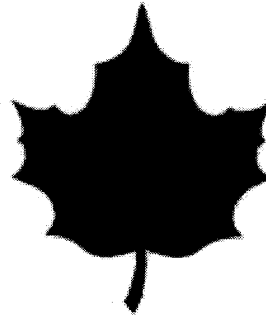


# ***Audit Report***

***July 1, 1999 through June 30, 2000***



## ***MAPLEWOOD CAREER CENTER***



*Certified Public Accountants  
& Business Consultants*



**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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Maplewood Career Center  
7075 State Route 88  
Ravenna, Ohio 44266

We have reviewed the Independent Auditor's Report of the Maplewood Career Center, Portage County, prepared by Moore Stephens Apple, for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO  
Auditor of State

December 21, 2000

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

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## Report of Independent Auditors

To the Board of Education  
Maplewood Career Center  
Ravenna, Ohio 44266

We have audited the accompanying general purpose financial statements of the Maplewood Career Center as of and for the year ended June 30, 2000. These general purpose financial statements are the responsibility of the Maplewood Career Center's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Maplewood Career Center as of June 30, 2000 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 November 28, 2000 on our consideration of the Maplewood Career Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Maplewood Career Center, taken as a whole. The accompanying schedule of expenditures of federal awards 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.

*Moore Stephens Apple*  
Akron, Ohio  
November 28, 2000

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**General Purpose Financial Statements**

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**Maplewood Career Center**  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**June 30, 2000**

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Totals (Memorandum Only)
	Special Revenue		Capital Projects	Enterprise		Internal Service	Expendable Trust and Agency		General Fixed Assets		General Long-Term Obligations		
<b>ASSETS AND OTHER DEBITS:</b>													
<b>Assets:</b>													
Equity in Pooled Cash and Investments	\$3,963,184	\$140,894	\$0	\$313,851	\$51,136	\$64,193	\$0	\$0	\$0	\$0	\$0	\$4,533,258	
Receivables													
Taxes	4,807,739	0	0	0	0	0	0	0	0	0	0	4,807,739	
Accounts	1,494	0	0	1,251	700	0	0	0	0	0	0	3,445	
Intergovernmental	0	47,239	0	5,806	0	0	0	0	0	0	0	53,045	
Interfund	137,427	0	0	0	0	0	0	0	0	0	0	137,427	
Materials and Supplies													
Inventory	0	0	0	726	0	0	0	0	0	0	0	726	
<b>Restricted Assets:</b>													
Equity in Pooled Cash and Investments	175,663	0	0	0	0	0	0	0	0	0	0	175,663	
Fixed Assets (Net where applicable, of Accumulated Depreciation)	0	0	0	6,611	0	0	9,529,285	0	0	0	0	9,535,896	
<b>Other Debits:</b>													
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0	0	0	1,049,340	0	0	1,049,340	
<b>Total Assets and Other Debits</b>	<u>\$9,085,507</u>	<u>\$188,133</u>	<u>\$0</u>	<u>\$328,245</u>	<u>\$51,836</u>	<u>\$64,193</u>	<u>\$9,529,285</u>	<u>\$1,049,340</u>	<u>\$1,049,340</u>	<u>\$20,296,539</u>	<u>\$20,296,539</u>		

(Continued)

The accompanying notes are an integral part of these statements.

**Maplewood Career Center**  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**June 30, 2000**

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise	Internal Service	Expendable Trust and Agency	General		Long-Term Obligations		
							Fixed Assets				
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS:</b>											
<b>Liabilities:</b>											
Accounts Payable	\$44,800	\$1,201	\$0	\$4,592	\$112	\$0	\$0	\$0	\$0	\$0	\$50,705
Accrued Wages and Benefits	500,838	29,808	0	12,817	4,475	0	0	0	0	0	547,938
Compensated Absences	25,285	0	0	34,997	0	0	0	0	994,372	0	1,054,654
Intergovernmental Payable	68,523	5,053	0	2,583	765	0	0	0	0	0	76,924
Interfund Payable	0	31,048	0	106,379	0	0	0	0	0	0	137,427
Due to Others	0	0	0	0	0	0	22,396	0	0	0	22,396
Capital Lease Obligations	0	0	0	0	0	0	0	0	54,968	0	54,968
Deferred Revenue	4,610,352	0	0	0	0	0	0	0	0	0	4,610,352
<b>Total Liabilities</b>	<b>5,249,798</b>	<b>67,110</b>	<b>0</b>	<b>161,368</b>	<b>5,352</b>	<b>22,396</b>	<b>0</b>	<b>1,049,340</b>	<b>0</b>	<b>6,555,364</b>	
<b>Fund Equity and Other Credits:</b>											
Investment in General Fixed Assets	0	0	0	0	0	0	0	9,529,285	0	0	9,529,285
Retained Earnings - Unreserved	0	0	0	166,877	46,484	0	0	0	0	0	213,361
<b>Fund Balances</b>											
Reserved for Property Taxes	197,387	0	0	0	0	0	0	0	0	0	197,387
Reserved for Encumbrances	295,439	15,036	0	0	0	5,000	0	0	0	0	315,475
Reserved for Capital Improvement	17,871	0	0	0	0	0	0	0	0	0	17,871
Reserved for Budget Stabilization	157,792	0	0	0	0	0	0	0	0	0	157,792
Unreserved - Undesignated	3,167,220	105,987	0	0	0	36,797	0	0	0	0	3,310,004
<b>Total Fund Equity and Other Credits</b>	<b>3,835,709</b>	<b>121,023</b>	<b>0</b>	<b>166,877</b>	<b>46,484</b>	<b>41,797</b>	<b>9,529,285</b>	<b>0</b>	<b>13,741,175</b>		
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$9,085,507</b>	<b>\$188,133</b>	<b>\$0</b>	<b>\$328,245</b>	<b>\$51,836</b>	<b>\$64,193</b>	<b>\$9,529,285</b>	<b>\$1,049,340</b>	<b>\$20,296,539</b>		

The accompanying notes are an integral part of these statements.

