



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Green Local School District
Summit County
P.O. Box 218
1900 Greensburg Road
Green, Ohio 44232

To the Board of Education:

We have audited the accompanying general purpose financial statements of Green Local School District, Summit County, (the District) as of and for the year ended June 30, 1999, as listed in the Table of Contents. 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 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 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 the 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 our report dated January 21, 2000, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by 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 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 stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



Jim Petro
Auditor of State

January 21, 2000

Green 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 Projects	Enterprise Service	Internal Service	Expendable Trust and Agency	General	Fixed Assets	Long-Term Obligations	General	Fixed Assets		Long-Term Obligations
ASSETS AND OTHER DEBITS:														
Assets:														
Equity in Pooled Cash and Investments	\$103,929	\$278,151	\$726,557	\$180,588	\$393,182	\$122,962	\$87,627	\$0	\$0	\$0	\$0	\$0	\$0	\$1,892,996
Restricted Assets:														
Cash and Cash Equivalents	351,408	0	0	0	0	0	0	0	0	0	0	0	0	351,408
Receivables														
Taxes	11,068,712	0	1,779,166	683,543	0	0	0	0	0	0	0	0	0	13,531,421
Accounts	24,467	28	0	0	0	16,008	0	0	0	0	0	0	0	40,503
Interest	929	0	0	0	0	0	0	0	0	0	0	0	0	929
Intergovernmental	0	0	0	0	32,247	0	0	0	0	0	0	0	0	32,247
Interfund	0	0	0	0	0	160,760	0	0	0	0	0	0	0	160,760
Inventory Held for Resale	0	0	0	0	19,314	0	0	0	0	0	0	0	0	19,314
Materials and Supplies														
Inventory	23,447	0	0	0	17,289	0	0	0	0	0	0	0	0	40,736
Prepaid Items	23,576	0	0	0	0	0	0	0	0	0	0	0	0	23,576
Fixed Assets (Net where applicable, of Accumulated Depreciation)	0	0	0	0	16,380	0	0	28,456,482	0	0	0	0	0	28,472,862
Other Debits:														
Amount available in debt service	0	0	0	0	0	0	0	0	0	0	0	0	0	696,853
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0	0	0	0	0	0	0	0	22,892,857
Total Assets and Other Debits	\$11,596,468	\$278,179	\$2,505,723	\$864,131	\$478,412	\$299,730	\$87,627	\$28,456,482	\$23,589,710	\$0	\$0	\$0	\$0	\$68,156,462

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 1999

(Continued)

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types			Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	General	Fixed Assets	Long-Term Obligations	Totals	
											Memorandum	Only
LIABILITIES, FUND EQUITY AND OTHER CREDITS:												
Liabilities:												
Accounts Payable	\$67,399	\$47,965	\$51,492	\$24,667	\$9	\$0	\$2,482	\$0	\$0	\$0	\$194,014	
Accrued Wages and Benefits	2,428,743	70,444	0	0	57,124	0	0	0	0	0	2,556,311	
Compensated Absences	79,115	0	0	0	19,088	0	0	0	0	1,224,608	1,322,811	
Intergovernmental Payable	524,448	7,245	0	0	34,184	0	0	0	0	156,252	722,129	
Interfund Payable	0	160,760	0	0	0	0	0	0	0	0	160,760	
Due to Others	0	0	0	0	0	0	68,514	0	0	0	68,514	
Deferred Revenue	10,866,291	0	1,757,378	671,628	19,314	0	0	0	0	0	13,314,611	
Claims Payable	0	0	0	0	0	277,999	0	0	0	0	277,999	
Capital Leases Payable	0	0	0	0	0	0	0	0	0	1,018,840	1,018,840	
Note Payable	0	0	0	0	0	0	0	0	0	1,731,800	1,731,800	
Bonds Payable	0	0	0	0	0	0	0	0	0	19,458,210	19,458,210	
Total Liabilities	13,965,996	286,414	1,808,870	696,295	129,719	277,999	70,996	0	0	23,589,710	40,825,999	

(Continued)

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1999

(Continued)

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	General Fixed Assets	Long-Term Obligations	General			
										General	Fixed		
Fund Equity and Other Credits:													
Investment in General Fixed Assets	0	0	0	0	0	0	0	28,456,482	0	0	28,456,482	0	28,456,482
Contributed Capital	0	0	0	0	103,559	0	0	0	0	0	0	0	103,559
Retained Earnings - Unreserved	0	0	0	0	245,134	21,731	0	0	0	0	0	0	266,865
Fund Balances													
Reserved for Property Taxes	202,421	0	21,788	11,915	0	0	0	0	0	0	0	0	236,124
Reserved for Encumbrances	76,745	55,473	0	3,597	0	0	2,191	0	0	0	0	0	138,006
Reserved for Inventory	23,447	0	0	0	0	0	0	0	0	0	0	0	23,447
Reserved for Budget Stabilization	334,866	0	0	0	0	0	0	0	0	0	0	0	334,866
Reserved for Textbooks and Materials	16,542	0	0	0	0	0	0	0	0	0	0	0	16,542
Reserved for Prepaid Items	23,576	0	0	0	0	0	0	0	0	0	0	0	23,576
Unreserved - Undesignated (Deficit)	(3,047,125)	(63,708)	675,065	152,324	0	0	14,440	0	0	0	0	0	(2,269,004)
Total Fund Equity (Deficit) and Other Credits	(2,369,528)	(8,235)	636,853	167,836	348,693	21,731	16,631	28,456,482	0	0	28,456,482	0	27,330,463
Total Liabilities, Fund Equity and Other Credits	\$11,596,468	\$278,179	\$2,505,723	\$864,131	\$478,412	\$299,730	\$87,627	\$28,456,482	\$23,589,710		\$23,589,710	\$68,156,462	

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1999

	Governmental Fund Types				Fiduciary	Totals (Memorandum Only)
					Fund Type	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
REVENUE:						
Taxes	\$10,672,196	\$0	\$1,364,751	\$334,421	\$0	\$12,371,368
Tuition and Fees	11,879	0	0	0	0	11,879
Intergovernmental	8,367,903	714,219	135,406	40,150	0	9,257,678
Interest	189,388	0	0	0	557	189,945
Extracurricular Activities	0	482,880	0	0	0	482,880
Other	21,581	19,308	0	6,436	2,600	49,925
Classroom Materials & Fees	113,236	2,829	0	0	0	116,065
Total Revenues	<u>19,376,183</u>	<u>1,219,236</u>	<u>1,500,157</u>	<u>381,007</u>	<u>3,157</u>	<u>22,479,740</u>
EXPENDITURES:						
Current						
Instruction						
Regular	10,115,569	308,382	0	912,389	2,653	11,338,993
Special	1,430,680	258,431	0	0	0	1,689,111
Vocational	307,705	0	0	0	0	307,705
Adult Continuing Education	0	37	0	0	0	37
Other	150,805	0	0	0	0	150,805
Support Services						
Pupil	1,104,910	348,638	0	0	895	1,454,443
Instructional Staff	808,329	333,408	0	318	0	1,142,055
Board of Education	29,467	0	0	0	0	29,467
Administration	1,603,740	273	138	73	0	1,604,224
Fiscal	451,312	100	17,945	6,469	0	475,826
Business	18,717	0	0	0	0	18,717
Operation and Maintenance of Plant	2,298,996	9	0	194,246	0	2,493,251
Pupil Transportation	834,770	0	0	152,417	0	987,187
Central	65,645	0	0	0	0	65,645
Community Services	0	146,322	0	0	1,150	147,472
Extracurricular Activities	411,919	162,451	0	0	0	574,370
Debt Service						
Principal and Interest Retirement	19,608	0	18,022,061	0	0	18,041,669
Building Acquisition and Construction	0	2,470	51,492	73,841	0	127,803
Total Expenditures	<u>19,652,172</u>	<u>1,560,521</u>	<u>18,091,636</u>	<u>1,339,753</u>	<u>4,698</u>	<u>40,648,780</u>
Revenues Over (Under)						
Expenditures	<u>(275,989)</u>	<u>(341,285)</u>	<u>(16,591,479)</u>	<u>(958,746)</u>	<u>(1,541)</u>	<u>(18,169,040)</u>

