

Southern Ohio Diversification Initiative

Pike County

Single Audit

October 1, 2001 Through September 30, 2002

Fiscal Year Audited Under GAGAS: 2002

BALESTRA & COMPANY

(A division of Harr & Scherer CPAs, Inc.)

CERTIFIED PUBLIC ACCOUNTANTS

528 South West Street, P.O. Box 687

Piketon, Ohio 45661

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**Auditor of State
Betty Montgomery**

Members of the Board
Southern Ohio Diversification Initiative
Piketon, Ohio

We have reviewed the Independent Auditor's Report of the Southern Ohio Diversification Initiative, Pike County, prepared by Balestra & Company, for the audit period October 1, 2001 through September 30, 2002. 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 Southern Ohio Diversification Initiative is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 12, 2003

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SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

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INDEPENDENT AUDITOR'S REPORT

Members of the Board
Southern Ohio Diversification Initiative
1864 Shyville Road
Piketon, Ohio 45661-9749

We have audited the accompanying statement of financial position of Southern Ohio Diversification Initiative as of September 30, 2002, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Southern Ohio Diversification Initiative's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southern Ohio Diversification Initiative as of September 30, 2002, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2003 on our consideration of the Southern Ohio Diversification Initiative's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Members of the Board
Southern Ohio Diversification Initiative
Piketon, Ohio 45661-9749
Independent Auditor's Report
Page 2

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

Balestra & Company
Balestra & Company

May 9, 2003

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2002

Assets:

| | |
|---------------------------|--------------------|
| Cash and Cash Equivalents | \$ 2,077,130 |
| Accounts Receivable | 5,098 |
| Prepaid Insurance | 2,064 |
| Land | 351,500 |
| Deposits | <u>36</u> |
| Total Assets | <u>\$2,435,828</u> |

Liabilities and Net Assets:

Liabilities:

| | |
|----------------------|--------------|
| Accounts Payable | \$ 214,145 |
| Due on Zahn's Corner | 100,000 |
| Simple IRA Withheld | 1,140 |
| Accrued Payroll | 2,284 |
| Accrued Sick Pay | 6,893 |
| Accrued Vacation Pay | <u>4,669</u> |
| Total Liabilities | 329,131 |

Net Assets:

| | |
|----------------------------------|--------------------|
| Unrestricted Net Assets | <u>2,106,697</u> |
| Total Net Assets | <u>2,106,697</u> |
| Total Liabilities and Net Assets | <u>\$2,435,828</u> |

The notes to the financial statements are an integral part of this statement.

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2002

Changes in Unrestricted Net Assets

Revenues, Gains, and Other Support:

| | |
|---------------------------------|---------------|
| Department of Energy | \$ 532,945 |
| State of Ohio | 349,900 |
| Appalachian Regional Commission | 38,523 |
| Rent Income | 3,300 |
| Other | 5,344 |
| Interest Income | <u>85,341</u> |

Total Revenues, Gains, and Other Support 1,015,353

Expenses:

| | |
|------------------|----------------|
| Program Expenses | 1,346,388 |
| Fringe Benefits | 39,780 |
| Indirect Costs | <u>139,605</u> |

Total Expenses 1,525,773

Decrease in Unrestricted Net Assets (510,420)

Net Assets, Beginning of Year (Restated – See Note 6) 2,617,117

Net Assets, End of Year \$ 2,106,697

The notes to the financial statements are an integral part of this statement.

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2002

| | |
|--|---------------------|
| Cash flows from operating activities: | |
| Cash received from Department of Energy | \$ 532,945 |
| Cash received from Other Sources | 544,992 |
| Cash paid to Suppliers | (1,515,604) |
| Cash paid to Employees for Services and Benefits | <u>(78,625)</u> |
| Net cash provided by operating activities | <u>(516,292)</u> |
| Net increase/decrease in cash and cash equivalents | (516,292) |
| Cash and cash equivalents, September 30, 2001 | <u>2,593,422</u> |
| Cash and cash equivalents, September 30, 2002 | <u>\$ 2,077,130</u> |

Reconciliation of Operating Income to Net Cash Provided by

| | |
|--|---------------------|
| Operating Income | \$ (510,420) |
| Adjustments to reconcile net income to net cash from operating activities: | |
| Decrease in Accounts Payable | (172,553) |
| Increase in Due on Zahn's Corner | 100,000 |
| Decrease in IRA Withheld | (560) |
| Increase in Accrued Payroll | 399 |
| Increase in Accrued Vacation Pay | 1,637 |
| Decrease in Accrued Rent | (900) |
| Increase in Accrued Sick Pay | 3,087 |
| Decrease in Accounts Receivable | 62,584 |
| Decrease in Prepaid Insurance | <u>434</u> |
| Total Adjustments | <u>(5,872)</u> |
| Net Cash Provided by Operating Activities | <u>\$ (516,292)</u> |

The notes to the financial statements are an integral part of this statement.