**Maplewood Career Center**  
**Combined Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**All Governmental Fund Types and Similar Trust Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Governmental Fund Types			Fiduciary	Totals (Memorandum Only)
			Fund Type		
	General	Special Revenue	Capital Projects	Expendable Trust	
REVENUE:					
Taxes	\$4,018,643	\$0	\$0	\$0	\$4,018,643
Intergovernmental	2,790,240	695,176	11,384	0	3,496,800
Interest	279,783	0	0	2,009	281,792
Other	38,788	1,068	0	6,386	46,242
Classroom Materials & Fees	0	3,393	0	0	3,393
Total Revenues	<u>7,127,454</u>	<u>699,637</u>	<u>11,384</u>	<u>8,395</u>	<u>7,846,870</u>
EXPENDITURES:					
Current					
Instruction					
Regular	727,580	0	0	0	727,580
Vocational	2,864,096	275,882	0	0	3,139,978
Adult/Continuing	0	72,045	0	0	72,045
Support Services					
Pupil	543,209	199,451	0	0	742,660
Instructional Staff	314,560	117,682	0	0	432,242
Board of Education	26,441	0	0	1,000	27,441
Administration	452,593	10,774	0	0	463,367
Fiscal	444,832	434	0	0	445,266
Business	186,973	0	0	0	186,973
Operation and Maintenance of Plant	856,380	1,016	0	0	857,396
Pupil Transportation	6,790	0	0	0	6,790
Central	171,777	40,069	11,384	0	223,230
Community Services	0	1,401	0	0	1,401
Extracurricular Activities	12,685	0	0	0	12,685
Building Acquisition and Construction	<u>203,135</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>203,135</u>
Total Expenditures	<u>6,811,051</u>	<u>718,754</u>	<u>11,384</u>	<u>1,000</u>	<u>7,542,189</u>
Revenues Over (Under) Expenditures	<u>316,403</u>	<u>(19,117)</u>	<u>0</u>	<u>7,395</u>	<u>304,681</u>

(Continued)

The accompanying notes are an integral part of these statements



**Maplewood Career Center  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 All Governmental Fund Types and Similar Trust Fund  
 For the Fiscal Year Ended June 30, 2000**

	Governmental Fund Types			Fiduciary	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Fund Type	
				Expendable Trust	
OTHER FINANCING SOURCES (USES):					
Sale of Fixed Assets	\$200	\$0	\$0	\$0	\$200
Operating Transfers - In	0	84,927	0	0	84,927
Operating Transfers - Out	(87,321)	0	0	0	(87,321)
Refund of Prior Year's Expense	1,797	0	0	0	1,797
Refund of Prior Year's Receipts	0	(3,457)	0	0	(3,457)
Total Other Financing Sources (Uses)	<u>(85,324)</u>	<u>81,470</u>	<u>0</u>	<u>0</u>	<u>(3,854)</u>
Total Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	231,079	62,353	0	7,395	300,827
Fund Balances (Deficit) at Beginning of Year	<u>3,604,630</u>	<u>58,670</u>	<u>0</u>	<u>34,402</u>	<u>3,697,702</u>
Fund Balances at End of Year	<u>\$3,835,709</u>	<u>\$121,023</u>	<u>\$0</u>	<u>\$41,797</u>	<u>\$3,998,529</u>

The accompanying notes are an integral part of these statements.

**Maplewood Career Center**  
**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, 2000**

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Taxes	\$ 4,348,870	\$ 4,348,870	\$ -
Tuition and Fees	-	-	-
Intergovernmental	2,790,238	2,790,238	-
Interest	279,783	279,783	-
Extracurricular Activities	-	-	-
Food Services	-	-	-
Classroom Material and Fees	-	-	-
Other	37,673	37,673	-
<b>Total Revenues</b>	<b>7,456,564</b>	<b>7,456,564</b>	<b>-</b>
<b>EXPENDITURES:</b>			
<b>Current</b>			
<b>Instruction</b>			
Regular	718,089	718,089	-
Special	-	-	-
Vocational	3,019,422	3,019,422	-
Adult Continuing	-	-	-
Other	-	-	-
<b>Support Services</b>			
Pupil	562,137	562,137	-
Instructional Staff	324,705	324,705	-
Board of Education	32,028	32,028	-
Administration	469,559	469,559	-
Fiscal	507,366	507,366	-
Business	191,012	191,012	-
Operation and Maintenance of Plant	1,018,006	1,018,006	-
Pupil Transportation	6,776	6,776	-
Central	208,851	208,851	-
Food Service Operations	-	-	-
Extracurricular Activities	12,921	12,921	-
Facilities Acquisition & Construction	216,573	216,573	-
Debt Service	-	-	-
Principal Retirement and Interest	-	-	-
<b>Total Expenditures</b>	<b>7,287,445</b>	<b>7,287,445</b>	<b>-</b>
Revenues Over (Under) Expenditures	169,119	169,119	-
<b>OTHER FINANCING SOURCE (USES):</b>			
Sale of Fixed Assets	200	200	-
Advances - In	161,449	161,449	-
Advances - Out	(137,426)	(137,426)	-
Refund of Prior Year Expenditures	1,796	1,796	-
Refund of Prior Year Receipt	-	-	-
Operating Transfer - In	-	-	-
Operating Transfers - Out	(87,321)	(87,321)	-
Pass through	-	-	-
Proceeds from Sale of Notes	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(61,302)</b>	<b>(61,302)</b>	<b>-</b>
<b>Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>107,817</b>	<b>107,817</b>	<b>-</b>
Fund Balance at Beginning of Year	3,286,961	3,286,961	-
Prior Year Appropriated	403,829	403,829	-
<b>Fund Balance at End of Year</b>	<b>\$ 3,798,607</b>	<b>\$ 3,798,607</b>	<b>\$ -</b>

The accompanying notes are an integral part of these statements.

