



Mary Taylor, CPA
Auditor of State

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Jennings Local School District
Putnam County
P.O. Box 98
Fort Jennings, Ohio 45844-0098

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jennings Local School District, Putnam County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

Ohio Administrative Code § 117-2-03 (B) requires the District to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. However, as discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than generally accepted accounting principles. The accompanying financial statements and notes omit assets, liabilities, fund equities, and disclosures that, while material, we cannot determine at this time.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jennings Local School District, Putnam County, Ohio, as of June 30, 2009, and the respective changes in cash financial position and the budgetary comparison for the General Fund, thereof for the year then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 11, 2009

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED**

This discussion and analysis of Jennings Local School District's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2009, within the limitations of the District's Cash Basis of Accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key highlights for 2009 are as follows:

- Net assets of governmental activities increased \$48,724, or 7% percent, a significant change from the prior year. The General Fund realized a revenue decrease in 2009.
- The District's general receipts were \$3,440,570, those being primarily property taxes, income taxes, and unrestricted state entitlements, and were 82 percent of the total cash received during the fiscal year. Dependence on these three revenue sources is significant.

Using this Annual Report

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds, with all other non-major funds presented in total in a single column. For the District, the General Fund and the Classroom Facilities Fund are the most significant funds.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and the related assets and liabilities. The District has elected to present its financial statements on the cash basis of accounting. Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid. This basis of accounting is a basis of accounting other than generally accepted accounting principles.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

Reporting the District as a Whole

The statement of net assets and the statement of activities reflect how the District did financially during fiscal year 2009, within the limitations of the cash basis of accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the District at fiscal year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, you should also consider other nonfinancial factors as well such as the District's property tax base, the condition of the District's capital assets, the extent of the District's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the statement of net assets and the statement of activities, all of the District's activities are presented as governmental activities. All of the District's programs and services are reported here including instruction, support services, food services, extracurricular activities, capital outlay disbursements, and debt service.

Reporting the District's Most Significant Funds

Fund financial statements provide detailed information about the District's major funds – not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose.

The funds of the District are split into two categories: governmental and fiduciary. While the District uses many funds to account for its financial transactions, the fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General Fund and the Classroom Facilities Fund.

Governmental Funds - Most of the District activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the District's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the General Fund and the Classroom Facilities Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the District's programs.

The District as a Whole

Table 1 provides a summary of the District's net assets for fiscal year 2009 compared to fiscal year 2008 on cash basis of accounting.

(Table 1)
Net Assets

	Governmental Activities	
	2009	2008
Assets:		
Cash and Cash Equivalents	\$762,895	\$714,171
Net Assets:		
Restricted:		
Capital Projects	\$287,608	\$291,214
Debt Service	16,380	7,970
Set Asides	41,601	40,157
Other Purposes	122,697	154,039
Unrestricted	294,609	220,791
Total Net Assets	\$762,895	\$714,171

As mentioned previously, net assets of governmental activities increased \$48,724 or 7 percent during fiscal year 2009. The primary reason contributing to the increase in cash balances is as follows:

- The increase was largely due to the increase in the receipts for property tax and charges for services.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

Table 2 reflects the changes in net assets on a cash basis in fiscal years 2009 and 2008..