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The Southern Ohio Diversification Initiative (the Initiative) was chartered in July of 1997 as a non-profit Ohio corporation organized under Title XVII, Chapters 1724 and 1702, Ohio Revised Code, the Not for Profit Corporation Law of Ohio filed with the Secretary of State. The sole purpose for which the corporation was formed is to advance, encourage, and promote the industrial, economic, commercial and civic development of Pike, Scioto, Jackson and Ross Counties, in the State of Ohio. The Initiative acts as a Community Reuse Organization (CRO) to deal with the impact of the planned closing of the Portsmouth Gaseous Diffusion Plant located in Pike County, Ohio. The Initiative has been officially recognized by the U.S. Department of Energy as a CRO. The Initiative operates under the direction of a fifteen member board of trustees. An appointed staff consisting of an executive director and a financial manager are responsible for fiscal control of the resources of the Initiative. The Initiative serves Jackson, Pike, Ross and Scioto Counties.

B. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

For financial statement presentation purposes, the Initiative utilizes the accrual basis of accounting. Under this method of accounting, revenues are recognized when they are earned. The Initiative reports gifts of cash, grants and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Expenses are recognized under the accrual basis of accounting when the liability is incurred.

C. RELATED ENTITY

The Southern Ohio Diversification Initiative has a controlling financial interest in Zahn's Corner Partners, LLC. This limited liability company, formed to initiate a meaningful redevelopment effort for the expansion of Zahn's Corner, had no financial activity in fiscal year 2002. Therefore, the Initiative will adopt the provisions of FAS-94, *Consolidation of All Majority Owned Subsidiaries* in fiscal year 2003.

D. COMPENSATED ABSENCES

Accumulated vacation leave and accumulated compensatory time are recorded as an expense and liability of the Initiative as the benefits accrue to the employees. Sick leave is accrued at 3.7 hours of sick leave per pay period to a maximum accrual of 960 hours. Vacation leave is accrued according to years of service with a maximum accrual of 120 hours.

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2002
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CASH & CASH EQUIVALENTS

The Initiative's cash and cash equivalents are considered to be cash on hand and deposits.

For purposes of the statement of cash flows and for presentation of the balances sheet, investments with a maturity of three months or less at the time of purchase are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

F. INCOME TAXES

The Initiative, is a not for profit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Initiative is also exempt from Ohio income tax.

G. ESTIMATES

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

NOTE 2 - CASH AND INVESTMENTS

Protection of part of the Initiative's deposits is provided by the Federal Deposit Insurance Corporation (FDIC).

Deposits At year end, the carrying amount of the Initiative's deposits was \$2,077,130 and the bank balance was \$2,093,198. Of the bank balance:

1. \$193,198 was covered by federal depository insurance.
2. \$1,900,000 was uncollateralized.

NOTE 3 - RISK MANAGEMENT

The Initiative is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2002, the Initiative contracted with Monroe Guaranty Insurance Company for real property, building contents, and vehicle insurance coverage.

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2002
(Continued)

NOTE 3 - RISK MANAGEMENT (continued)

Coverages provided by the program are as follows:

| | |
|-------------------|-------------------------------------|
| General Liability | \$1 million *Annual Aggregate Limit |
| Automobile | \$1 million |
| Property | \$1 million |
| Inland Marine | \$1 million |
| Crime | \$1 million |

Health insurance was provided by a private carrier, Northwestern Mutual Life for the year.

Workers' compensation benefits are provided through the State Bureau of Workers' Compensation.

The Initiative has not incurred significant reductions in insurance coverage from coverage in the prior year by major category of risk. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 4 - PENSION PLAN

All employees of the Initiative contribute into a simple IRA, a privately defined benefit pension plan. The Initiative contributes 3% of an employee's gross wages into the plan. An hourly employee must work six months prior to becoming eligible for the plan. A member is fully vested immediately and can retire at the age of 62. The Initiative's contributions to the Plan for the year ending September 30, 2002 was \$2,528.

NOTE 5 -CONTINGENCIES

Grants

The Initiative received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Initiative. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Initiative at September 30, 2002.