Special Revenue Fund			Expendable Trust Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
649,301	649,301	-	-	-	-
-	-	-	2,009	2,009	-
3,392	3,392	-	-	-	-
1,514	1,514	-	6,386	6,386	-
<u>654,207</u>	<u>654,207</u>	<u>-</u>	<u>8,395</u>	<u>8,395</u>	<u>-</u>
-	-	-	-	-	-
275,463	275,463	-	-	-	-
78,773	78,773	-	-	-	-
-	-	-	-	-	-
201,011	201,011	-	-	-	-
126,116	126,116	-	-	-	-
-	-	-	6,000	6,000	-
11,877	11,877	-	-	-	-
6,208	6,208	-	-	-	-
-	-	-	-	-	-
1,016	1,016	-	-	-	-
-	-	-	-	-	-
40,069	40,069	-	-	-	-
2,236	2,236	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>742,769</u>	<u>742,769</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<u>(88,562)</u>	<u>(88,562)</u>	<u>-</u>	<u>2,395</u>	<u>2,395</u>	<u>-</u>
-	-	-	-	-	-
31,047	31,047	-	-	-	-
(39,791)	(39,791)	-	-	-	-
-	-	-	-	-	-
(3,457)	(3,457)	-	-	-	-
84,927	84,927	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>72,726</u>	<u>72,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
(15,836)	(15,836)	-	2,395	2,395	-
131,226	131,226	-	30,402	30,402	-
9,266	9,266	-	4,000	4,000	-
<u>\$ 124,656</u>	<u>\$ 124,656</u>	<u>\$ -</u>	<u>\$ 36,797</u>	<u>\$ 36,797</u>	<u>\$ -</u>

**Maplewood Career Center**  
**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, 2000**

	Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-
Intergovernmental	11,384	11,384	-
Interest	-	-	-
Extracurricular Activities	-	-	-
Food Services	-	-	-
Classroom Materials and Fees	-	-	-
Other	-	-	-
Total Revenues	<u>11,384</u>	<u>11,384</u>	<u>-</u>
EXPENDITURES:			
Current			
Instruction			
Regular	-	-	-
Special	-	-	-
Vocational	-	-	-
Adult Continuing	-	-	-
Other	-	-	-
Support Services			
Pupil	-	-	-
Instructional Staff	-	-	-
Board of Education	-	-	-
Administration	-	-	-
Fiscal	-	-	-
Business	-	-	-
Operation and Maintenance			
of Plant	-	-	-
Pupil Transportation			
Central	11,384	11,384	-
Food Service Operations	-	-	-
Extracurricular Activities	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service	-	-	-
Principal Retirement and Interest	-	-	-
Total Expenditures	<u>11,384</u>	<u>11,384</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
Sale of Fixed Assets	-	-	-
Advances - In	-	-	-
Advances - Out	-	-	-
Refund of Prior Year Expenditures	-	-	-
Refund of Prior Year Receipt	-	-	-
Operating Transfers - In	-	-	-
Operating Transfers - Out	-	-	-
Pass through	-	-	-
Proceeds from Sale of Notes	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Appropriated	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Totals (Memorandum Only)

Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,348,870	\$ 4,348,870	\$ -
-	-	-
3,450,923	3,450,923	-
281,792	281,792	-
-	-	-
3,392	3,392	-
-	-	-
45,573	45,573	-
<u>8,130,550</u>	<u>8,130,550</u>	<u>-</u>
718,089	718,089	-
-	-	-
3,294,885	3,294,885	-
78,773	78,773	-
-	-	-
763,148	763,148	-
450,821	450,821	-
32,028	32,028	-
487,436	487,436	-
513,574	513,574	-
191,012	191,012	-
1,019,022	1,019,022	-
6,776	6,776	-
260,304	260,304	-
2,236	2,236	-
12,921	12,921	-
216,573	216,573	-
-	-	-
<u>8,047,598</u>	<u>8,047,598</u>	<u>-</u>
82,952	82,952	-
200	200	-
192,496	192,496	-
(177,217)	(177,217)	-
1,796	1,796	-
(3,457)	(3,457)	-
84,927	84,927	-
(87,321)	(87,321)	-
-	-	-
-	-	-
<u>11,424</u>	<u>11,424</u>	<u>-</u>
94,376	94,376	-
3,448,589	3,448,589	-
417,095	417,095	-
<u>\$ 3,960,060</u>	<u>\$ 3,960,060</u>	<u>\$ -</u>

**Maplewood Career Center**  
**Combined Statement of Revenues, Expenses, and Changes in**  
**Retained Earnings - All Proprietary Fund Types**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total (Memorandum Only)</u>
OPERATING REVENUES:			
Tuition and Fees	\$218,921	\$32,045	\$250,966
Sales	<u>152,722</u>	<u>4,145</u>	<u>156,867</u>
Total Operating Revenues	<u>371,643</u>	<u>36,190</u>	<u>407,833</u>
OPERATING EXPENSES:			
Salaries and Wages	297,567	28,055	325,622
Fringe Benefits	88,514	6,469	94,983
Contract Services	66,356	2,081	68,437
Cost of Sales	192,822	7,299	200,121
Depreciation	3,388	0	3,388
Other	0	15,661	15,661
Capital Outlay	<u>82,861</u>	<u>0</u>	<u>82,861</u>
Total Operating Expenses	<u>731,508</u>	<u>59,565</u>	<u>791,073</u>
Operating Loss	<u>(359,865)</u>	<u>(23,375)</u>	<u>(383,240)</u>
NON-OPERATING REVENUES:			
Donated Commodities	8,379	0	8,379
Operating Grants	128,028	0	128,028
Interest	1,580	0	1,580
Other	<u>86,869</u>	<u>19,584</u>	<u>106,453</u>
Total Non-Operating Revenues	<u>224,856</u>	<u>19,584</u>	<u>244,440</u>
Net Loss Before Operating Transfers	(135,009)	(3,791)	(138,800)
OTHER FINANCING SOURCES (USES)			
Operating Transfers - In	<u>2,394</u>	<u>0</u>	<u>2,394</u>
	<u>2,394</u>	<u>0</u>	<u>2,394</u>
Net Loss	(132,615)	(3,791)	(136,406)
Retained Earnings at Beginning of Year	<u>299,492</u>	<u>50,275</u>	<u>349,767</u>
Retained Earnings at End of Year	<u>\$166,877</u>	<u>\$46,484</u>	<u>\$213,361</u>

The accompanying notes are an integral part of these statements.