(Table 2)
Changes In Net Assets

	Governmental Activities	
	2009	2008
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$620,793	\$609,076
Operating Grants and Contributions	141,087	160,015
Capital Grants and Contributions	12,272	8,514
Total Program Receipts	<u>774,152</u>	<u>777,605</u>
General Receipts:		
Property Taxes Levied for General Purposes	690,873	687,856
Property Taxes Levied for Classroom Maintenance	13,750	13,704
Property Taxes Levied for Debt Service	248,536	233,703
Property Taxes Levied for Capital Outlay		
Income Taxes Levied for General Purposes	328,249	349,528
Sale of Capital Assets	700	
Grants and Entitlements Not Restricted to Specific Programs	2,097,064	2,100,788
Interest	13,052	23,281
Miscellaneous	48,346	43,503
Total General Receipts	<u>3,440,570</u>	<u>3,452,363</u>
Total Receipts	<u>4,214,722</u>	<u>4,229,968</u>
Disbursements:		
Instruction:		
Regular	1,935,017	1,923,151
Special	213,025	176,108
Vocational	51,049	49,083
Other	850	1,696
Support Services:		
Pupil	80,517	74,533
Instructional Staff	100,801	104,196
Board of Education	21,235	19,680
Administration	394,864	380,929
Fiscal	133,652	147,848
Operation and Maintenance of Plant	432,065	441,590
Pupil Transportation	151,423	103,115
Central	10,857	6,902
Food Services	140,676	135,821
Extracurricular Activities	214,441	219,993
Capital Outlay	13,978	5,417
Debt Service	271,548	263,287
Total Disbursements	<u>4,165,998</u>	<u>4,053,349</u>

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

Increase in Net Assets	48,724	176,619
Net Assets, July 1	<u>714,171</u>	<u>537,552</u>
Net Assets, June 30	<u><u>\$762,895</u></u>	<u><u>\$714,171</u></u>

Program receipts represent 18 percent of total receipts and are primarily comprised of restricted intergovernmental receipts, charges for tuition and fees, extracurricular activities, food service sales and Ohio School Facilities Building Project receipts.

As stated previously, general receipts represent 82 percent of the District's total receipts, and of this amount, over 60 percent is the result of unrestricted grants and entitlements which primarily represents State foundation resources. Property taxes basically make up the balance of the District's general receipts (28 percent). Other receipts, such as interest, donations, and rent are very insignificant and somewhat unpredictable revenue sources.

The major program disbursements for governmental activities are for instruction, which accounts for 53 percent of all governmental disbursements. Other programs which support the instruction process, including pupils, instructional staff, and pupil transportation account for approximately 8 percent of governmental disbursements. Maintenance of the school district facilities is 10 percent. Capital Outlay represents less than 1 percent of all governmental disbursements.

Governmental Activities

If you look at the Statement of Activities you will see that the first column lists the major services provided by the District. The next column identifies the costs of providing these services. The major program disbursement for governmental activities is for instruction, which accounts for 53 percent of all governmental disbursements. The next three columns of the Statement entitled Program Cash Receipts identify amounts paid by people who are directly charged for the service and grants received by the District that must be used to provide a specific service. The Net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by state unrestricted entitlements and local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

(Table 3)
Governmental Activities

	Total Cost of Services <u>2009</u>	Net cost of Services <u>2009</u>	Total Cost of Services <u>2008</u>	Net Cost of Services <u>2008</u>
Current:				
Instruction:				
Regular	\$1,935,017	\$1,531,757	\$1,923,151	\$1,538,432
Special	213,025	112,613	176,108	55,570
Vocational	51,049	41,639	49,083	37,459
Other	850	850	1,696	1,696
Support Services:				
Pupil	80,517	80,517	74,533	74,533
Instructional Staff	100,801	100,801	104,196	104,196
Board of Education	21,235	21,235	19,680	19,680
Administration	394,864	394,864	380,929	380,929
Fiscal	133,652	133,652	147,848	147,848
Operation and Maintenance of Plant	432,065	432,065	441,590	441,590
Pupil Transportation	151,423	146,540	103,115	100,523
Central	10,857	10,857	6,902	6,902
Operation of Food Services	140,676	6,572	135,821	1,168
Extracurricular Activities	214,441	104,630	219,993	105,028
Capital Outlay	13,978	1,706	5,417	(3,097)
Debt Service	271,548	271,548	263,287	263,287
Total Disbursements	<u>\$4,165,998</u>	<u>\$3,391,846</u>	<u>\$4,053,349</u>	<u>\$3,275,744</u>

The dependence upon property tax receipts, income tax receipts and unrestricted state entitlements is apparent as over 76 percent of instructional activities are supported through these general receipts. However, it should be noted that special instruction activities are largely provided for through program receipts, by 47 percent. This is the result of operating grants and contributions restricted for special instruction purposes.