(Continued)

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1999

(Continued)

	Governmental Fund Types			Fiduciary	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects		Fund Type Expendable Trust
OTHER FINANCING SOURCES (USES):						
Sale of Assets	0	0	0	150,000	0	150,000
Proceeds From Sale of Notes/Bonds	930,000	0	16,994,125	45,800	0	17,969,925
Operating Transfers - In	446	8,135	62,716	152,075	2,000	225,372
Operating Transfers - Out	(159,750)	0	0	(62,716)	0	(222,466)
Refund of Prior Year's Expense	28,010	0	0	0	0	28,010
Refund of Prior Year's Receipts	0	(5,644)	0	0	(94)	(5,738)
Total Other Financing Sources	<u>798,706</u>	<u>2,491</u>	<u>17,056,841</u>	<u>285,159</u>	<u>1,906</u>	<u>18,145,103</u>
Total Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	522,717	(338,794)	465,362	(673,587)	365	(23,937)
Fund Balances (Deficit) at Beginning of Year (Restated, See Note N)	(2,890,630)	330,559	231,491	841,423	16,266	(1,470,891)
Increase in Reserve for Inventory	<u>(1,615)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,615)</u>
Fund Balances (Deficit) at End of Year	<u><u>\$ (2,369,528)</u></u>	<u><u>\$ (8,235)</u></u>	<u><u>\$ 696,853</u></u>	<u><u>\$ 167,836</u></u>	<u><u>\$ 16,631</u></u>	<u><u>\$ (1,496,443)</u></u>

The accompanying notes are an integral part of these statements.

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Green Local School District
Combined Statement of Revenue, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1999

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
REVENUES			
Taxes	\$ 10,186,893	\$ 10,269,417	\$ 82,524
Tuition and Fees	24,330	11,899	(12,431)
Intergovernmental	8,274,430	8,367,903	93,473
Interest	238,845	189,329	(49,516)
Extracurricular Activities	0	0	0
Classroom Materials & Fees	109,515	113,236	3,721
Other	27,185	26,738	(447)
Total Revenues	<u>18,861,198</u>	<u>18,978,522</u>	<u>117,324</u>
EXPENDITURES:			
Current			
Instruction			
Regular	10,220,490	10,220,469	21
Special	1,423,038	1,423,031	7
Vocational	304,356	304,345	11
Adult Continuing	0	0	0
Other	150,810	150,804	6
Support Services			
Pupil	1,100,482	1,100,470	12
Instructional Staff	801,394	801,381	13
Board of Education	29,238	29,231	7
Administration	1,555,794	1,555,784	10
Fiscal	470,097	470,085	12
Business	18,545	18,540	5
Operation and Maintenance of Plant	2,309,728	2,309,714	14
Pupil Transportation	796,613	796,600	13
Central	67,985	67,978	7
Food Service Operations	0	0	0
Community Service Operations	0	0	0
Extracurricular Activities	407,160	407,157	3
Building Acquisition and Construction	0	0	0
Debt Service			
Principal Retirement and Interest	0	0	0
Total Expenditures	<u>19,655,730</u>	<u>19,655,589</u>	<u>141</u>
Revenues Over (Under) Expenditures	<u>(794,532)</u>	<u>(677,067)</u>	<u>117,465</u>
OTHER FINANCING SOURCE (USES):			
Proceeds of Bonds	0	0	0
Proceeds of Notes	930,000	930,000	0
Proceeds from Sale of Assets	6,080	0	(6,080)
Advances - In	0	10,400	10,400
Advances - Out	0	0	0
Refund of Prior Year Expenditures	2,795	3,960	1,165
Refund of Prior Year Receipt	0	0	0
Operating Transfer - In	0	446	446
Operating Transfers - Out	(159,750)	(159,750)	0
Total Other Financing Sources (Uses)	<u>779,125</u>	<u>785,056</u>	<u>5,931</u>
Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(15,407)</u>	<u>107,989</u>	<u>123,396</u>
Fund Balances at Beginning of Year (restated, see Note N)	183,833	183,833	0
Prior Year Encumbrances	56,983	56,983	0
Fund Balance at End of Year	<u>\$ 225,409</u>	<u>\$ 348,805</u>	<u>\$ 123,396</u>

The accompanying notes are an integral part of these statements

Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 1,790,011	\$ 1,849,921	\$ 59,910
0	0	0	0	0	0
1,060,382	714,217	(346,165)	130,746	135,406	4,660
0	0	0	0	0	0
447,570	482,852	35,282	0	0	0
2,830	2,829	(1)	0	0	0
21,620	19,308	(2,312)	0	0	0
<u>1,532,402</u>	<u>1,219,206</u>	<u>(313,196)</u>	<u>1,920,757</u>	<u>1,985,327</u>	<u>64,570</u>
436,578	338,745	97,833	0	0	0
258,594	226,355	32,239	0	0	0
0	0	0	0	0	0
1,016	626	390	0	0	0
0	0	0	0	0	0
402,351	364,556	37,795	0	0	0
374,406	322,411	51,995	0	0	0
0	0	0	140	138	2
4,843	285	4,558	17,950	17,945	5
100	100	0	0	0	0
0	0	0	0	0	0
9	9	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
877	877	0	0	0	0
164,752	143,393	21,359	0	0	0
169,376	169,360	16	0	0	0
5,372	2,470	2,902	0	0	0
0	0	0	18,497,673	18,497,669	4
<u>1,818,274</u>	<u>1,569,187</u>	<u>249,087</u>	<u>18,515,763</u>	<u>18,515,752</u>	<u>11</u>
<u>(285,872)</u>	<u>(349,981)</u>	<u>(64,109)</u>	<u>(16,595,006)</u>	<u>(16,530,425)</u>	<u>64,581</u>
0	0	0	16,994,125	16,994,125	0
0	0	0	0	0	0
0	0	0	0	0	0
0	160,760	160,760	0	0	0
0	(10,400)	(10,400)	0	0	0
0	0	0	0	0	0
(5,644)	(5,644)	0	0	0	0
8,135	8,135	0	62,716	62,716	0
0	0	0	0	0	0
<u>2,491</u>	<u>152,851</u>	<u>150,360</u>	<u>17,056,841</u>	<u>17,056,841</u>	<u>0</u>
(283,381)	(197,130)	86,251	461,835	526,416	64,581
322,549	322,549	0	200,141	200,141	0
82,998	82,998	0	0	0	0
<u>\$ 122,166</u>	<u>\$ 208,417</u>	<u>\$ 86,251</u>	<u>\$ 661,976</u>	<u>\$ 726,557</u>	<u>\$ 64,581</u>