**Maplewood Career Center**  
**Combined Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Budget Basis and Actual**  
**All Proprietary Fund Types**  
**For the Fiscal Year Ended June 30, 2000**

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Tuition and Fees	\$ 172,391	\$ 172,391	\$ -
Intergovernmental	-	-	-
Interest	-	-	-
Extracurricular Activities	-	-	-
Food Services	152,722	152,722	-
Classroom Materials & Fees	46,530	46,530	-
Other	-	-	-
<b>Total Revenues</b>	<u>371,643</u>	<u>371,643</u>	<u>-</u>
<b>EXPENDITURES:</b>			
Salaries	300,810	300,810	-
Retirement	88,587	88,587	-
Services	78,388	78,388	-
Supplies and Materials	224,572	224,572	-
Capital Outlay	129,866	129,866	-
Capital Outlay - Replacement	-	-	-
Other	20,592	20,592	-
<b>Total Expenditures</b>	<u>842,815</u>	<u>842,815</u>	<u>-</u>
Excess of Operating Revenues Over/ (Under) Operating Expenses	<u>(471,172)</u>	<u>(471,172)</u>	<u>-</u>
<b>Non-Operating Revenues</b>			
Taxes	-	-	-
Earnings on Investments	1,580	1,580	-
Miscellaneous	260,080	260,080	-
Other Revenue Sources	-	-	-
Intergovernmental	127,241	127,241	-
<b>Total Non-Operating Revenues</b>	<u>388,901</u>	<u>388,901</u>	<u>-</u>
<b>Non-Operating Expenses</b>			
Debt Services	-	-	-
Refund of Prior Years Receipts	-	-	-
Pass-Through	-	-	-
<b>Total Non-Operating Expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenue Over/(Under) Expenses Before Interfund Transfers Advances	<u>(82,271)</u>	<u>(82,271)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers - In	2,394	2,394	-
Advances - In	106,379	106,379	-
Operating Transfers - Out	-	-	-
Advances - Out	(121,658)	(121,658)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(12,885)</u>	<u>(12,885)</u>	<u>-</u>
Net Excess of Revenues Over/(Under) Expenses	(95,156)	(95,156)	-
Beginning Fund Balance	215,148	215,148	-
Prior Year Appropriated	96,076	96,076	-
<b>Ending Fund Balance</b>	<u>\$ 216,068</u>	<u>\$ 216,068</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Internal Service Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 31,875	\$ 31,875	\$ -	\$ 204,266	\$ 204,266	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
4,144	4,144	-	156,866	156,866	-
-	-	-	46,530	46,530	-
-	-	-	-	-	-
<u>36,019</u>	<u>36,019</u>	<u>-</u>	<u>407,662</u>	<u>407,662</u>	<u>-</u>
36,992	36,992	-	337,802	337,802	-
6,469	6,469	-	95,056	95,056	-
2,802	2,802	-	81,190	81,190	-
7,398	7,398	-	231,970	231,970	-
-	-	-	129,866	129,866	-
-	-	-	-	-	-
15,630	15,630	-	36,222	36,222	-
<u>69,291</u>	<u>69,291</u>	<u>-</u>	<u>912,106</u>	<u>912,106</u>	<u>-</u>
<u>(33,272)</u>	<u>(33,272)</u>	<u>-</u>	<u>(504,444)</u>	<u>(504,444)</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	1,580	1,580	-
19,083	19,083	-	279,163	279,163	-
-	-	-	-	-	-
-	-	-	127,241	127,241	-
<u>19,083</u>	<u>19,083</u>	<u>-</u>	<u>407,984</u>	<u>407,984</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(14,189)</u>	<u>(14,189)</u>	<u>-</u>	<u>(96,460)</u>	<u>(96,460)</u>	<u>-</u>
-	-	-	2,394	2,394	-
-	-	-	106,379	106,379	-
-	-	-	-	-	-
-	-	-	(121,658)	(121,658)	-
-	-	-	(12,885)	(12,885)	-
<u>(14,189)</u>	<u>(14,189)</u>	<u>-</u>	<u>(109,345)</u>	<u>(109,345)</u>	<u>-</u>
63,312	63,312	-	278,460	278,460	-
1,192	1,192	-	97,268	97,268	-
<u>\$ 50,315</u>	<u>\$ 50,315</u>	<u>\$ -</u>	<u>\$ 266,383</u>	<u>\$ 266,383</u>	<u>\$ -</u>



**Maplewood Career Center  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 For the Fiscal Year Ended June 30, 2000**

**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

	Enterprise Funds	Internal Service Funds	Total (Memorandum Only)
Cash Flows from operating activities:			
Operating loss	\$ (359,865)	\$(23,375)	\$ (383,240)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities			
Depreciation	3,388	-	3,388
Donated commodities in cost of sales	8,797	-	8,797
Change in assets and liabilities that increase (decrease) cash flow from operations			
Accounts receivable	155,962	(500)	155,462
Intergovernmental receivable	(2,991)	-	(2,991)
Accounts payable	(1,930)	(88)	(2,018)
Interfund payable	(15,279)	-	(15,279)
Accrued wages and benefits	(2,896)	(7,791)	(10,687)
Intergovernmental payable	148	(1,197)	(1,049)
Compensated absences	(181)	-	(181)
Net cash used in operating activities	(214,847)	(32,951)	(247,798)
Cash flows from capital and related financing activities:			
Operating grants received	128,028	-	128,028
Other non-operating revenue	90,843	19,584	110,427
Acquisition of equipment	(1,400)	-	(1,400)
Net cash provided by capital and related financing activities	217,471	19,584	237,055
Net increase (decrease) in cash and cash equivalents	2,624	(13,367)	(10,743)
Cash and cash equivalents - beginning of year	311,227	64,503	375,730
Cash and cash equivalents - end of year	\$ 313,851	\$ 51,136	\$ 364,987
Noncash capital, investing and related financing activities			
Donated commodities received	\$ 8,379	\$ -	\$ 8,379

The accompanying notes are an integral part of these statements.