Over 95 percent of food services were covered by program receipts for fiscal year 2009. This is primarily due to cafeteria sales, and state and federal subsidies and donated commodities for food service. Over 48 percent of extracurricular activities disbursements are covered by program receipts. This is the result of music and athletic fees, ticket sales and gate receipts.

The District's Funds

The District's governmental funds are accounted for using the cash basis of accounting. Total governmental funds had receipts and other financing sources of \$4,237,058 and disbursements and other financing uses of \$4,188,334. General Fund receipts were greater than disbursements by \$46,727 indicating that the General Fund is in a surplus savings situation.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED
(Continued)**

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During fiscal year 2009, the District amended its General Fund budget as needed to reflect changing circumstances. Final budgeted receipts and other financing sources, in the amount of \$3,530,861, were above actual receipts and other financing sources, by \$9,890. The difference between final budgeted receipts and actual receipts was less than 1%.

Final disbursements and other financing uses were budgeted at \$3,820,497, while actual disbursements and other financing uses were \$3,514,217. The difference between final budgeted disbursements and actual disbursements was 8%. This is a result of lower than anticipated instructional and capital expenditures.

Capital Assets and Debt Administration

Capital Assets

The District's capital assets are not reflected in the accompanying basic financial statements, however the District does track capital assets through the state provided software program.

Debt

At June 30, 2009, the District's outstanding debt included general obligation bonds, in the amount of \$1,409,706, issued for the building of a new Pre K-12 Building. For further information regarding the District's debt, refer to Note 11 to the basic financial statements.

Current Issues

The challenge for all school districts is to provide quality educational services to the public while staying within the restrictions imposed by limited funding, and in some cases shrinking funding. The District relies heavily on unrestricted state entitlements and local taxes and has very little industry to support the tax base. The District's five year forecast predicts a deficit for 2012; therefore, the finance committee and the administration are watching expenditures very closely.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Valerie A. Maag, Treasurer, Jennings Local School District, P. O. Box 98, Fort Jennings, Ohio 45844-0098.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Net Assets - Cash Basis
June 30, 2009*

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$762,895</u>
Net Assets	
Restricted for:	
Capital Projects	\$287,608
Debt Service	16,380
Set Asides	41,601
Other Purposes	122,697
Unrestricted	<u>294,609</u>
<i>Total Net Assets</i>	<u><u>\$762,895</u></u>

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Activities - Cash Basis
For the Fiscal Year Ended June 30, 2009*

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Current:					
Instruction:					
Regular	\$1,935,017	\$403,260			(\$1,531,757)
Special	213,025		\$100,412		(112,613)
Vocational	51,049		9,410		(41,639)
Other	850				(850)
Support Services:					
Pupil	80,517				(80,517)
Instructional Staff	100,801				(100,801)
Board of Education	21,235				(21,235)
Administration	394,864				(394,864)
Fiscal	133,652				(133,652)
Operation and Maintenance of Plant	432,065				(432,065)
Pupil Transportation	151,423		4,883		(146,540)
Central	10,857				(10,857)
Operation of Food Services	140,676	107,866	26,238		(6,572)
Extracurricular Activities	214,441	109,667	144		(104,630)
Capital Outlay	13,978			\$12,272	(1,706)
Debt Service	271,548				(271,548)
Total Governmental Activities	\$4,165,998	\$620,793	\$141,087	\$12,272	(3,391,846)
General Receipts					
Property Taxes Levied for:					
General Purposes					690,873
Debt Service					248,536
Special Revenue - OSFC Maintenance					13,750
Income Taxes Levied for General Purposes					328,249
Grants and Entitlements not Restricted to Specific Programs					2,097,064
Sale of Capital Assets					700
Interest					13,052
Miscellaneous					48,346
Total General Receipts					3,440,570
Change in Net Assets					48,724
Net Assets Beginning of Year					714,171
Net Assets End of Year					\$762,895