Green Local School District
Combined Statement of Revenue, Expenditures, and Changes
in Fund Balances - Budget Basis and Actual
All Governmental Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1999

(Continued)

	Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 307,505	\$ 322,506	\$ 15,001
Tuition and Fees	0	0	0
Intergovernmental	117,255	40,150	(77,105)
Interest	0	0	0
Extracurricular Activities	0	0	0
Classroom Materials & Fees	0	0	0
Other	12,576	6,436	(6,140)
Total Revenues	<u>437,336</u>	<u>369,092</u>	<u>(68,244)</u>
EXPENDITURES:			
Current			
Instruction			
Regular	1,007,273	915,987	91,286
Special	0	0	0
Vocational	0	0	0
Adult Continuing	0	0	0
Other	0	0	0
Support Services			
Pupil	0	0	0
Instructional Staff	500	318	182
Board of Education	0	0	0
Administration	75	73	2
Fiscal	6,470	6,469	1
Business	0	0	0
Operation and Maintenance of Plant	194,250	194,245	5
Pupil Transportation	203,655	203,653	2
Central	0	0	0
Food Service Operations	0	0	0
Community Service Operations	0	0	0
Extracurricular Activities	0	0	0
Building Acquisition and Construction	73,959	69,573	4,386
Debt Service			
Principal Retirement and Interest	0	0	0
Total Expenditures	<u>1,486,182</u>	<u>1,390,318</u>	<u>95,864</u>
Revenues Over (Under) Expenditures	<u>(1,048,846)</u>	<u>(1,021,226)</u>	<u>27,620</u>
OTHER FINANCING SOURCE (USES):			
Proceeds of Bonds	195,800	195,800	0
Proceeds of Notes	0	0	0
Proceeds from Sale of Assets	0	0	0
Advances - In	0	0	0
Advances - Out	0	0	0
Refund of Prior Year Expenditures	0	0	0
Refund of Prior Year Receipt	0	0	0
Operating Transfer - In	117,775	152,075	34,300
Operating Transfers - Out	(62,716)	(62,716)	0
Total Other Financing Sources (Uses)	<u>250,859</u>	<u>285,159</u>	<u>34,300</u>
Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(797,987)</u>	<u>(736,067)</u>	<u>61,920</u>
Fund Balances at Beginning of Year	818,835	818,835	0
Prior Year Encumbrances	73,821	73,821	0
Fund Balance at End of Year	<u>\$ 94,669</u>	<u>\$ 156,589</u>	<u>\$ 61,920</u>

The accompanying notes are an integral part of these statements

Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 12,284,409	\$ 12,441,844	\$ 157,435
0	0	0	24,330	11,899	(12,431)
0	0	0	9,582,813	9,257,676	(325,137)
610	557	(53)	239,455	189,886	(49,569)
2,140	0	(2,140)	449,710	482,852	33,142
0	0	0	112,345	116,065	3,720
3,875	2,600	(1,275)	65,256	55,082	(10,174)
<u>6,625</u>	<u>3,157</u>	<u>(3,468)</u>	<u>22,758,318</u>	<u>22,555,304</u>	<u>(203,014)</u>
5,684	4,115	1,569	11,670,025	11,479,316	190,709
0	0	0	1,681,632	1,649,386	32,246
0	0	0	304,356	304,345	11
0	0	0	1,016	626	390
0	0	0	150,810	150,804	6
4,831	1,537	3,294	1,507,664	1,466,563	41,101
0	0	0	1,176,300	1,124,110	52,190
0	0	0	29,378	29,369	9
2,110	0	2,110	1,580,772	1,574,087	6,685
0	0	0	476,667	476,654	13
0	0	0	18,545	18,540	5
0	0	0	2,503,987	2,503,968	19
0	0	0	1,000,268	1,000,253	15
0	0	0	67,985	67,978	7
0	0	0	877	877	0
1,550	1,150	400	166,302	144,543	21,759
0	0	0	576,536	576,517	19
0	0	0	79,331	72,043	7,288
0	0	0	18,497,673	18,497,669	4
<u>14,175</u>	<u>6,802</u>	<u>7,373</u>	<u>41,490,124</u>	<u>41,137,648</u>	<u>352,476</u>
<u>(7,550)</u>	<u>(3,645)</u>	<u>3,905</u>	<u>(18,731,806)</u>	<u>(18,582,344)</u>	<u>149,462</u>
0	0	0	17,189,925	17,189,925	0
0	0	0	930,000	930,000	0
0	0	0	6,080	0	(6,080)
0	0	0	0	171,160	171,160
0	0	0	0	(10,400)	(10,400)
0	0	0	2,795	3,960	1,165
(94)	(94)	0	(5,738)	(5,738)	0
2,000	2,000	0	190,626	225,372	34,746
0	0	0	(222,466)	(222,466)	0
<u>1,906</u>	<u>1,906</u>	<u>0</u>	<u>18,091,222</u>	<u>18,281,813</u>	<u>190,591</u>
(5,644)	(1,739)	3,905	(640,584)	(300,531)	340,053
13,085	13,085	0	1,538,443	1,538,443	0
3,243	3,243	0	217,045	217,045	0
<u>\$ 10,684</u>	<u>\$ 14,589</u>	<u>\$ 3,905</u>	<u>\$ 1,114,904</u>	<u>\$ 1,454,957</u>	<u>\$ 340,053</u>

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

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total (Memorandum Only)</u>
OPERATING REVENUES:			
Sales	\$574,171	\$0	\$574,171
Charges for Services	<u>0</u>	<u>1,529,508</u>	<u>1,529,508</u>
Total Operating Revenues	<u>574,171</u>	<u>1,529,508</u>	<u>2,103,679</u>
OPERATING EXPENSES:			
Salaries and Wages	297,344	3,004	300,348
Fringe Benefits	68,697	0	68,697
Contract Services	30,298	3,070	33,368
Cost of Sales	394,909	4,208	399,117
Depreciation	7,349	0	7,349
Other	0	0	0
Claims	0	1,590,049	1,590,049
Materials and Supplies Expense	<u>5,137</u>	<u>1,518</u>	<u>6,655</u>
Total Operating Expenses	<u>803,734</u>	<u>1,601,849</u>	<u>2,405,583</u>
Operating Loss	<u>(229,563)</u>	<u>(72,341)</u>	<u>(301,904)</u>
NON-OPERATING REVENUES:			
Interest	7,900	0	7,900
Donated Commodities	69,199	0	69,199
Grants	131,402	0	131,402
Refund of Prior Year's Expenditures	112	0	112
Other	<u>29,820</u>	<u>0</u>	<u>29,820</u>
Total Non-Operating Revenues	<u>238,433</u>	<u>0</u>	<u>238,433</u>
Net Income (Loss)	8,870	(72,341)	(63,471)
Retained Earnings at Beginning of Year	<u>236,264</u>	<u>94,072</u>	<u>330,336</u>
Retained Earnings at End of Year	<u><u>\$245,134</u></u>	<u><u>\$21,731</u></u>	<u><u>\$266,865</u></u>

The accompanying notes are an integral part of these statements.