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### 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 Maplewood Career Center (the Center) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Center is a joint vocational Center as defined by Section 3311.18 of the Ohio Revised Code. The Center operates under an elected Board of Education (11 members) and is responsible for the provision of public education to residents of the Center.

Average daily membership (ADM) as of October 1, 1999 was 584. The Center employed 75 certified employees and 31 non-certified employees.

The Center adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," under which the financial statements include all the organizations, activities, functions and component units for which the Center (Primary Government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Center's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Center.

On this basis, there were no organizations subject to the Center's financial accountability which required incorporation into the financial statements.

The Center is associated with certain organizations, which are defined as Jointly Governed Organizations and Public Entity Risk Pools. These organizations include the Stark/Portage Area Computer Consortium (SPARCC) and the Stark County Governments Risk Sharing Pool.

#### 2. *Basis Of Presentation - Fund Accounting*

The Center 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 Center functions or activities.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

---

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. *Basis of Presentation - Fund Accounting - Continued*

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.

For financial statement presentation purposes, the various funds of the Center 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 Center are financed. The acquisition, use and balances of the Center'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 Center's governmental fund types:

General Fund - This fund is the operating fund of the Center 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 Center 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.

Capital Projects Fund - This fund is 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).

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### 2. *Basis Of Presentation - Fund Accounting* – Continued

##### Proprietary Fund Types:

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

Enterprise Funds - These funds are 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 Fund - This fund accounts for the financing of services provided by one department or agency to another department or agency of the Center on a cost-reimbursement basis.

##### Fiduciary Fund Types:

Fiduciary Funds are used to account for assets held by the Center 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 Center, other than those accounted for in the proprietary or trust funds.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. *Basis Of Presentation - Fund Accounting – Continued*

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the Center except those accounted for in the proprietary or trust funds.

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 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 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.

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 Center is thirty 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 Center 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

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*3. Measurement Focus And Basis Of Accounting – Continued*

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, 2000 and delinquent property taxes, whose availability is indeterminate, and which are intended to finance fiscal year 2001 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 is 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 non- operating revenue.

*4. Budgetary Process*

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 object level within each function. Any budgetary modification at this level may only be made by resolution of the Board of Education.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**4. *Budgetary Process - 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 Portage 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 Center 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 Center's Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2000.

Appropriations:

By October 1, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels 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 Center. 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 any level of control. Any revisions that alter the total of any fund appropriation or alter total function

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### 4. *Budgetary Process* - Continued

appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund does 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 was 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.

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. On the GAAP basis, encumbrances outstanding at year-end are reported as a reservation of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

#### 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 Center 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.



**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process* - Continued

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).

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

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

	<b>General</b>	<b>Special Revenue</b>	<b>Expendable Trust</b>
GAAP Basis	\$ 231,079	\$ 62,353	\$ 7,395
Net Adjustment for Revenue Accruals	329,110	(45,430)	0
Net Adjustment for Expenditure Accruals	(476,395)	(24,015)	(5,000)
Adjustment for Other Sources (Uses)	0	0	0
Advances - In	161,449	31,047	0
Advances - Out	(137,426)	(39,791)	0
Budget Basis	\$ 107,817	\$ (15,836)	\$ 2,395

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Budgetary Process - Continued*

	<b>Net Income (Loss)/Revenue Over (Under) Expenses, Advances and Operating Transfers Proprietary Fund Types</b>	
	Enterprise	Internal Service
GAAP Basis	\$ (132,615)	\$ (3,791)
Net Adjustment for Revenue Accruals	172,424	(672)
Commodities Received	(8,379)	0
Advances - Net	(15,279)	0
Net Adjustment for Expense Accruals	(123,492)	(9,726)
Commodities Used	8,797	0
Depreciation	3,388	0
Budget Basis	\$ (95,156)	\$ (14,189)

5. *Pooled Cash And Cash Equivalents And Investments*

The Center maintains a cash and investment pool used by all funds.

The amounts of this pooled investment are reflected on the Combined Statement of Cash, Investments, and Fund Cash Balances as Cash, Cash Equivalents and/or Other Investments.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash investment pool are considered to be cash equivalents.

Legal Requirements:

Statutes require the classification of moneys held by the Center into three categories.

Category A consists of "active" moneys, those moneys required to be kept in a "cash" or a "near cash" status for immediate use by the Center. Such moneys must be maintained either as cash in the Center treasury or negotiable order of withdrawal (NOW) accounts.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments* - Continued

Category B consists of "inactive" moneys, those moneys not required for use within the current two-year period of designation of depositories. Inactive moneys may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category C consists of "interim" moneys, those moneys which are not needed for immediate use, but which will be needed before the end of the current period of depositories. Interim moneys may be invested or deposited in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association. All federal 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;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time, and under limited circumstances, corporate debt interests rated in either of the two highest rating classification by at least nationally recognized rating agencies.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalent And Investments - Continued*

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 Center, and must be purchased with the expectation that it will be held to maturity.

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not presented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits:

At year-end, the carrying amount of the Center's cash deposits was \$(285,414) and the bank balance was \$4,539. Of the bank's balance:

1. \$4,539 was covered by the federal depository insurance.