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2009*

	General	Classroom Facilities	Other Governmental Funds	Total Government Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$293,360	\$265,848	\$160,684	\$719,892
Restricted Cash and Cash Equivalents	43,003			43,003
<i>Total Assets</i>	<u>\$336,363</u>	<u>\$265,848</u>	<u>\$160,684</u>	<u>\$762,895</u>
Fund Balances				
Reserved for:				
Encumbrances	\$39,973	\$575	\$20,094	\$60,642
Bus Purchases	153			153
Textbooks	41,601			41,601
Unreserved:				
Undesignated, Reported in:				
General Fund	254,636			254,636
Special Revenue Funds			104,450	104,450
Debt Service Fund			16,380	16,380
Capital Projects Funds		265,273	19,760	285,033
<i>Total Fund Balances</i>	<u>\$336,363</u>	<u>\$265,848</u>	<u>\$160,684</u>	<u>\$762,895</u>

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Cash Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2009*

	General	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Receipts				
Income Tax	\$328,249			\$328,249
Property Taxes	690,873		\$262,286	953,159
Intergovernmental	2,068,252	\$5,260	169,710	2,243,222
Interest	13,052	6,910	291	20,253
Tuition and Fees	403,260			403,260
Extracurricular Activities			109,667	109,667
Charges for Services			107,866	107,866
Miscellaneous	16,585	250	31,578	48,413
<i>Total Receipts</i>	<u>3,520,271</u>	<u>12,420</u>	<u>681,398</u>	<u>4,214,089</u>
Disbursements				
Current:				
Instruction:				
Regular	1,875,328		59,689	1,935,017
Special	200,030		12,995	213,025
Vocational	51,049			51,049
Other	850			850
Support Services:				
Pupil	55,813		24,704	80,517
Instructional Staff	90,932		9,869	100,801
Board of Education	21,235			21,235
Administration	390,656		4,208	394,864
Fiscal	125,723		7,929	133,652
Operation and Maintenance of Plant	395,666	74	36,325	432,065
Pupil Transportation	141,089		10,334	151,423
Central	9,755		1,102	10,857
Operation of Food Services			140,676	140,676
Extracurricular Activities	87,427		127,014	214,441
Capital Outlay	6,355	7,623		13,978
Debt Service:				
Principal Retirement			195,000	195,000
Interest and Fiscal Charges			76,548	76,548
<i>Total Disbursements</i>	<u>3,451,908</u>	<u>7,697</u>	<u>706,393</u>	<u>4,165,998</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>68,363</u>	<u>4,723</u>	<u>(24,995)</u>	<u>48,091</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	700			700
Transfers In			22,186	22,186
Transfers Out	(22,186)			(22,186)
Other Financing Sources			83	83
Other Financing Uses	(150)			(150)
<i>Total Other Financing Sources (Uses)</i>	<u>(21,636)</u>		<u>22,269</u>	<u>633</u>
<i>Net Change in Fund Balances</i>	46,727	4,723	(2,726)	48,724
<i>Fund Balances Beginning of Year</i>	<u>289,636</u>	<u>261,125</u>	<u>163,410</u>	<u>714,171</u>
<i>Fund Balances End of Year</i>	<u>\$336,363</u>	<u>\$265,848</u>	<u>\$160,684</u>	<u>\$762,895</u>