Green Local School District
Combined Statement of Revenue, Expenses, and Changes
in Fund Equity - Budget Basis and Actual
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 1999

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for Services	\$ 543,745	\$ 575,708	\$ 31,963
Interest	7,900	7,900	0
Operating Grants	143,045	121,026	(22,019)
Total Revenues	<u>694,690</u>	<u>704,634</u>	<u>9,944</u>
EXPENSES:			
Salaries and Wages	316,590	288,272	28,318
Fringe Benefits	68,700	68,697	3
Contract Services	20,912	19,928	984
Supplies	327,842	327,246	596
Claims	0	0	0
Capital Outlay	18,018	10,137	7,881
Total Expenses	<u>752,062</u>	<u>714,280</u>	<u>37,782</u>
Revenues Over (Under) Expenses	<u>(57,372)</u>	<u>(9,646)</u>	<u>47,726</u>
OTHER FINANCING SOURCES (USES)			
Advances - Out	0	0	0
Refund of Prior Years Expenditures	300	112	(188)
Other	12,355	29,820	17,465
Total Other Financing Sources	<u>12,655</u>	<u>29,932</u>	<u>17,277</u>
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenses	(44,717)	20,286	65,003
Fund Balances at Beginning of Year (restated see Note N)	367,774	367,774	0
Prior Year Encumbrances	<u>3,492</u>	<u>3,492</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 326,549</u>	<u>\$ 391,552</u>	<u>\$ 65,003</u>

The accompanying notes are an integral part of these statements.

Internal Service Funds			Total (Memorandums Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$1,330,780	\$1,513,501	\$ 182,721	\$1,874,525	\$2,089,209	\$ 214,684
0	0	0	7,900	7,900	0
0	0	0	143,045	121,026	(22,019)
<u>1,330,780</u>	<u>1,513,501</u>	<u>182,721</u>	<u>2,025,470</u>	<u>2,218,135</u>	<u>192,665</u>
3,004	3,004	0	319,594	291,276	28,318
0	0	0	68,700	68,697	3
1,601,618	1,601,606	12	1,622,530	1,621,534	996
4,255	4,254	1	332,097	331,500	597
0	0	0	0	0	0
1,520	1,518	2	19,538	11,655	7,883
<u>1,610,397</u>	<u>1,610,382</u>	<u>15</u>	<u>2,362,459</u>	<u>2,324,662</u>	<u>37,797</u>
<u>(279,617)</u>	<u>(96,881)</u>	<u>182,736</u>	<u>(336,989)</u>	<u>(106,527)</u>	<u>230,462</u>
0	(160,760)	(160,760)	0	(160,760)	(160,760)
0	0	0	300	112	(188)
0	0	0	12,355	29,820	17,465
<u>0</u>	<u>(160,760)</u>	<u>(160,760)</u>	<u>12,655</u>	<u>(130,828)</u>	<u>(143,483)</u>
(279,617)	(257,641)	21,976	(324,334)	(237,355)	86,979
365,356	365,356	0	733,130	733,130	0
7,964	7,964	0	11,456	11,456	0
<u>\$ 93,703</u>	<u>\$ 115,679</u>	<u>\$ 21,976</u>	<u>\$ 420,252</u>	<u>\$ 507,231</u>	<u>\$ 86,979</u>

Green Local School District
 Combined Statement of Cash Flows
 All Proprietary Fund Types
 For the Fiscal Year Ended June 30, 1999

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)
Cash flows from operating activities:			
Operating Loss	\$ (229,563)	\$ (72,341)	\$ (301,904)
Adjustments to reconcile operating loss to net cash (used in) operating activities			
Depreciation	7,349	0	7,349
Donated commodities in cost of sales	73,562	0	73,562
Change in assets and liabilities that increase (decrease) cash flow from operations			
Accounts receivable	1,537	(12,938)	(11,401)
Intergovernmental receivable	(10,376)	0	(10,376)
Accounts payable	(370)	0	(370)
Claims payable	0	(4,318)	(4,318)
Accrued wages and benefits	2,742	0	2,742
Compensated absences	6,330	0	6,330
Intergovernmental payable	11,049	0	11,049
Deferred revenue	(4,578)	0	(4,578)
Interfund receivable	0	(160,760)	(160,760)
Net cash (used in) operating activities	(142,318)	(250,357)	(392,675)
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(5,000)	0	(5,000)
Cash flows from noncapital financing activities:			
Grants received	131,402	0	131,402
Other non-operating revenue	37,832	0	37,832
Net cash provided by noncapital financing activities	169,234	0	169,234
Net increase (decrease) in cash and cash equivalents	21,916	(250,357)	(228,441)
Cash and cash equivalents - beginning of year	371,266	373,319	744,585
Cash and cash equivalents - end of year	\$ 393,182	\$ 122,962	\$ 516,144
Noncash capital, investing and related financing activities:			
Donated commodities received	\$ 69,199	\$ 0	\$ 69,199

The accompanying notes are an integral part of these statements.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources.

1. DESCRIPTION OF THE ENTITY

The Green Local School District (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 a five member elected Board of Education and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) as of October 1, 1998, was 3,673. The District employed 264 certificated employees and 146 non-certificated employees.

The District's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the District's ability to exercise significant oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations, and the accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criteria involves considering whether the activity benefits the District and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units.

The District is associated with certain organizations which are defined as Jointly Governed Organizations. These organizations include the Northeast Ohio Network for Education Technology (NEONET) and Interval Opportunity School. These organization are more fully described in Note L to the general purpose financial statements.

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 District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group 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.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

2. BASIS OF PRESENTATION - FUND ACCOUNTING

For financial statement reporting purposes, the various funds of the District are grouped into the following generic fund types under the broad fund categories governmental, proprietary, and fiduciary:

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the District's governmental fund types:

General Fund - This fund is the operating fund of the District and 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 general laws of Ohio.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified 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, interest, and related costs.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds 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 District's proprietary fund types:

Enterprise Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that 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 the governing body has decided that periodic determination of revenues 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 another department or agency of the District on a cost-reimbursement basis.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

2. BASIS OF PRESENTATION - FUND ACCOUNTING - (Continued)

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 governmental units and other funds. These include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the District, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the District except those accounted for in the proprietary fund types.

3. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the combined balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the combined balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

3. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - (Continued)

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the District is sixty days after year end. In applying the accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, tuition, grants and entitlements.

