

CRIMINAL JUSTICE COORDINATING COUNCIL

**AUDITED FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION
AND AUDITORS' REPORTS**

DECEMBER 31, 1999



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

We have reviewed the Independent Auditor's Report of the Criminal Justice Coordinating Council, Lucas County, prepared by Gilmore, Jason & Mahler, LTD, for the audit period January 1, 1999 to December 31, 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 Criminal Justice Coordinating Council is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

July 11, 2000

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INDEPENDENT AUDITORS' REPORT

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

We have audited the accompanying combined financial statements of the Criminal Justice Coordinating Council as of and for the year ended December 31, 1999 as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Criminal Justice Coordinating Council as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report, dated May 19, 2000, on our consideration of the Criminal Justice Coordinating Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Gilmore, Jasion & Mahler, LTD

May 19, 2000

**CRIMINAL JUSTICE COORDINATING COUNCIL
COMBINED BALANCE SHEET-
ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1999**

	Governmental Fund Types		Fiduciary Fund Types
	General	Special Revenue	Agency
ASSETS AND OTHER DEBITS			
Current assets			
Cash (Note 3)	\$ 876,839	\$ 323,680	\$ 90,728
Accounts receivable	81,970	686,705	
Prepaid items	90,804		
Due from other fund (Note 9)	23,447		
Fixed assets (Note 5)			
Amount to be provided for accrued vacation and sick leave			
Total assets and other debits	\$ 1,073,060	\$ 1,010,385	\$ 90,728
LIABILITIES AND FUND EQUITIES			
Liabilities			
Accounts payable	\$ 129,575	\$ 175,066	\$ 0
Accrued wages and benefits	58,081	3,680	
Deferred revenue	22,360	393,987	
Due to other fund (Note 9)		23,447	
Total liabilities	210,016	596,180	0
Fund equity and other credits (Note 12)			
Investment in general fixed assets			
Fund balances reserved for:			
Budget stabilization	244,335		
2000 funding	115,138		
Prepaid items	90,804		
Vested leave	130,399		
Encumbrances	95,474	51,195	
Migration data porting tool	25,000		
MIP conversion	6,297		
CJTEC special training	29,975		
CJTEC locker room	15,000		
Healthcare	20,000		
Migration	30,000		
Unreserved:			
Undesignated	60,622	363,010	90,728
Total fund equity and other credits	863,044	414,205	90,728
Total liabilities and fund equities	\$ 1,073,060	\$ 1,010,385	\$ 90,728

<u>Account Groups</u>		
<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>Total (Memorandum Only)</u>
\$	\$	\$ 1,291,247
		768,675
		90,804
		23,447
1,265,998		1,265,998
	<u>130,399</u>	<u>130,399</u>
<u>\$ 1,265,998</u>	<u>\$ 130,399</u>	<u>\$ 3,570,570</u>
\$ 0	\$ 0	\$ 304,641
	130,399	192,160
		416,347
		23,447
<u>0</u>	<u>130,399</u>	<u>936,595</u>
1,265,998		1,265,998
		244,335
		115,138
		90,804
		130,399
		146,669
		25,000
		6,297
		29,975
		15,000
		20,000
		30,000
		<u>514,360</u>
<u>1,265,998</u>	<u>0</u>	<u>2,633,975</u>
<u>\$ 1,265,998</u>	<u>\$ 130,399</u>	<u>\$ 3,570,570</u>

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES
 For the Year Ended December 31, 1999**