Statutory provisions require that collateral pledged for deposits be held in trust by an institution other than the pledging bank.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments* - Continued

Investments:

The Center's investments are categorized below to give an indication of the level of risk assumed by the entity at year-end.

1. Securities held by the entity or its agent in the entity's name (Category 1).
2. Securities held by the counterparty's trust department or agent in the entity's name (Category 2).
3. Securities held by the counterparty, or by its trust department or agent, but not in the entity's name (Category 3).

Statutory provisions require that all securities acquired by the Center be held by the Center treasurer or deposited with a qualified trustee unless the counterparty is a designated depository of the Center for the current period of designation of depositories, in which case the securities may be held in trust by the depository.

The Center has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2000. 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 prices, which is the price the investment could be sold for on June 30, 2000. This is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. *Pooled Cash And Cash Equivalents And Investments* - Continued

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Repurchase Agreement - U. S. Treasury Notes	\$ 0	\$ 0	\$312,792	\$ 312,792	\$ 312,792
Investment in State Treasurer's Investment Pool	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,681,543</u>	<u>4,681,543</u>
Total Investment	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$312,792</u>	<u>\$4,994,335</u>	<u>\$4,994,335</u>

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined balance sheet and the classification per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/ Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 4,708,921	\$ 0
Investments:		
Repurchase Agreement	(312,792)	312,792
STAROhio	(4,681,543)	4,681,543
GASB Statement 3	<u>\$ (285,414)</u>	<u>\$ 4,994,335</u>

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. *Inventory*

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 and are maintained on the Center computer system. Inventory items are recorded as expenses in the proprietary fund types when used. Inventory in the enterprise funds consists of purchased food, donated commodities and school supplies held for resale and are expensed when used.

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 Center has established a capitalization threshold for fixed assets at \$1,000. Books, records, movies, and other learning aids kept at the Center Library are also included for reporting purposes. The Center 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 Center's policy is not to capitalize interest costs incurred as part of construction.

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

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. *Intergovernmental Revenues* - Continued

Entitlements

General Fund

State Foundation Program

Non-Reimbursable Grants

Special Revenue Funds

Chapter II

Adult Education

9. *Prepaid Items*

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items.

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*

Employees earn vacation at rates specified by the Union Contractual Agreement based on credited service. Administrative and 260 day employees are entitled to vacation ranging from 10 to 21 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 a certified employee upon retirement is limited to fifty percent of accumulated sick days not to exceed 170 days. The total maximum is 85 days. The amount paid to a classified employee upon retirement is limited to fifty percent of accumulated sick days not to exceed 170 days. The total maximum is 85 days. At June 30, 2000 a current liability of \$25,285 in the general fund



**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

11. *Compensated Absences* - Continued

and a liability of \$34,997 in the enterprise fund has been provided for earned but unused sick leave severance.

The Center adopted GASB No. 16, "Accounting for Compensated Absences," effective July 1, 1995. As a result, the Center has recorded an estimated long-term liability of \$994,372 for severance pay and sick leave payable at June 30, 2000. The amount has been recorded in the General Long-Term Debt Account Group since the liability will not require the use of current expendable available financial resources.

12. *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.

13. *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 Center has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities.

14. *Restricted Assets*

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

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

---

June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

15. *Fund Balance Reserves*

The Center records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations or expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, capital improvements and for budget stabilization. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

16. *Estimates*

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

17. *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 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES - FUND DEFICITS

Fund balances at June 30, 2000 included the following individual fund deficits:

DEFICIT FUND BALANCES

Special Revenue Funds

Vocational Education	\$ 2,613
Career Development	12,018
Teacher Development	21

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### NOTE B - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES - FUND DEFICITS - Continued

The special revenue 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 tax is levied each January 1 on the assessed value listed on the prior September 1 for all real property located in the Center. Assessed values are established by the County Auditor at 35% of current market value. Reappraisal of all property is required every six years with triennial updates. The last update was completed for the tax year 1998 for Summit County and 1999 for Portage County.

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.

The full tax rate applied to real property for tax year 1999 was \$4.00 for Portage and Summit Counties per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$2.86 for Portage and Summit Counties per \$1,000 of assessed valuation for real property classified as residential/ agricultural and \$3.18 for Portage and Summit Counties 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 Center 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 year 2000 was \$4.00 for Portage and Summit Counties per \$1,000 of assessed valuation.

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### NOTE C - PROPERTY TAX - Continued

SUMMIT COUNTY	
Real Property - 1999 Valuation	
Residential/Agricultural	\$ 27,769,070
Commercial/Industrial	13,939,320
Public Utilities	7,120
Tangible Personal Property - 2000 Valuation	
General	27,914,292
Public Utilities	2,874,660
Total Valuation	<u>\$ 72,504,462</u>
PORTAGE COUNTY	
Real Property - 1999 Valuation	
Residential/Agricultural	\$ 966,954,351
Commercial/Industrial	193,207,960
Minerals	7,513,600
Railroad	411,140
Tangible Personal Property - 2000 Valuation	
General	144,231,098
Public Utilities	105,717,720
Total Valuation	<u>\$1,418,035,869</u>

The respective County Treasurers collect property tax on behalf of all taxing Centers within the County. The respective County Auditors periodically remit to the taxing Centers 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, 2000. 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 of \$197,387, is recognized as revenue.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

---

June 30, 2000

NOTE D - INSURANCE

1. *Property Insurance*

The Center maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real property and contents are 90% coinsured.

2. *Health Benefits Program*

The Center is a member of the Portage County Schools Consortium (the Consortium), through which a cooperative Health Benefit Program was created for the benefit of its members. The Health Benefit Program (the Program) is an employee health benefit plan which covers the participating members' employees. The Consortium acts as a fiscal agent for the cash funds paid into the program by the participating school Centers. These funds are pooled together for the purposes of paying health benefit claims of employees and their covered dependents, administrative expenses of the program and premiums for stop-loss insurance coverage. The Center accounts for the premiums paid as expenditures in the general or applicable fund.