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Fiscal Year Ended June 30, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Income Tax	\$340,137	\$340,137	\$328,249	(\$11,888)
Property Taxes	670,722	702,430	690,873	(11,557)
Intergovernmental	1,963,362	2,064,720	2,068,252	3,532
Interest	22,266	22,266	13,052	(9,214)
Tuition and Fees	374,384	374,384	403,260	28,876
Miscellaneous	16,508	16,508	16,585	77
<i>Total Receipts</i>	<u>3,387,379</u>	<u>3,520,445</u>	<u>3,520,271</u>	<u>(174)</u>
Disbursements				
Current:				
Instruction:				
Regular	1,862,841	2,135,078	1,877,725	257,353
Special	195,123	195,123	200,030	(4,907)
Vocational	47,984	48,274	51,244	(2,970)
Other	1,687	1,687	850	837
Support Services:				
Pupil	50,526	50,526	56,822	(6,296)
Instructional Staff	90,071	90,204	91,012	(808)
Board of Education	19,571	21,091	21,235	(144)
Administration	375,403	376,366	391,329	(14,963)
Fiscal	139,470	140,738	126,868	13,870
Operation and Maintenance of Plant	405,073	436,732	405,297	31,435
Pupil Transportation	92,958	170,355	161,221	9,134
Central	5,764	9,403	13,718	(4,315)
Extracurricular Activities	86,049	87,798	88,175	(377)
Capital Outlay	5,386	37,233	6,355	30,878
<i>Total Disbursements</i>	<u>3,377,906</u>	<u>3,800,608</u>	<u>3,491,881</u>	<u>308,727</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>9,473</u>	<u>(280,163)</u>	<u>28,390</u>	<u>308,553</u>
Other Financing Sources (Uses)				
Sale of Capital Assets			700	700
Transfers Out	(19,889)	(19,889)	(22,186)	(2,297)
Advances In	10,416	10,416		(10,416)
Other Financing Uses			(150)	(150)
<i>Total Other Financing Sources (Uses)</i>	<u>(9,473)</u>	<u>(9,473)</u>	<u>(21,636)</u>	<u>(12,163)</u>
<i>Net Change in Fund Balance</i>		<u>(289,636)</u>	<u>6,754</u>	<u>296,390</u>
<i>Fund Balance Beginning of Year</i>	<u>273,768</u>	<u>273,768</u>	<u>273,768</u>	
Prior Year Encumbrances Appropriated	<u>15,868</u>	<u>\$15,868</u>	<u>15,868</u>	
<i>Fund Balance End of Year</i>	<u>\$289,636</u>	<u>\$289,636</u>	<u>\$296,390</u>	<u>\$296,390</u>

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Fiduciary Net Assets - Cash Basis
Fiduciary Funds
For the Fiscal Year Ended June 30, 2009*

	<u>Private Purpose Trust</u>	<u>Agency</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	<u>\$795</u>	<u>\$24,755</u>
Net Assets		
Held in Trust for Scholarships	<u>\$795</u>	
Held for Student Activities		<u>\$24,755</u>

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

*Statement of Changes in Fiduciary Net Assets - Cash Basis
Fiduciary Funds
For the Year Ended June 30, 2009*

	<u>Private Purpose Trust</u>
Additions	
Interest	\$1
Net Assets - Beginning of Year	<u>794</u>
Net Assets - End of Year	<u><u>\$795</u></u>

See accompanying notes to the basic financial statements

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1 – REPORTING ENTITY

The Jennings Local School District (the District) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five-members elected at-large for staggered four year terms. The District provides educational services as authorized by state and federal guidelines.

The District is staffed by 14 classified employees, 30 certificated full-time personnel, and 4 administrators who provide services to 418 students and other community members. The District currently operates 1 building.

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

A. Primary Government

The primary government of the District consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities of the District.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. The District is also financially accountable for any organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, are accessible to the District and are significant in amount to the district. The District does not have any component units.

C. Other Organizations

The District participates in three jointly governed organizations and three public entity risk pools. These organizations are:

Jointly Governed Organizations:

Vantage Career Center
Northwest Ohio Area Computer Services Cooperative
Northwest Ohio Special Education Regional Resource Center

Public Entity Risk Pool:

Putnam County School Insurance Group
OSBA Workers' Compensation Group Rating Program
Schools of Ohio Risk Sharing Authority

These organizations are presented in Notes 8 and 17 to the basic financial statements.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 1 – REPORTING ENTITY (Continued)

The District's management believes these financial statements present all activities for which the District is financially accountable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The District does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the District's accounting policies.

A. Basis of Presentation

The District's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the District at fiscal year end. The statement of activities compares disbursements with program receipts for each function or program of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the government is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the District's general receipts.

Fund Financial Statements

During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are divided into two categories, governmental or fiduciary.

Governmental Funds

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other nonexchange transactions as governmental funds. The following are the District's major governmental funds:

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

Classroom Facilities Fund - The classroom facilities fund accounts for resources accumulated from a local bond issue and the Ohio School Facilities Commission restricted to constructing and equipping a new Pre K-12 Building.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Fiduciary Funds

The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are not available to support the District's own programs. The District's private purpose trust fund accounts for programs that provide college scholarships to students after graduation. Agency funds are custodial in nature. The District's agency fund accounts for various student-managed activities.