	<u>Governmental Fund Types</u>		<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Revenues			
Local government (Note 2):			
City of Toledo	\$ 2,049,273	\$ 41,497	\$ 2,090,770
Lucas County	555,401	30,383	585,784
Grants (Note 2)	110,109	1,454,257	1,564,366
Contracts (Note 2)	428,003	180,380	608,383
Reimbursements	30,353	280,602	310,955
Interest	45,220	0	45,220
Course fees	8,280	0	8,280
Other	<u>44,059</u>	<u>0</u>	<u>44,059</u>
Total revenues	3,270,698	1,987,119	5,257,817
Expenditures			
Personnel	2,007,604	1,747	2,009,351
Computer services	823,212	473,325	1,296,537
Grant allocations	0	1,477,408	1,477,408
Support cost	329,944	7,901	337,845
Consultants	155,396	88,763	244,159
Capital outlay	147,078	0	147,078
Supplies	34,912	869	35,781
Other	<u>18,332</u>	<u>4,952</u>	<u>23,284</u>
Total expenditures	<u>3,516,478</u>	<u>2,054,965</u>	<u>5,571,443</u>
Deficiency of revenues over expenditures	(245,780)	(67,846)	(313,626)
Fund balance--January 1, 1999 (Note 12)	<u>1,108,824</u>	<u>482,051</u>	<u>1,590,875</u>
Fund balance--December 31, 1999	<u>\$ 863,044</u>	<u>\$ 414,205</u>	<u>\$ 1,277,249</u>

The accompanying notes are an integral part of these financial statements.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 1999**

Note 1—Summary of significant accounting policies

Description of the entity

The Criminal Justice Coordinating Council (CJCC) is an entity organized under Chapter 167 of the Ohio Revised Code (ORC) to promote cooperation and coordination between and among separate governmental units and agencies for improving the criminal justice system in the Toledo/Lucas County area through planning, analysis, technical assistance, training, and information management. The CJCC provides these services through the Northwest Ohio Regional Information System (NORIS), the Criminal Justice Training and Education Center (CJTEC), the Regional Planning Unit (RPU), and the NORIS Data Center (NORDC), as more fully discussed below:

- NORIS: Operates a regional criminal justice information system for local criminal justice agencies and units of government. The CJCC provides the necessary computer services through NORDC.
- CJTEC: Provides basic and continuing education training in the areas of law enforcement, courts, corrections, juvenile justice, alcoholism and drug counseling, social work, and other related services.
- RPU: Provides planning, analysis, and coordination to local criminal justice agencies and units of government.
- NORDC: Provides a computer service center, and computer hardware and data communication services to local criminal justice agencies.

Basis of accounting

All financial transactions for the governmental funds of the CJCC are reported on the modified accrual basis of accounting. Under this accounting method, revenues are recognized when they become both measurable and available, and expenditures are generally recognized when the related fund liability is incurred. The modified accrual basis of accounting is also followed in the Agency Fund. Accordingly, the assets and related liabilities are recognized when the asset and related liabilities become both measurable and available.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments on the expenditure of resources are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund types. Encumbrances outstanding at year-end are reported as reservations of fund balances, since they do not constitute expenditures or liabilities.

Reimbursements

Revenue is recognized for amounts owed to CJCC for expenditures incurred by CJCC on behalf of other governmental agencies.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999

Note 1—Summary of significant accounting policies—continued

Fund accounting

The CJCC maintains its accounting records in accordance with the principles of fund accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The CJCC uses the following fund types and account groups:

Governmental fund type

General fund: This fund accounts for the general operating revenues and expenditures of the CJCC not recorded elsewhere. The primary revenue sources are local government fees and contracts.

Special revenue fund: This fund type is used to account for specified governmental revenues requiring separate accounting because of legal or regulatory provisions. Activity of the Action Fund and the NORIS Agency Fund is included in the Special Revenue Fund.

Fiduciary fund type

Agency fund: This fund type is used to account for and maintain assets held in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Activity of the Metro Drug Task Force and the Toledo Police Department (TPD) Vice Unit accounts is included in this fund.

Account groups

General fixed assets account group: This account group is used to present the general fixed assets of the CJCC utilized in its general operations. General fixed assets include furniture, fixtures, equipment, vehicles, computer equipment, and building improvements.

General long-term debt account group: This account group is used to account for all long-term obligations of the CJCC, including all long-term accrued vacation and sick leave pay.

Total (memorandum only) columns

Total columns on the combined statements are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial position or results of operations in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation, since interfund eliminations have not been made.

