAL LINES ARE NEEDED, PLEASE REFER TO THE INSTRUCTIONS FOR OMB CIRCULAR A-133 WORD PROCESSING TEMPLATE

¹ Or other identifying number when the Catalog of Federal Domestic Assistance (CFDA) number is not available.
² Type of compliance requirement (Enter the letter(s) of all that apply to audit findings and questioned costs reported for each Federal program.)

- A. Activities allowed or unallowed
- B. Allowable costs/cost principles
- C. Cash management
- D. Davis - Bacon Act
- E. Eligibility
- F. Equipment and real property management
- G. Matching, level of effort, earmarking
- H. Period of availability of funds
- I. Procurement
- J. Program income
- K. Real property acquisition and relocation assistance
- L. Reporting
- M. Subrecipient monitoring
- N. Special tests and provisions
- O. None

³ Type of internal control findings (Mark (X) all that apply)

- A. Material weaknesses
- B. Reportable conditions
- C. None reported



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
FAIRFIELD 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.

By: *Susan Babbitt*
Clerk of the Bureau

Date: MAY 2, 2000