NOTE E - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2000 follows:

Furniture and Equipment	\$ 83,675
Less Accumulated Depreciation	(77,064)
Net Fixed Assets	<u>\$ 6,611</u>

A summary of the changes in general fixed assets during fiscal year 2000 follows:

	<u>Balance</u> July 1, 1999	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> June 30, 2000
Land and Buildings	\$7,284,557	\$ 14,577	\$ 0	\$7,299,134
Furniture and Equipment	1,801,930	220,260	119,930	1,902,260
Leased Equipment	95,570	31,500	0	127,070
Vehicles	142,974	57,847	0	200,821
Total	<u>\$9,325,031</u>	<u>\$ 324,184</u>	<u>\$ 119,930</u>	<u>\$9,529,285</u>

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

---

**June 30, 2000**

**NOTE F - CAPITAL LEASES**

The Center has entered into capitalized leases for equipment and furniture and fixtures. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting of Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the general purpose financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

General fixed assets leased equipment has been capitalized in the general fixed assets account group in the amount of \$127,070. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group.

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, 2000.

	<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
	2001	\$ 32,354
	2002	<u>25,124</u>
Total		57,478
Less: Amount Representing Interest		(2,510)
Present Value of Net Minimum Lease Payments		<u>\$ 54,968</u>

**NOTE G - LONG-TERM DEBT**

Long-term obligations of the Center as of June 30, 2000 were as follows:

	<u>Outstanding July 1, 1999</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2000</u>
Compensated Absences	\$ 912,693	\$ 81,679	\$ 0	\$ 994,372
Totals	<u>\$ 912,693</u>	<u>\$ 81,679</u>	<u>\$ 0</u>	<u>\$ 994,372</u>

# MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

## NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

### NOTE H - RETIREMENT PLANS

The Center provides retirement benefits to all certified employees under the State Teachers' Retirement System and to all noncertified employees under the School Employees Retirement System. Both systems are cost-sharing, multiple-employer plans.

#### 1. *State Teachers' Retirement System (STRS)*

The Center 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 Center is required to contribute 14 percent; 14 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 Center's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$601,175, \$563,498, and \$551,745, respectively; 100 percent has been contributed for fiscal years 2000, 1999, and 1998.

#### 2. *School Employees Retirement System (SERS)*

The Center contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employees 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.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE H - RETIREMENT PLANS - Continued**

2. *School Employees Retirement System (SERS) - Continued*

Plan members are required to contribute 9 percent of their annual covered salary and the Center is required to contribute 14 percent; 14 percent was the portion 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 Center's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$ 163,974, \$143,509, and \$134,471, respectively; 100 percent has been contributed for fiscal years 2000, 1999, and 1998.

3. *Post-Employment Benefits*

The Center provides comprehensive health care benefits to retired teachers and their dependents through the State Teacher's Retirement System (STRS), and to retired noncertified 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.

For STRS, all benefit recipients are required to pay a portion of health care costs in the form of monthly premiums. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contributions rate, currently 14 percent of covered payroll. The board currently allocates employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the Center, this amount equaled \$68,301 during the 1999 fiscal year. As of July 1, 1999, eligible benefit recipients totaled 95,796. For the fiscal year ended June 30, 2000, net health care costs paid by STRS were \$249,929,000.

For SERS, coverage is made available to service retirees with ten or more fiscal 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.



**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

---

**June 30, 2000**

**NOTE H - RETIREMENT PLANS - Continued**

*3. Post-Employment Benefits - Continued*

For the fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The number of participants currently receiving health care benefits is 50,000. For the fiscal year ended June 30, 1998, net health care costs paid by SERS were \$111.9million.

**NOTE I - FEDERAL AND STATE GRANTS (Intergovernmental Receipts)**

During the year ended June 30, 2000, the Center received grants-in-aid from federal and state sources amounting to approximately \$431,271 and \$3,146,893, 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 Center's management believes such disallowances, if any, would be immaterial.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE J - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The Center maintains four enterprise funds - food service, customer service, uniform, and adult education which are operated on a sales basis. The table below reflects, in a summarized format, the more significant financial data relating to the enterprise funds of the Center for the fiscal year ended June 30, 2000:

	Food Service	Uniform School Supplies	Customer Service	Adult Education	Total
Operating Revenues	\$152,722	\$ 46,530	\$ 0	\$172,391	\$371,643
Operating Expenses					
Before Depreciation	179,943	39,165	209,419	299,593	728,120
Depreciation	3,388	0	0	0	3,388
Operating Loss	(30,609)	7,365	(209,419)	(127,202)	(359,865)
Operating Grants	22,130	0	0	105,898	128,028
Net Non-Operating Revenue/ Expenses	33,029	0	81,509	110,318	224,856
Net Income/Loss	2,420	7,365	(127,910)	(14,490)	(132,615)
Net Working Capital (Deficit)	7,076	10,927	4,744	137,519	160,266
TOTAL ASSETS	36,106	19,820	108,345	163,974	328,245
TOTAL LIABILITIES	22,419	8,893	103,601	26,455	161,368
TOTAL EQUITY (DEFICIT)	13,687	10,927	4,744	137,519	166,877
Reserve for Encumbrances	25	19,196	56,892	21,670	97,783

**NOTE K - JOINTLY GOVERNED ORGANIZATION**

Stark/Portage Area Computer Consortium (SPARCC):

SPARCC is a jointly governed organization created as a regional council of governments made up of public school districts and county boards of education from Stark, Portage and Carroll Counties. The primary function of SPARCC 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 SPARCC include student scheduling, registration, grade reporting, and test scoring. Each member district pays an annual fee for the services provided by SPARCC. SPARCC is governed by a board of directors comprised of each Superintendent within the Consortium. The Stark County Educational Service Center serves

MAPLEWOOD CAREER CENTER - PORTAGE COUNTY

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

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June 30, 2000

NOTE K - JOINTLY GOVERNED ORGANIZATION - Continued

Stark/Portage Area Computer Consortium (SPARCC): - Continued

as the fiscal agent of the consortium 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 SPARCC is limited to its voting authority and any representation it may have on the board of directors. The continued existence of SPARCC is not dependent on the Center's continued participation and no equity interest exists.