Accounts receivable

Accounts receivable are comprised of grants, contracts, and other receivables. Receivables are considered fully collectible at December 31, 1999, and reflect market value.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999

Note 1—Summary of significant accounting policies—continued

Prepaid items

Prepaid items and the portion of the fund balance reserved for prepaid items represent the portion of insurance policies, leases, and a computer license agreement, paid in or prior to 1999 that expire in 2000 or later.

Fixed assets

All fixed assets which are acquired for general governmental purposes are reported as expenditures in the fund that finances the asset acquisition, and are capitalized in the General Fixed Assets Account Group. Fixed assets are recorded at cost. The CJCC has elected not to record depreciation in the General Fixed Assets Account Group, in accordance with generally accepted accounting principles for governmental entities.

Accumulated unpaid vacation and sick leave

Accumulated unpaid vested vacation and sick pay are recorded as accrued wages and benefits on the financial statements. The CJCC employees accumulate sick leave at a rate of 15 days per year. Upon retirement, if the employee has completed twenty or more years of service with the CJCC, reimbursement for sick leave shall be at one-half (50%) of the employee's final rate of pay up to a maximum of 500 hours of accumulated but unused sick leave. Payments at retirement for accumulated sick leave are calculated using the rate of compensation at the date of retirement.

The CJCC employees accumulate vacation leave at a rate of between two and five weeks per year, depending on their length of service. The CJCC policy restricts employees from carrying forward more than 240 hours of vacation leave per calendar year. Any unused leave is paid out upon termination or retirement.

Deferred revenues

Registration fees and contract revenue received in advance for training courses are recorded as deferred revenue. Such amounts are recorded as revenue when the training courses are held. Also, grant funds are deferred until expended.

Note 2—Funding and revenue recognition

Local government appropriations

Annually, the CJCC applies to the City of Toledo and Lucas County to obtain funds for operations. These governmental entities then approve an annual appropriation for the CJCC which may or may not be equal to the requested amount. The appropriated funds are received by the CJCC throughout the year, and are recorded as revenue in the year to which the appropriations relate. For the year ended December 31, 1999, 41% and 11% of total revenues were received from the City of Toledo and Lucas County, respectively.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999**

Note 2—Funding and revenue recognition—continued

Grants

The CJCC receives funds, which are administered through the Office of Criminal Justice Services, from federal grants. The federal grants provide for the funds to be distributed to the CJCC and to other agencies and units of government for use in providing specified services.

Contracts

The services of NORIS, CJTEC and RPU are provided to various agencies and units of government under annual contract agreements. Revenue from contracts is primarily recorded ratably over the contract periods.

Note 3—Cash and investments

The CJCC maintains bank accounts for the General Fund, Toledo Police Vice Unit, Metro Task Force Fund, and Action Fund. Each fund type's balance is displayed on the combined balance sheet as "Cash." The CJCC considers highly liquid investments with original maturities of three months or less to be cash or cash equivalents.

Deposits

At year-end the carrying amount of the CJCC's deposits was \$1,277,429, and the bank balance was \$1,379,501. Of the balance, \$100,000 was covered by federal depository insurance, and \$1,157,982 was covered by collateral held by third-party trustees, pursuant to section 135.181 of the ORC, in collateral pools securing all public funds on deposit with specific depository institutions, and \$77,380 was covered by the National Credit Union Administration. Cash on hand was \$13,818.

Toledo Police Department Vice Unit checking account

The CJCC maintains a checking account on behalf of the Toledo Police Department Vice Unit. The City of Toledo contributes to the account. The funds in this account are used primarily by the Vice Unit in drug enforcement and prevention activities.