NOTE 6 -RESTATED NET ASSETS

Due to an accounting error, beginning net assets has changed as follows:

| | |
|--|-----------------|
| Net Assets at September 30, 2001 | \$2,647,117 |
| Adjustment | <u>(30,000)</u> |
| Restated Net Assets at October 1, 2001 | \$ 2,617,117 |

Southern Ohio Diversification Initiative
Pike County

Schedule of Federal Awards Expenditures
For the Year Ended September 30, 2002

| Federal Grantor/ Pass Through Grantor/ Program Title | Pass Through Entity Number | Federal CFDA Number | Disbursements |
|--|----------------------------------|---------------------------|---------------------|
| Economic Development Administration | | | |
| <i>Direct from Federal Awarding Agency</i> | | | |
| Special Economic Development & Adjustment Assistance Program - Zahn's Corner | NA | 11.307 | \$ 9,897 |
| Total Economic Development Administration | | | 9,897 |
| Appalachian Regional Commission | | | |
| <i>Direct from Federal Awarding Agency</i> | | | |
| Intermodel Transportation Planning Grant | NA | 23.xxx | 38,514 |
| <i>Passed through from the Economic Development Administration</i> | | | |
| Public Works and Economic Development Grant - Zahn's Corner | N | 23.xxx | 2,901 |
| Total Appalachian Regional Commission | | | 41,415 |
| United States Department of Energy | | | |
| <i>Direct from Federal Awarding Agency</i> | | | |
| Southern Ohio Diversification Initiative | NA | 81.092 | 1,350,099 |
| Total United States Department of Energy | | | 1,350,099 |
| Total Federal Financial Assistance | | | <u>\$ 1,401,411</u> |

N - Pass Through Entity Number is Not Available

NA - Direct from Federal Government, Pass Through Entity Number Not Applicable

See accompanying notes to the Schedule of Federal Awards Expenditures

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY
SEPTEMBER 30, 2002

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A - - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the Initiative's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - - MATCHING REQUIREMENTS

Certain federal programs require that the Initiative contribute non-federal funds (matching funds) to support the federally-funded programs. The Initiative has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the schedule.

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

Members of the Board
Southern Ohio Diversification Initiative
1864 Shyville Road
Piketon, Ohio 45661-9749

We have audited the financial statements of Southern Ohio Diversification Initiative as of and for the year ended September 30, 2002, and have issued our report thereon dated May 9, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Southern Ohio Diversification Initiative's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Southern Ohio Diversification Initiative's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

Members of the Board
Southern Ohio Diversification Initiative
Piketon, Ohio 45661-9749
Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*
Page 2

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting that we have reported to the management of the Southern Ohio Diversification Initiative in a separate letter dated May 9, 2003.

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

Balestra & Company
Balestra & Company

May 9, 2003

BALESTRA & COMPANY

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

Members of the Board
Southern Ohio Diversification Initiative
1864 Shyville Road
Piketon, Ohio 45661-9749

Compliance

We have audited the compliance of Southern Ohio Diversification Initiative with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended September 30, 2002. Southern Ohio Diversification Initiative's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Southern Ohio Diversification Initiative's management. Our responsibility is to express an opinion on Southern Ohio Diversification Initiative's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Southern Ohio Diversification Initiative's compliance with those requirements and performing 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 Southern Ohio Diversification Initiative's compliance with those requirements.

In our opinion, the Southern Ohio Diversification Initiative complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2002. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Members of the Board

Southern Ohio Diversification Initiative

Piketon, Ohio 45661-9749

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

Page 2

Internal Control over Compliance

The management of Southern Ohio Diversification Initiative 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 Southern Ohio Diversification Initiative'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 a material weakness. 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 audit committee, management, Board of Directors, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Balestra & Company

Balestra & Company

May 9, 2003

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY
SEPTEMBER 30, 2002

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|--------------|--|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unqualified |
| (d)(1)(ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(iv) | Were there any other reportable internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unqualified |
| (d)(1)(vi) | Are there any reportable findings under section .510? | No |
| (d)(1)(vii) | Major Programs (list): | Southern Ohio Diversification Initiative Grant CFDA # 81.092 |
| (d)(1)(viii) | Dollar Threshold: Type A\B Programs | Type A: > \$300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | No |

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY
SEPTEMBER 30, 2002

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

| | |
|----------------|------|
| Finding Number | None |
|----------------|------|

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

| | |
|---------------------------|------|
| Finding Number | None |
| CFDA Title and Number | |
| Federal Award Number/Year | |
| Federal Agency | |
| Pass-Through Agency | |

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505

SOUTHERN OHIO DIVERSIFICATION INITIATIVE
PIKE COUNTY
SEPTEMBER 30, 2002

| Finding Number | Finding Summary | Fully Corrected | Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain: |
|----------------|--|-----------------|---|
| 2001-001 | Filing with Federal Clearing House A-133 | Yes | |



**Auditor of State
Betty Montgomery**

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SOUTHERN OHIO DIVERSIFICATION INITIATIVE

PIKE 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
JUNE 24, 2003**