NOTE L - 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 and textbook and material reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction.

B. *Set-Aside Requirements*

State of Ohio House Bill 412 requires the Center to set aside a portion of their general operating resources for future use. For the fiscal year ended June 30, 2000, the following table discloses the required set-asides.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE L - OTHER REQUIRED FUND DISCLOSURES – Continued**

*B. Set-Aside Requirements - Continued*

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>	<u>Totals</u>
Set-aside Cash Balance as of June 30, 1999	\$ 0	\$ 0	\$ 96,006	\$ 96,006
Current Year Set-aside Requirements	184,490	184,490	61,786	430,766
Current Year Offsets	0	0	0	0
Qualifying Disbursements	<u>(184,490)</u>	<u>(166,619)</u>	<u>0</u>	<u>(351,109)</u>
Total	<u>0</u>	<u>17,871</u>	<u>157,792</u>	<u>175,663</u>
Cash Balance Carried Forward to FY 2001	<u>\$ 0</u>	<u>\$ 17,871</u>	<u>\$ 157,792</u>	
Total Restricted Assets				<u>\$ 175,663</u>

**NOTE M - STATE SCHOOL FUNDING DECISIONS**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring a certain portion of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the systems. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the Center. During the fiscal year ended June 30, 2000, the Center received \$2,333,719 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled."

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**June 30, 2000**

**NOTE M - STATE SCHOOL FUNDING DECISIONS - Continued**

The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly..." including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

As of the date of these financial statements, the Center 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.

**Maplewood Career Center – Portage County  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2000**

Federal Grantor/Sub Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. Department of Education</u>						
Passed through the State Department of Education						
Vocational Education	84.048	051391-20-CI	\$248,238	\$ -	\$ 248,238	\$ -
Total Vocational Education			248,238	-	248,238	-
Adult Education	84.002	051391-AB-SD N/A	143,281 4,487	-	138,241 4,487	-
Total Adult Education			147,768	-	142,728	-
Chapter 2 – Education Consolidation Improvement Act of 1981						
	84.298	051391-C2-S1	2,717	-	2,717	-
Total Chapter 2			2,717	-	2,717	-
Eisenhower Program	84.281	N/A	827	-	827	-
Total Eisenhower Program			827	-	827	-
Total U.S. Department of Education			399,550	-	394,510	-

**Maplewood Career Center – Portage County  
Schedule of Expenditures of Federal Awards - Continued  
For the Year Ended June 30, 2000**

Federal Grantor/Sub Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U. S. Department of Labor</u> Passed locally by the Portage Private Industry Council (PPIC) School to Work	17.249	N/A	10,647	-	10,647	-
Total Department of Agriculture			10,647	-	10,647	-
<u>U. S. Department of Labor</u>						
Passed through the State Department of Education						
Food Distribution Program National School Lunch Program	10.550	N/A	-	8,379	-	8,797
	10.555	N/A	21,073	-	21,073	-
Total Department of Agriculture			21,073	8,379	21,073	8,797
Total Federal Financial Assistance			\$431,270	\$8,379	\$426,230	\$8,797

Donated Commodities are valued at fair market value less cost to the District. Assumed expended on a first-in, first-out basis. This schedule is prepared on the basis of cash receipts and disbursements.

**Independent Auditors' Report on Compliance and on Internal Control  
Over Financial Reporting Based on an Audit of General Purpose Financial  
Statements Performed in Accordance with Government Auditing Standards**

To the Board of Education  
Maplewood Career Center  
Ravenna, Ohio 44266

We have audited the general purpose financial statements of the Maplewood Career Center (the Center), as of and for the year ended June 30, 2000 and have issued our report thereon dated November 28, 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 Maplewood Career Center's financial statements were free of material misstatement, we performed tests of its compliance and certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

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



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

*Moore Stephens Apple*

Akron, Ohio  
November 28, 2000

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

To the Board of Education  
Maplewood Career Center  
Ravenna, OH 44266

Compliance

We have audited the compliance of Maplewood Career Center 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 each of its major federal programs for the year ended June 30, 2000. Maplewood Career Center's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Maplewood Career Center's management. Our responsibility is to express an opinion on Maplewood Career Center's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those Standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Maplewood Career Center'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 Maplewood Career Center's compliance with those requirements.

In our opinion, Maplewood Career Center complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

## Internal Control Over Compliance

The management of Maplewood Career Center 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 Maplewood Career Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

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

*Moore Stephens Apple*

Akron, Ohio  
November 28, 2000

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2000**

1. Summary of Auditors' Results

Unqualified opinion was issued on the financial statements.

Material control weaknesses at the financial statement level – none noted.

Other reportable control weaknesses at the financial statement level - none noted.

There was no material non-compliance at the financial statement level.

Reportable control weaknesses for major federal programs - none noted.

For those items tested, there were no material non-compliance for major federal programs.

Unqualified opinion was issued on major programs compliance.

The audit disclosed no findings under OMB Circular A-133.

The District's major program tested was Vocational Education - CFDA #84.048.

There were no Type A Programs \$300,000 Type B programs were all other programs..

The Auditee was low risk.

2. There were no audit findings or questioned costs for federal awards during the year ended June 30, 2000.
3. There were no audit findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards for the year ended June 30, 2000.

**MAPLEWOOD CAREER CENTER - PORTAGE COUNTY  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**

**June 30, 2000**

The prior audit report of the Maplewood Career Center, issued as of June 30, 1999, included no citations and no recommendations.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**MAPLEWOOD CAREER CENTER**

**PORTAGE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 09, 2001**