Note 4—Agency fund

A summary of the changes in the assets and liabilities of the agency fund is as follows:

<u>Metro Drug Task Force and TPD Vice Unit</u>	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 1999</u>
Assets:				
Cash	\$ 121,508	\$ 55,234	\$ 86,014	\$ 90,728
Fund Balance:				
Undesignated	\$ 121,508	\$ 55,234	\$ 86,014	\$ 90,728

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999

Note 5—General fixed assets

A summary of the changes in the general fixed assets, by asset type, follows:

	Balance	Current Year		Balance
	January 1, 1999	Additions	Disposals	December 31, 1999
Leasehold improvements	\$ 14,989	\$ 0	\$ 0	\$ 14,989
Furniture and fixtures	80,090	51,421	7,570	123,941
Computer equipment	928,117	137,991	16,606	1,049,502
Office equipment	63,156	428	3,890	59,694
Vehicles	<u>0</u>	<u>17,872</u>	<u>0</u>	<u>17,872</u>
Total	<u>\$ 1,086,352</u>	<u>\$ 207,712</u>	<u>\$ 28,066</u>	<u>\$ 1,265,998</u>

Note 6—Lease commitments

Operating leases

The CJCC rents office facilities for \$16,966 per month under a thirty-six (36) month agreement expiring in May 2000, indexed by 4% annually, with an option for renewal at the end of the lease term. Rent expense for the year ended December 31, 1999 was \$173,179. All expenses for operating and maintaining the facilities are paid by the CJCC. The office lease contains an early cancellation option which allows the CJCC to cancel the lease at its option for a payment of \$50,000. During 1999, the CJCC negotiated a short-term decrease in the monthly rent payment. The CJCC is currently negotiating the renewal of this office lease.

The CJCC leases two vehicles, each with three-year lease terms and monthly payments of \$380. All expenses for operating and maintaining the vehicles are paid by the CJCC. Lease expense was \$8,387 for the year ended December 31, 1999.

The CJCC leases computer equipment and capitalized engineering costs under a long-term lease with three payment schedules. Schedule One is \$6,714 per month under a five-year lease expiring in January 2000. Total lease expense under Schedule One was \$80,568 for the year ended December 31, 1999. In April 2000, the Board approved to the purchase of the equipment at the end of the lease for \$33,474. Schedule Two is \$82,739 per quarter with fixed payments commencing on February 1, 1995 under a five-year lease expiring in January 2000. Total lease expense under Schedule Two was \$330,957 for the year ended December 31, 1999. In April 2000, the Board declined to renew the lease and opted to return the software. Schedule Three is \$26,606 per quarter under a six-year lease expiring in January 2001. Total lease expense under Schedule Three is \$106,423 for the year ended December 31, 1999.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999

Note 6—Lease commitments—continued

The CJCC has a lease agreement for consulting services for a computer project from Digital Equipment Corporation. Payments of \$10,949, commencing April 15, 1996, are due quarterly for four years. Total lease expense was \$54,745 for the year ended December 31, 1999, which included the final payment under the lease.

The minimum annual rental commitment under these leases at December 31, 1999 is as follows:

<u>Year</u>	<u>Total</u>
2000	\$ 234,669
2001	35,726
2002	6,840
2003	0
2004	<u>0</u>
	<u>\$ 277,235</u>

Note 7—Pension obligations

The employees of the CJCC are covered by the Public Employees Retirement System of Ohio (P.E.R.S.). The State of Ohio accounts for the activities of P.E.R.S., and only the CJCC's contributions to this system are reflected in the accompanying financial statements.

All employees are required to be members of P.E.R.S. They are entitled to a retirement benefit, payable monthly for life, equal to 2.1% of their final average salary for each year of credited service. Final average salary is the employee's average salary over the highest 3 years of earnings. Benefits fully vest upon reaching 5 years of service. Employees may retire at any age with 30 years of service, at age 60 with a minimum of 5 years of service, and at age 55 with a minimum of 25 years of service. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Benefits are established by state statute.

The Ohio Revised Code provides statutory authority for employee and employer P.E.R.S. contributions. The employee contribution rates are 8.5% of qualifying gross wages for all employees. The employer contribution rate for P.E.R.S. is 13.55%, of which 9.5% is used to fund pension obligations. The difference between the total employer rate and the portion used to fund pension obligations is the amount used to fund the health care program for retirees.