C. Basis of Presentation

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board. The Board of Education uses the fund/cost center as its legal level of control. Budgetary allocations at the function and object level within all funds are made by the Treasurer.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in receipts are identified by the Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire fiscal year, including amounts automatically carried forward from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

E. Cash and Investments

To improve cash management, cash received by the District is pooled and invested. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2009, the District invested in nonnegotiable certificates of deposit and telephone company stock. Investments are reported at market value.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest receipts credited to the General Fund during fiscal year 2009 was \$13,052, which included \$3,204 assigned from other District funds.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets represent amounts required by State statute to be set aside for the acquisition of textbooks and school bus purchases.

G. Inventory and Prepaid Items

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Interfund Receivables/Payables

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

J. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-Term Obligations

The District's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

M. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for food service operations, music and athletic programs, and federal and state grants restricted to cash disbursement for specified purposes. The District's policy is to first apply restricted resources

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a cash disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, bus purchases, and textbooks.

The reserve for textbooks represents money required to be set-aside by state statute for the purchase of textbooks and instructional materials.

NOTE 3 – COMPLIANCE

Ohio Administrative Code, Section 117-2-03(B), requires the District to prepare its annual financial report in accordance with generally accepted accounting principles. However, the District prepared its financial statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, net assets/fund balances, and disclosures that, while material, cannot be determined at this time. The District can be fined and various other administrative remedies may be taken against the District.

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis).

The encumbrances outstanding at year end (budgetary basis) amounted to \$39,973 in the General Fund.

NOTE 5 – DEPOSITS AND INVESTMENTS

Monies held by the District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the District treasury. Active monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 5 – DEPOSITS AND INVESTMENTS (Continued)

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

At year-end, the District had \$6 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$604,005 of the District's bank balance of \$854,005 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 5 – DEPOSITS AND INVESTMENTS (Continued)

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of June 30, 2009, the District's investments were limited to \$600 in stock.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer.

NOTE 6 – PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District's fiscal year runs from July through June. First half tax distributions are received by the District in the second half of the fiscal year. Second half tax distributions are received in the first half of the following fiscal year.

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the District. Real property tax receipts received in calendar year 2009 represent the collection of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 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. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in calendar year 2009 represent the collection of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien on December 31, 2007, were levied after April 1, 2008, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2009 (other than public utility property) represent the collection of calendar year 2009 taxes. Tangible personal property taxes for 2009 were levied after April 1, 2008, on the value as of December 31, 2008. The tangible personal property tax is being phased out. The assessment percentage for all property, including inventory, was reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The District receives property taxes from Putnam County. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 6 – PROPERTY TAXES (Continued)

The assessed values upon which the fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$31,424,900	94.88%	\$35,612,640	96.01%
Public Utility	1,275,370	3.85%	1,342,680	3.62%
Tangible Personal Property	420,950	1.27%	136,310	.37%
Total Assessed Value	\$33,121,220	100.00%	\$37,091,630	100.00%
Tax rate per \$1,000 of assessed valuation	\$46.69		\$46.69	

NOTE 7 – INCOME TAXES

The District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2006 for a period of five years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax receipts are recorded in the General Fund.

NOTE 8 – RISK MANAGEMENT

A. Risk Pool Membership

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the District contracted for the following insurance coverage.

Coverage provided through the Schools of Ohio Risk Sharing Authority (SORSA) is as follows:

	<u>Coverage</u>
Property including inland marine-replacement cost (\$1,000 deductible)	\$17,353,318
Employee dishonesty Liability	100,000
Automobile Liability	11,000,000
Uninsured Motorists	2,000,000
Medical Payments - per occurrence	5,000
General District Liability	
Total per year	11,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years.