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise in the governmental funds when a potential revenue does not meet with the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 1999 and delinquent property taxes, whose availability is indeterminate, and which are intended to finance fiscal year 2000 operations, have been recorded as deferred revenue as more fully described in Note C.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund types. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. Unbilled service charges receivable are recognized as revenue at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities nonoperating revenue.

4. BUDGETARY DATA

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level. Any budgetary modification at this level may only be made by resolution of the Board of Education.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

4. BUDGETARY DATA - (Continued)

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Summit County Budget Commission for rate determination.

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered cash balances from the preceding year.

The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 1999.

Appropriations:

By October 1, the Annual Appropriation Resolution must be legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the Annual Appropriation Resolution, the Board may pass a temporary resolution to meet the ordinary expenses of the District. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation at the legal level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental fund appropriations were legally enacted, however, the amount of the increases were not significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications. Formal budgetary integration is employed as a management control device during the year for all funds, consistent with statutory provisions.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

4. BUDGETARY DATA - (Continued)

Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Prior year encumbrances are reappropriated by the District when current year appropriations are passed by the Board of Education. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balances for subsequent year expenditures for governmental funds. At year end, the District's transfers in/out did not agree by \$2,906 on a non-GAAP basis. This is a result of a \$2,906 "transfers out" being made from the Agency Fund Type to the General Fund and Public School Support Fund in the amounts of \$446 and \$2,460, respectively. Agency fund activity is not disclosed in the financial statements.

Lapsing of Appropriations :

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated.

Budgetary Basis of Accounting :

While the District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget Basis and Actual - All Governmental Fund Types and Similar Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget Basis and Actual - All Proprietary Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with state statute. The major differences between the budget basis and the GAAP basis are:

1. Revenues are reported when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosure for proprietary fund types (GAAP basis).
4. 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).

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

4. BUDGETARY DATA - (Continued)

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

**Total Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
Governmental Fund Types and Similar Trust Funds**

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$522,717	\$(338,794)	\$465,362	\$(673,587)	\$ 365
Net Adjustment for Revenue Accruals	(397,661)	(30)	485,170	(11,915)	0
Net Adjustment for Expenditure Accruals	(114,373)	(78,389)	(424,116)	(74,563)	(4,296)
Encumbrances	110,956	69,723	0	23,998	2,192
Advances - In	10,400	160,760	0	0	0
Advances - Out	0	(10,400)	0	0	0
Other	(24,050)	0	0	0	0
Budget Basis	<u>\$107,989</u>	<u>\$ (197,130)</u>	<u>\$ 526,416</u>	<u>\$(736,067)</u>	<u>\$ (1,739)</u>

**Net Income (Loss)/Excess Revenue and Other Financing
Sources (Uses) Over (Under) Expenses
Proprietary Fund Types**

	Enterprise	Internal Service
GAAP Basis	\$ 8,870	\$(72,341)
Net Adjustment for Revenue Accruals	(8,839)	(16,007)
Commodities Received	(69,199)	0
Net Adjustment for Expense Accruals	8,543	(8,533)
Commodities Used	73,562	0
Depreciation	7,349	0
Advances	0	(160,760)
Budget Basis	<u>\$ 20,286</u>	<u>\$(257,641)</u>

5. POOLED 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 represented as "Equity in Pooled Cash and Investments" on the combined balance sheet.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

5. POOLED CASH AND INVESTMENTS - Continued

During the fiscal year 1999, investments were limited to STAROhio and repurchase agreements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 1999. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 1999.

Legal Requirements:

State statutes require the classification of moneys 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 deposits 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.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, 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 monies 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 or interest by the United States;

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

5. POOLED CASH AND INVESTMENTS - Continued
 2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentally, 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. Bonds 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) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
 6. The State Treasurer's investment pool (STAR Ohio).

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 investment to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Deposits:

At year end, the carrying amount of the District's cash deposits was \$(122,037) and the bank balance was \$188,129. Of the bank's balance:

1. \$188,129 was covered by the federal depository insurance.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

5. POOLED CASH AND INVESTMENTS - Continued

Investments:

The District's investments are required to be categorized to give an indication of the level of custodial credit risk assumed by the district at 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 counterparty'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 counterparty, or by its trust department or agent but not in the District's name. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	<u>Category 3</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Repurchase Agreement - U.S. Government Securities	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000
Investment in State Treasurer's Investment Pool (Star Ohio)	0	1,136,441	1,136,441
	<u>\$ 1,230,000</u>	<u>\$ 2,366,441</u>	<u>\$ 2,366,441</u>

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."

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

5. POOLED CASH AND INVESTMENTS - Continued

A reconciliation between the classifications of cash and investments on the financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$ 2,244,404	\$ 0
Investments:		
Repurchase Agreement	(1,230,000)	1,230,000
Star Ohio	(1,136,441)	1,136,441
GASB Statement No. 3	\$ (122,037)	\$2,366,441

6. INVENTORY

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. Inventory in governmental funds consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types when used. Reported materials and supplies inventory are equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory in the enterprise funds consists of purchased food, donated commodities and school supplies held for resale.

7. FIXED ASSETS AND DEPRECIATION

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 fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year.

Donated fixed assets are recorded at their fair market values as of the date donated. The District has established a capitalization threshold for fixed assets at \$500. Books, records, movies, and other learning aids kept at the District Library are also included for reporting purposes. The District does not possess any infrastructure.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. The District's policy is not to capitalize interest costs incurred as part of construction.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

7. FIXED ASSETS AND DEPRECIATION - Continued

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line basis over an estimated useful life of five to ten years.

8. INTERGOVERNMENTAL REVENUES

For governmental funds, intergovernmental revenue, 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 received for proprietary fund operating purposes 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

Non-Reimbursable Grants

Special Revenue Funds

Title I

Title VI

Drug Free Schools

Public Preschool

Special Education - Title VI-B - Handicapped Children

Venture Capital Grant

E.M.I.S. Subsidy

Disadvantaged Pupil Impact Aid

Parent Mentorship

Eisenhower Grant

Goals 2000

Reimbursable Grants

General Fund

Driver Education

Proprietary Funds

National School Lunch Program

Government Donated Commodities

Grants and entitlements amounted to approximately 38% of the District's operating revenue during the 1999 fiscal year.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

9. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond June 30, 1999 are recorded as prepaid items. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

10. SHORT-TERM, INTERFUND ASSETS/LIABILITIES

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.

11. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

For governmental funds, the District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The District records a liability for accumulated unused sick leave for classified employees after one year of current service with the District and for certified employees and administrators after one year of service. The current portion of unpaid compensated absences is the amount expected to be paid using available expendable 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. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Employees earn vacation at rates specified by Union Contractual Agreement based on credited service. Administrative and 260 day employees are entitled to vacation ranging from 10 to 20 days.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service. This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to thirty-three and one-third percent of the value of the first 132 days of sick leave. The total maximum is 44 days. At June 30, 1999, a current liability of \$79,115 and \$19,088 in the general and enterprise funds, respectively, has been provided for earned but unused sick leave severance. Also, the District has recorded an estimated long-term liability of \$1,224,608 for severance pay and sick leave payable. The amount has been recorded in the general long-term obligations account group since the liability will not require the use of current expendable available financial resources. These amounts are included in Compensated Absences on the Combined Balance Sheet.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

12. CONTRIBUTED CAPITAL

Contributed capital represents resources from other funds, other governments and private sources provided to enterprise funds and is not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

13. LONG-TERM DEBT

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 obligations account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Under Ohio Law, a debt retirement fund must be created and used for the payment of all debt principal and interest. Generally accepted accounting principles require the allocation of the debt liability among the debt service fund and the general long-term obligations account group, with principal and interest payments on matured general long-term debt reported in the debt service fund. To comply with GAAP reporting requirements, the District's debt retirement fund has been split among the appropriate funds and account group. Debt service fund resources used to pay both the principal and interest have also been allocated accordingly.

14. 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.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

15. FUND EQUITY

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available, spendable resources and, therefore, are not available for expenditure. Undesignated fund balance indicates that portion of fund equity which is available for reappropriation in future periods. Fund equity reserves are established for property taxes, encumbrances, inventory, budget stabilization, textbooks and materials and prepaid items.

16. PROPRIETARY FUND ACCOUNTING

Under the guidelines of GASB Statement No. 20, "Accounting and Financial Reporting and Other Governmental Entities that use Proprietary Fund Accounting", the District has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

17. ESTIMATES

The preparation of the 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 could differ from those estimates.

18. TOTAL COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS

Total columns on the general purpose 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.

NOTE B - FUND DEFICITS

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

DEFICIT FUND BALANCES	
General Fund	\$2,369,528
Special Revenue Funds	
Title I	108,280
M.I.S.	103
Title VI-B	106,167
PreSchool Grant	1,576
Goals 2000	8,545
Internal Service Fund	
Self-Insurance	2,161

The general fund's deficit balance resulted from adjustments for accrued liabilities. Property tax and State entitlement monies received in July and August are sufficient to cover this deficit and will be used to liquidate these liabilities.

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

NOTE C - PROPERTY TAX

Real property taxes are levied on assessed values which equal 35% of appraised value. The County Auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 1996.

Real property taxes become a lien on all non-exempt real property located in the County on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE C - PROPERTY TAX - Continued

The full tax rate applied to real property for tax (calendar) year 1998 was \$45.79 per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$28.05 per \$1,000 of assessed valuation for real property classification as residential/agricultural and \$29.03 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio.

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for tax (calendar) year 1999 was \$45.79 per \$1,000 of assessed valuation.

Real Property – 1998 Valuation	
Residential/Agricultural	\$295,357,990
Commercial/Industrial	77,410,440
Public Utilities	32,680
Minerals	331,250
Tangible Personal Property - 1998 Valuation	
General	28,469,381
Public Utilities	18,030,370
	\$419,632,111
Total Valuation	\$419,632,111

The Summit County Treasurer collects property tax on behalf of all taxing districts within the County. The Summit County Auditor periodically remits to the taxing districts their portions of the taxes collected.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 1999 and recognized as revenue was \$236,124.

NOTE D - RISK MANAGEMENT

1. PROPERTY INSURANCE

The School District is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 1999, the School District contracted with Wausau Insurance for property and inland marine, Nationwide for liability insurance, and Harcum-Hyre Insurance for fleet insurance.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE D - RISK MANAGEMENT - (Continued)

1. PROPERTY INSURANCE - (Continued)

Coverages provided by Wausau, Nationwide, and Harcum-Hyre are as follows:

Building and Contents- replacement cost (\$1,000 deductible)	\$ 72,012,000
Inland Marine Coverage (\$1,000 deductible)	
Boiler and Machinery (\$1,000 deductible)	
Crime Insurance	1,000
Automobile Liability (\$100 deductible)	1,000,000
Uninsured Motorists (\$100 deductible)	2,000,000
General Liability	
Per Occurrence	2,000,000
Total per year	5,000,000

2. MEDICAL SELF-INSURANCE

The District has established a medical self-insurance fund which is accounted for in an the internal service fund. The purpose of this fund is to pay medical and dental claims of the District's employees and their covered dependents and minimize the total cost of medical insurance to the District. A third party administrator, Benefit Services, Inc. located in Akron, Ohio, reviews and pays all claims. For the plan year ended June 30, 1999, medical claims exceeding \$50,000 per covered individual per year, or \$1,487,923 in the aggregate per year, are covered through private insurance carriers. The self-insurance fund is funded by expenditures for health insurance out of the general fund and enterprise fund.

The claims liability of \$277,999 reported in the fund at June 30, 1999 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims cost, including estimates of cost relating to incurred but not reported claims, be reported. Changes in the fund's claims liability amount in fiscal year 1998 and 1999 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
1998	\$150,000	\$ 1,560,116	\$ 1,427,789	\$282,317
1999	282,317	1,585,731	1,590,049	277,999

NOTE E - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 1999 follows:

Furniture and Equipment	\$ 178,007
Less Accumulated Depreciation	(161,627)
Net Fixed Assets	<u>\$ 16,380</u>

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE E - FIXED ASSETS - Continued

A summary of the changes in general fixed assets during fiscal year 1999 follows:

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Land and Buildings	\$ 21,370,543	\$ 19,790	\$ 0	\$ 21,390,333
Furniture and Equipment	4,421,716	436,688	33,673	4,824,731
Vehicles	1,270,647	203,652	0	1,474,299
Library Books	767,200	-0-	0	767,200
Total	<u>\$ 27,830,106</u>	<u>\$ 660,130</u>	<u>\$ 33,673</u>	<u>\$ 28,456,563</u>

As of June 30, 1999, the District had no significant construction in progress. Also, as of June 30, 1999, the District did not acquire an Enterprise assets that required a change to contributed capital.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE F - LONG-TERM OBLIGATIONS

1. Long-term obligations of the District as of June 30, 1999 were as follows:

	Outstanding July 1, 1998	Additions	Reductions	Outstanding June 30, 1999
Intergovernmental Payable	\$ 117,161	\$ 156,252	\$ 117,161	\$ 156,252
Capital Lease Payable, 14.8%	1,525,680	21,720	528,560	1,018,840
Compensated Absences	1,109,690	114,918	0	1,224,608
Facilities Improvement Bonds, 1999, 4.9%	19,300,000	16,934,996	17,090,000	19,144,996
Bus Bonds, Series 1995, 6.0%	65,000	0	47,500	17,500
Bus Bonds, Series 1996	80,000	0	20,000	60,000
Bus Bonds, Series 1997	100,000	0	14,286	85,714
Bus Bonds, Series 1999, 5.48%	0	150,000	0	150,000
Total Bonds	19,545,000	17,084,996	17,171,786	19,458,210
Energy Conservation Improvement Notes, 1993, 4.75%	435,000	0	79,000	356,000
Energy Conservation Improvement Note, 1995, 5.35%	455,000	0	55,000	400,000
Energy Conservation Note, Series 1999, 4.98%	0	45,800	0	45,800
Tax Anticipation Note, Series 1998, 4.38%	0	310,000	0	310,000
Tax Anticipation Note, Series 1998, 4.38%	0	310,000	0	310,000
Tax Anticipation Note, Series 1998, 4.38%	0	310,000	0	310,000
Total Notes	890,000	975,800	134,000	1,731,800
Total Long Term Obligations	\$23,187,531	\$18,353,686	\$17,951,507	\$23,589,710

Facilities Improvement Bonds

The School District issued \$19,500,000 of bonds on April 1, 1994 at 4.9% with a maturity on 2019. These bonds were issued for the construction of a new high school. Improvements were also made to four other school buildings. On April 1, 1999, the District issued \$16,934,996 in General Obligation bonds with interest rates ranging from 3.20% to 5.00% to advance refund a portion of the 1994 series bonds.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE F - LONG-TERM OBLIGATIONS - (Continued)

School Bus Bonds

The School District issued bonds in 1995, 1996, 1997, and 1999 for the purchase of buses.