P.E.R.S.' actuarially determined contribution requirements are at the rates as stated in the previous paragraph. As of December 31, 1999, there were no changes in actuarial assumptions, benefit provisions, actuarial funding methods or other significant factors. For the year ended December 31, 1999, the CJCC contributed \$205,646 to the Plan.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS—CONTINUED
December 31, 1999

Note 7—Pension obligations—continued

The pension benefit obligation is the actuarial present value of credited projected benefits, adjusted for the effect of projected salary increases and any step rate benefits, estimated to be payable in the future as a result of the employee's service to date. The measure is intended to help users assess the P.E.R.S. funding status on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among P.E.R.S. and among employers. The total Ohio P.E.R.S. pension benefit obligation as of December 31, 1997 (the latest information available) was \$21,384,904,920. The total Ohio P.E.R.S. net assets available for benefits as of December 31, 1998 was \$51,455,081,062. The total benefit obligation does not include any health care data.

P.E.R.S.' Comprehensive Annual Financial Report for the year ended December 31, 1998 contains historical trend information for ten years.

The Public Employees Retirement System does not hold any securities in the form of notes, bonds or other instruments of, or loans to, any of the entities contributing to the system.

Note 8—Ohio public employees deferred compensation program

The CJCC employees participate in a statewide deferred compensation plan created in accordance with Internal Revenue Code section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred wages and any earned income are not subject to taxes until actually received by the employee.

Note 9—Interfund receivables

A summary of interfund receivables by fund follows:

Due from	Due to General fund
Special Revenue Fund	\$ <u>23,447</u>
Total	\$ <u>23,447</u>

Note 10—Insurance

The CJCC maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Property and equipment are 90% coinsured. A liability policy covers all employees, elected and appointed officials, board members, and volunteers.

CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO COMBINED FINANCIAL STATEMENTS-CONTINUED
December 31, 1999

Note 11-Settlement

On October 17, 1997, the CJCC entered into a settlement agreement with a computer consultant it sued for breach of contract. Under the terms of the agreement, the CJCC received a settlement of \$800,000. The settlement is to be received in quarterly installments of \$7,500 plus the proceeds from an escrow account and any proceeds received from the settling defendant's bankruptcy trustee. The agreement also permits the settling defendant to fully satisfy their liability at September 30, 2002 by making a one-time lump sum payment of \$150,000, provided that all previous minimum payments have been made. Amounts related to the settlement are recorded as revenue when they are received. In 1999, the CJCC received four quarterly payments of \$7,500, totaling \$30,000, which was paid to the County of Lucas to reimburse the County for funds it paid to the CJCC for the consultant. The amount of proceeds, if any, that will be received when the bankruptcy is settled is undeterminable.

Note 12-Prior period adjustment

The January 1, 1999 fund balance of the Special Revenue Fund has been restated to reflect the reclassification of the Metro Drug Task Force and the Toledo Police Department Vice Unit accounts to the Agency Fund. The effects of this restatement is to decrease Special Revenue Fund balance by \$121,508 at January 1, 1999 and increase the Agency Fund balance by the same amount.

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 1999**

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Grantor's Number</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Passed through the Office of Criminal Justice Services:				
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	83-48-981000	97JJ-1075 98JJ-1085	\$ 18,038 104,777
Cultural Mediator Skills	^16.540	83-48-981000	97-JJ-SII-0306	5,377
Juvenile Coordinating Service	16.540	83-48-981000	98-JJ-SII-0287	<u>11,685</u>
Total Juvenile Justice Delinquency Prevention Block (Title II)				139,877
Juvenile Justice Delinquency Prevention Block (Title V)	16.548	83-48-981000	96JV-1066 97JV-1076 98JV-1086	4,050 48,324 <u>3,810</u>
Total Juvenile Justice Delinquency Prevention Block (Title V)				56,184
Narcotics Control Block Grant	16.579	83-48-981000	96DG-1067 97DG-1077 98DG-1087 99DG-1097	21,551 263,116 654,097 35,700
Anti-Drug Administration	16.579	83-48-981000	97-DG-ADM-7575 98-DG-ADM-7575	70,000 <u>898</u>
Total Narcotics Control Block				1,045,362
Violence Against Women Act Block	16.588	83-48-981000	96WF-1068 97WF-1078 98WF-1088	1,322 155,665 156,443
Violence Against Women Act Administration	16.588	83-48-981000	97-WF-VAW-8826	<u>17,000</u>
Total Violence Against Women Act Block				<u>330,430</u>
Total all Federal Financial Assistance				<u>\$ 1,571,853</u>