SORSA financial statements are available by contacting Patrick Shaver, Schools of Ohio Risk Sharing Authority, 8050 North High St., Columbus, Ohio 43235.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 8 – RISK MANAGEMENT (Continued)

B. Employee Medical Benefits

The District participates as a member of the Putnam County School Insurance Group, a public entity risk pool, administered by Huntington Bank. The District converted its fully-insured medical insurance program to partial self insurance through participation in this public entity risk pool. Medical Mutual of Ohio provides claim review and processing. The District maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained for expected claims.

C. Workers' Compensation

The District participates in the Ohio School Board Association's Worker's Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP is intended to reduce premiums for the participants. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to educational entities that can meet the GRP's selection criteria. Each participant must apply annually. The GRP provides the participants with a centralized program for processing, analysis and management of worker's compensation claims and a risk management program to assist in developing safer work environments. Each participant must pay its premiums, enrollment or other fees, and perform its obligations in accordance with the terms of the agreement. The GRP's business and affairs are conducted by a 25 member Board of Directors consisting of two representatives from each county elected by a majority vote of all charter member schools within each county plus one representative from the fiscal agency A-site. The Treasurer of Findlay City Schools serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$32,190, \$33,541, and \$39,914; 47.11 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio Web site at www.strs.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2009, 2008, and 2007 were \$222,342, \$220,353, and \$210,298; 82.98 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

C. Social Security

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2009, all of the

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 10 – POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$19,967, \$21,038, and \$19,000, respectively; 60.98 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007, were \$1,405, \$1,292, and \$1,453 respectively; 47.11 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System

The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007, were \$17,103, \$16,950, and \$16,177 respectively; 82.98 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

NOTE 11 – DEBT

The changes in the District's debt obligations during the year consist of the following:

	<u>Principal Outstanding 6/30/2008</u>	<u>Reductions</u>	<u>Principal Outstanding 6/30/2009</u>	<u>Amounts Due in One Year</u>
Governmental Activities				
General Obligation Bonds	<u>\$1,604,706</u>	<u>\$195,000</u>	<u>\$1,409,706</u>	<u>\$110,294</u>

General obligation bonds represent the District's portion of an Ohio School Facilities Building Project. The Bonds were initially issued at a rate of 5.99 percent during fiscal year 2001, but were refinanced to 4.90 percent on December 1, 2006, with final maturity in fiscal year 2024. The full faith and credit of the District is pledged for repayment and will be repaid with taxes assessed on all property within the District.

At June 30, 2009 the District's overall legal debt margin was \$1,944,922 with an unvoted debt margin of \$37,092.

Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2009 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$110,294	\$66,373	\$176,667
2011	110,294	60,969	171,263
2012	110,294	55,565	165,859
2013	110,294	50,160	160,454
2014	110,294	44,756	155,050
2015 – 2019	551,471	142,713	694,184
2020 – 2022	<u>306,765</u>	<u>21,365</u>	<u>328,130</u>
Total	<u>\$1,409,706</u>	<u>\$441,901</u>	<u>\$1,851,607</u>

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 12 – LEASES

The District has a five year operating lease with monthly payments of \$750 per month for copiers ending March 2011.

NOTE 13 – SET-ASIDE CALCULATIONS

State statute annually requires the District to set aside in the general fund an amount based on a statutory formula to purchase textbooks and other instructional materials and an equal amount to acquire and construct capital improvements. Amounts not spent by year end or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward for the same uses in future years.

The following cash basis information describes the change in the fund balance reserves for textbooks and capital improvements during fiscal year 2009.

	Capital Improvements Reserve	Textbooks Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2008		\$41,250
Current year set-aside requirements	\$66,089	66,089
Current Year Off-Sets	(1,404)	
Qualifying Disbursements	(64,685)	(64,489)
Total		42,850
Less: Encumbrances at June 30, 2009		1,249
Set-aside Reserve Balance as of June 30, 2009		\$41,601

The District had qualifying disbursements during the fiscal year that reduced the capital improvements set-aside amounts below zero. This amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years.

NOTE 14 – INTERFUND TRANSFERS

During fiscal year 2009, the General Fund transferred \$22,186 to the Education Management Information System special revenue fund due to a deficit in the State’s funding of this mandate.