On June 15, 1995, the District issued bonds for \$125,000. The bonds will mature on June 1 in each of the years from 1996 through 1998 and on June 1 in 1999 and 2000.

In 1997, the District issued the 1996 A series in the amount of \$100,000. The bonds were issued on February 18, 1997 and will mature on February 18, 2002.

In 1997, the District issued the 1997 series in the amount of \$100,000. The bonds were issued on June 25, 1997 and will mature on July 2, 2004.

In 1999, the District issued the 1999 series in the amount of \$150,000. The bonds were issued on June 1, 1999 and will mature on June 1, 2014.

Energy Conservation Improvement Notes

The School District issued two notes for the purpose of paying costs of installations, modifications, and remodeling of school buildings to conserve energy. The notes were issued in the following amounts: 1993 Series-\$780,000 with a maturity date of 2003, and 1995-\$600,000 with a maturity date of 2005.

Energy Conservation Bonds

The School District issued a bond for the purpose of paying costs of installations, modifications, and remodeling of school buildings to conserve energy. The bond was issued on January 19, 1999 and will mature on January 20, 2014.

Tax Anticipation Notes

The School District issued three tax anticipation notes in anticipation of the collection of the proceeds from the tax levy in excess of the ten-mill limitation. Each note was issued in 1998 for \$310,000. The notes mature in three consecutive years ending on December 31, 2001.

Intergovernmental payable and the compensated absences will be paid from the fund from which the employees salaries are paid.

Principal and interest requirements to retire long-term obligations outstanding at June 30, 1999 are as follows:

June 30, 2000	\$ 2,334,942
June 30, 2001	1,908,884
June 30, 2002	1,938,944
June 30, 2003	1,634,908
June 30, 2004	1,576,892
Thereafter	26,942,123
	<u>\$ 36,336,693</u>

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE G - CAPITAL LEASES - LESSEE DISCLOSURE

The District has entered into capitalized leases for computers, wiring and miscellaneous items and on August 4, 1998 for musical instruments. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments amounted to \$528,560 for the fiscal year ended June 30, 1999. The carrying cost of capital lease assets is \$2,684,520.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 1999.

	Fiscal Year Ending June 30, 2000	\$ 470,046
	2001	447,166
	2002	51,727
	2003	49,711
	2004	42,048
	Thereafter	78,048
Total		1,138,746
Less: Amount Representing Interest		(123,118)
Present Value of Net Minimum Lease Payments		\$1,015,628

NOTE H - STATE SCHOOL FUNDING DECISION

On March 24, 1997, the Ohio Supreme Court (Court) rendered a decision declaring certain portions of the Ohio (State) school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the Ohio General Assembly 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 \$7,093,231 in school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly 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 the date of these financial statements, 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.

Also, the Court declared the Spending Reserve Borrowing Program (Borrowing Program) unconstitutional. The Borrowing Program allowed the District to borrow against amounts anticipated to be collected from tangible personal property taxes after the District's June 30 fiscal year end. During the fiscal year ended June 30, 1999, the District borrowed \$930,000 under this program. This amount will be repaid during subsequent fiscal years. State statute was recently amended to gradually decrease the annual amount the District may borrow under the Borrowing Program.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE H - STATE SCHOOL FUNDING DECISION - (Continued)

As of the date of these financial statements, the 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.

NOTE I - DEFINED BENEFIT PENSION PLANS

1. STATE TEACHERS' RETIREMENT SYSTEM (STRS)

The District contributes to 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 for STRS. The report may be obtained by writing to the State Teachers' Retirement System, 275 East 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 of annual covered salary; 10.5 percent was the portion used to fund pension obligations. 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 School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997, were \$1,559,952, \$1,445,580, and \$1,317,192, respectively; 84 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$251,744 representing the unpaid contribution for fiscal year 1999 is recorded as a liability within the respective funds.

2. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employee Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute 14 percent; 9.02 percent was the portion used to fund pension obligations. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997, were \$460,518, \$392,760, and \$350,112, respectively; 43 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$264,138 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term obligations account group.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE I - DEFINED BENEFIT PENSION PLANS - Continued

3. 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 obligations 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 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, 1997 the board allocated employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund. Beginning July 1, 1997, this allocation was increased to 3.5 percent. For the District, this amount equaled \$378,526 during fiscal 1999.

STRS Pays health care benefits from the health care reserve fund. The balance in the fund was \$2.156 million at June 30, 1998 (latest data 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, 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 was established at \$12,400. The surcharge rate 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 the annual health care expenses. Expenses for health at June 30, 1998, were \$111,900,575 and the target level was \$139.9 million (latest data available). At June 30, 1998, SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

NOTE J - FEDERAL AND STATE GRANTS (Intergovernmental Receipts)

During the year ended June 30, 1999, the District received grants-in-aid from federal and state sources amounting to \$600,442 and \$8,820,198, respectively, for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the District's management believes such disallowances, if any, would be immaterial.

NOTE K - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The District maintains only one enterprise fund which provides lunchroom/cafeteria services, therefore, segment information for the year ended June 30, 1999 is not presented in these notes.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE L - JOINTLY GOVERNED ORGANIZATION

Northeast Ohio Network for Educational Technology (NEONET) :

NEONET is a jointly governed organization created as a regional council of governments made up of public Districts and county boards of education from Summit and Portage Counties. The primary function of NEONET is to provide data processing services to its member districts with the major emphasis being placed on accounting, inventory control and payroll services. Other areas of service provided by NEONET include student scheduling, registration, grade reporting, and test scoring. Each member district pays an annual fee for the services provided by NEONET. NEONET is governed by a board of directors comprised of each Superintendent within the Organization. The Summit County Educational Service Center serves as the fiscal agent of the organization and receives funding from the State Department of Education. Each district has one vote in all matters and each member district's control over budgeting and financing of NEONET is limited to its voting authority and any representation it may have on the board of directors. The continued existence of NEONET is not dependent on the District's continued participation and no equity interest exists.