^ Programs administered by the CJCC and part of the Block Grant.

The accompanying notes are an integral part of this schedule.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS
December 31, 1999**

Note 1–Basis of presentation

The federal grant operations are included in the scope of the Office of Management and Budget’s (OMB) Circular A-133 audit (Single Audit). The Single Audit was performed in accordance with the provisions of the OMB *Compliance Supplement for Single Audits of States, Local Government, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the combined financial statements.

The accompanying schedule of expenditures of federal awards includes all federal grants to the CJCC which had activity during the year ended December 31, 1999. This schedule has been prepared on the cash basis of accounting. Grant revenues are recorded for financial reporting purposes when the CJCC has met the qualifications for the respective grants. Certain funds are passed on to subrecipients upon receipt.

Note 2–Subrecipient grants

The CJCC provided disbursements under federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided To Subrecipients</u>
Juvenile Justice Delinquency Prevention Block (Title II)	16.540	\$ 128,192
Juvenile Justice Delinquency Prevention Block (Title V)	16.548	56,184
Narcotics Control Block	16.579	974,464
Violence Against Women Act Block	16.588	<u>313,430</u>
		<u>\$ 1,472,270</u>

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

We have audited the basic financial statements of the Criminal Justice Coordinating Council (CJCC) as of and for the year ended December 31, 1999, and have issued our report thereon, dated May 19, 2000. 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 Criminal Justice Coordinating Council'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 Criminal Justice Coordinating Council'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 other matters involving the internal control over financial reporting, which we have reported to management of the CJCC in a separate letter dated May 19, 2000.

This report is intended solely for the information and use of the Council members, the CJCC's management, and 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.

Gilmore, Jasion & Mahler, LTD

May 19, 2000

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Council Members
Criminal Justice Coordinating Council
Toledo, Ohio

Compliance

We have audited the compliance of the Criminal Justice Coordinating Council (CJCC) with the types of compliance requirements described in the U.S. Office of Management and Budget's (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs, for the year ended December 31, 1999. The Criminal Justice Coordinating Council's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Criminal Justice Coordinating Council's management. Our responsibility is to express an opinion on the Criminal Justice Coordinating Council'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 with the types of compliance requirements referred to above, that could have a direct and material effect on a major federal program, occurred. An audit includes examining, on a test basis, evidence about the CJCC'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 CJCC's compliance with those requirements.

In our opinion, the CJCC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

Internal Control Over Compliance

The management of the CJCC 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 CJCC'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.

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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Council Members, the CJCC management, and 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.

Gilmore, Jasion & Mahler, LTD

May 19, 2000

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 1999**

Section I- Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	No
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	No

Identification of major programs

CFDA Number	Name of Federal Program
16.579	Narcotics Control Block
16.588	Violence Against Women Act Block
Dollar threshold used to distinguish between type A and type B programs	\$300,000

Auditee qualified as low-risk auditee? No

Section II-Financial Statement Findings

None

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—CONTINUED
For the Year Ended December 31, 1999**

Section III—Federal Award Findings and Questioned Costs

None

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF STATUS OF PRIOR YEAR (1998) AUDIT FINDINGS**

There were no reportable findings for the year ended December 31, 1998



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CRIMINAL JUSTICE COORDINATING COUNCIL

LUCAS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 1, 2000**