NOTE 15 – CONTRACTUAL COMMITMENTS

At June 30, 2009 the District had \$14,519 in contractual commitments for various improvements within the District.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009
(Continued)**

NOTE 16 – CONTINGENCIES

The District receives financial assistance from Federal and State agencies in the form of grants. Disbursing grant funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims through June 30, 2009 will not have a material adverse effect on the District.

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

A. Vantage Career Center

The Vantage Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of a representative from each participating Districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information contact the Vantage Career Center, Lori Davis, Treasurer, 818 N. Franklin St., Van Wert, Ohio 45891-1304.

B. Northwest Ohio Area Computer Service Cooperative

The District is a participant in the Northwest Ohio Area Computer Service Cooperative (NOACSC), a not-for-profit computer service organization. NOACSC is an association of public Districts within the boundaries of Allen, Auglaize, Hancock, Hardin, Mercer, Paulding, Putnam, Van Wert and Wood Counties, and the Cities of St. Marys and Wapakoneta. The organization was formed for the purpose of applying modern technology with the aid of computers and electronic equipment to administrative and instructional functions among member districts.

The governing board of NOACSC consists of two representatives each county elected by majority vote of all charter member Districts within each county and one representative from the fiscal agent District. Financial information can be obtained from Ray Burden, who serves as director, at 645 S. Main St., Lima, Ohio 45804.

C. Northwest Ohio Special Education Regional Resource Center

The Northwest Ohio Special Education Regional Resource Center (SERRC) is a jointly governed organization formed to initiate, expand, and improve special education programs and services for children with disabilities and their parents. The SERRC is made up of school districts from Defiance, Fulton, Hancock, Henry, Lucas, Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, and Wood counties. The SERRC is governed by a thirty-three member board consisting of twenty-six superintendents, one director of student services, one parent representative, one representative from a community school, one representative from a mental health board, one representative from a parent Advisory council, one representative from Bowling Green State University, and one representative from the University of Toledo. The degree of control exercised by any participating school district is limited to its representation on the Board. Financial information can be obtained from the Northwestern Ohio Educational Research Council, Inc., Box 456, Ashland, Ohio 44805

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Jennings Local School District
Putnam County
P.O. Box 98
Fort Jennings, Ohio 45844-0098

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jennings Local School District, Putnam County, (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 11, 2009, wherein we noted the District prepared its statements on the cash basis of accounting. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the audit committee, management, and the Board of Education. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 11, 2009

JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY

SCHEDULE OF FINDINGS
JUNE 30, 2009

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

FINDING NUMBER 2009-001

Noncompliance Citation

Ohio Revised Code § 117.38 provides each public office shall file a financial report for each fiscal year. The auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. If the auditor of state has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code § 117-2-03 further clarifies the requirements of Ohio Revised Code § 117.38.

Ohio Administrative Code §117-2-03(B) requires the District to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. However, the District prepares its financial statements in accordance with the cash basis of accounting. The accompanying financial statements and notes omit assets, liabilities, fund equities, and disclosures, while material, cannot be determined at this time. The District can be fined and various other administrative remedies may be taken against the District.

We recommend the District prepare its financial statements in accordance with generally accepted accounting principles.

Officials' Response

On August 19, 2003, the Jennings Local School District Board of Education unanimously voted to discontinue General Accepted Accounting Principal reporting. The Board determined the costs of preparing the financial reports in accordance with generally accepted accounting principles outweighed the benefits derived from these reports. This decision was again reviewed on May 10, 2005, with the same conclusion.

**JENNINGS LOCAL SCHOOL DISTRICT
PUTNAM COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2008-001	OAC §117-2-3(B) reporting on basis other than generally accepted accounting principles	No	Finding has not been corrected and is repeated in this report as item 2009-001.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Jennings Local School District
Putnam County
P.O. Box 98
Fort Jennings, Ohio 45844-0098

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Jennings Local School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on November, 15, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;

- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 11, 2009



Mary Taylor, CPA
Auditor of State

JENNINGS LOCAL SCHOOL DISTRICT

PUTNAM 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
DECEMBER 24, 2009**