Interval Opportunity School :

The Interval Opportunity School (the School) is a jointly governed organization made up of six area public Districts. The function of the School is to provide "at risk students" with possibly a last and better opportunity to succeed in both their academic and social maturation. Each member district pays an annual fee based on the number of students serviced by the School. The School is governed by a board of directors comprised of each superintendent from Coventry, Portage Lakes Career Center and the District. The Coventry Local District serves as the fiscal agent of the School. The continued existence of the School is not dependent on the District's continued participation and no equity interest exists.

NOTE M - INTERFUND RECEIVABLES/PAYABLES

Interfund Receivables and Payables of the District as of June 30, 1999 were as follows:

	Receivable	Payable
Internal Service Funds	\$ 160,760	\$ 0
Special Revenue Funds		
Title I	0	80,550
Title VI-B	0	59,200
Foreign Language	0	21,010
Total	\$ 160,760	\$ 160,760

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE N - RESTATEMENT OF FUND BALANCE

In the current fiscal year, the beginning fund balance, budget basis, and GAAP basis, in the Special Revenue Funds was adjusted to record the Library Automation Fund, (Fund No. 426), as a Special Revenue Fund and not as an Internal Service Fund. The change in reporting the Library Automation Fund had the following effect on the budget basis and GAAP basis fund balances as they were previously reported as of June 30, 1998.

	Special Revenue	Internal Service
Budget Basis Fund Balance as previously reported	\$ 321,959	\$ 365,946
Restatement for Library Automation Fund	590	(590)
Restated Budget Basis Balance as of July 1, 1998	\$ 322,549	\$ 365,356
	Special Revenue	Internal Service
GAAP Basis Fund Balance as previously reported	\$ 329,969	\$ 94,662
Restatement for Library Automation Fund	590	(590)
Restated GAAP Basis Balance as of July 1, 1998	\$ 330,559	\$ 94,072

NOTE O - 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 Systems (EMIS)).

The District obtains utility services from outside vendors whose systems have been identified as mission critical to the District. Vendors are responsible for remediating their systems and are solely responsible for any associated costs.

Summit County collects property taxes for distribution to the District. Summit County is responsible for remediating the tax collection system.

The District uses the State of Ohio Uniform School Accounting Systems software for its financial reporting and the State of Ohio Uniform Staff Payroll Systems software for its payroll and employee benefits. The State is responsible for remediating these systems.

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE O - YEAR 2000 ISSUE - Continued

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 is responsible for remediating these systems.

To the best of management's knowledge and belief, as of January 21, 2000, the District experienced no interruption of operations or services related to the Year 2000 issue. However, because of the unprecedented nature of the Year 2000 issue, matters may arise, and parties with whom the District does business may also experience Year 2000 readiness issues that are as yet, unknown.

NOTE P - OTHER REQUIRED FUND DISCLOSURES

A. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve and a textbook and material reserve. These reserves are required by State statute and can be used only for specific expenditures. Fund balance reserves have also been established

B. Set-Aside Requirements

State of Ohio House Bill 412 requires the District to set-aside a portion of the general operating resources for future use. For the fiscal year ended June 30, 1999, the following table disclosed the required set-asides:

	Textbooks Reserve	Capital Maintenance Reserve	Budget Stabilization Reserve	Totals
Set-aside Cash Balance as of June 30, 1998	\$0	\$0	\$ 181,000	\$ 181,000
Current Year Set-aside Requirement	307,732	307,732	153,866	769,330
Current Year Offsets	0	322,506	0	322,506
Qualifying Disbursements	(291,190)	(303,165)	0	(594,355)
Total	<u>\$ 16,542</u>	<u>\$(327,073)</u>	<u>\$ 334,866</u>	<u>\$ 678,481</u>
Cash Balance Carried Forward to FY 2000	<u>\$16,542</u>	<u>\$0</u>	<u>334,866</u>	<u>351,408</u>
Total Restricted Assets				<u>\$351,408</u>

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

**GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE Q - SUBSEQUENT EVENTS

The District borrowed \$1,000,000 for cash flow purposes, to be repaid over the next five years from the proceeds of the \$2.5 million emergency levy passed in May 1999.

GREEN LOCAL SCHOOL DISTRICT
SUMMIT COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF EDUCATION						
(Passed through the Ohio Department of Education)						
Special Education Cluster:						
Special Education Grants to States	84.027	050013 6B-SF	\$107,710	\$0	\$203,335	\$0
Special Education Preschool Grants	84.173	050013 PG-S1	9,633	0	19,788	0
Total Special Education Cluster			117,343	0	223,123	0
Title I Grants to Local Educational Agencies	84.010	050013 C1-S1	85,767	0	155,919	0
Innovative Education Program Strategies	84.298	050013 C2-S1	14,240	0	11,113	0
Safe and Drug Free Schools and Communities State Grants	84.186	050013 DR-S1	21,130	0	16,712	0
Eisenhower Grant	84.164	050013 MS-S1	12,843	0	4,270	0
Goals 2000 State and Local Education Systemic Improvement	84.276	050013 FL-S1	164,356	0	260,645	0
Total U.S. Department of Education			415,679	0	671,782	0
U.S. DEPARTMENT OF AGRICULTURE						
(Passed through the Ohio Department of Education)						
Child Nutrition Cluster:						
Food Distribution	10.550	N/A	0	69,199	0	73,777
National School Lunch Program	10.555	N/A	115,564	0	115,564	0
Total Child Nutrition Cluster			115,564	69,199	115,564	73,777
Nutrition Education and Training Program	10.564	050013 SC-96	0	0	1,137	0
Total U.S. Department of Agriculture			115,564	69,199	116,701	73,777
Totals			\$531,243	\$69,199	\$788,483	\$73,777

See accompanying notes to Schedule of Federal Awards Expenditures

**NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999**

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Federal Awards Receipts and Expenditures (Schedule) is a summary of the activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B--FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Monies are commingled with state grants. It is assumed federal monies were expended first. At June 30, 1999, the District had food commodities valued at \$19,314 in inventory.



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

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Facsimile 330-471-0001

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Board of Education
Green Local School District
Summit County
P.O. Box 218
1900 Greensburg Road
Green, Ohio 44232

To the Board of Education:

We have audited the financial statements of Green Local School District, Summit County, (the District) as of and for the year ended June 30, 1999, and have issued our report thereon dated January 21, 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 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*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the District in a separate letter dated January 21, 2000.

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 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 that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 21, 2000.

Green Local School District
Summit County
Report on Compliance and on Internal Control Required By
Government Auditing Standards
Page 2

This report is intended for the information and use of management, the Board of Education, 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.



Jim Petro
Auditor of State

January 21, 2000



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

Board of Education
Green Local School District
Summit County
P.O. Box 218
1900 Greensburg Road
Green, Ohio 44232

To the Board of Education:

Compliance

We have audited the compliance of Green Local School District, Summit County, (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. 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 with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs occurred. 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 its 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 the 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 its 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 management, the Board of Education, 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.



Jim Petro
Auditor of State

January 21, 2000

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

JUNE 30, 1999

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Program (list):	Goals 2000, CFDA #84.276
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others programs
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None



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GREEN LOCAL SCHOOL DISTRICT, SUMMIT 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: **FEB 24 2000**