



**SOUTH CENTRAL OHIO
REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
South Central Ohio Regional Juvenile Detention Center
Ross County
182 Cattail Road
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of South Central Ohio Regional Juvenile Detention Center, Ross County, Ohio, (the Center) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Center prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of South Central Ohio Regional Juvenile Detention Center as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2000 on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

JIM PETRO
Auditor of State

March 31, 2000

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Intergovernmental	\$172,336	\$0	\$172,336
Charges for Services	470,266	0	470,266
Other Receipts	25,016	263	25,279
Total Cash Receipts	<u>667,618</u>	<u>263</u>	<u>667,881</u>
Cash Disbursements:			
Salaries-Employees	426,617	0	426,617
Supplies	13,642	0	13,642
Equipment	1,627	22,316	23,943
Contract Repairs	10,839	0	10,839
Contract Services	8,630	0	8,630
Travel and Expenses	1,551	0	1,551
Fringes	112,719	0	112,719
Other Expenses	76,393	0	76,393
Total Cash Disbursements	<u>652,018</u>	<u>22,316</u>	<u>674,334</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>15,600</u>	<u>(22,053)</u>	<u>(6,453)</u>
Other Financing Receipts/(Disbursements):			
Other Sources	356	0	356
Total Other Financing Receipts/(Disbursements)	<u>356</u>	<u>0</u>	<u>356</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	15,956	(22,053)	(6,097)
Fund Cash Balances, January 1, 1999	<u>80,222</u>	<u>29,137</u>	<u>109,359</u>
Fund Cash Balances, December 31, 1999	<u>\$96,178</u>	<u>\$7,084</u>	<u>\$103,262</u>
Reserve for Encumbrances, December 31, 1999	<u>\$19,045</u>	<u>\$0</u>	<u>\$19,045</u>

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

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Intergovernmental	\$195,916	\$0	\$195,916
Charges for Services	427,515	0	427,515
 Total Cash Receipts	 623,431	 0	 623,431
Cash Disbursements:			
Salaries-Employees	404,802	0	404,802
Supplies	13,321	0	13,321
Equipment	1,166	0	1,166
Contract Repairs	4,961	0	4,961
Contract Services	7,881	0	7,881
Travel and Expenses	1,700	0	1,700
Fringes	108,724	0	108,724
Other Expenses	72,866	0	72,866
 Total Cash Disbursements	 615,421	 0	 615,421
Total Cash Receipts Over/(Under) Cash Disbursements	8,010	0	8,010
Other Financing Receipts/(Disbursements):			
Other Sources	10,071	1,729	11,800
 Total Other Financing Receipts/(Disbursements)	 10,071	 1,729	 11,800
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	18,081	1,729	19,810
Fund Cash Balances, January 1, 1998	62,141	27,408	89,549
 Fund Cash Balances, December 31, 1998	 80,222	 29,137	 109,359
Reserve for Encumbrances, December 31, 1998	5,400	\$0	5,400

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

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

South Central Ohio Regional Juvenile Detention Center, Ross County, Ohio, (the Center) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Center is directed by a nine-member Board of Trustees appointed by the member counties. Member county juvenile courts use the Center to detain delinquent, unruly, dependent, neglected, or abused children, or juvenile traffic offenders until final disposition.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

In accordance with Ohio Revised Code, the Center's cash is held and invested by the Ross County Treasurer, who acts as custodian for Center monies. The Center's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount.

D. Fund Accounting

The Center uses fund accounting to segregate cash and investments that are restricted as to use. The Center classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects.

Equipment - This fund receives monies that are earmarked to purchase equipment for the Center.

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Center to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 1999 and 1998 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Center.

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$631,417	\$667,974	\$36,557
Capital Projects	0	263	263
Total	\$631,417	\$668,237	\$36,820

**SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER
ROSS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

2. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$685,417	\$652,018	\$33,399
Capital Projects	22,316	22,316	0
Total	<u>\$707,733</u>	<u>\$674,334</u>	<u>\$33,399</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$632,372	\$633,502	\$1,130
Capital Projects	0	1,729	1,729
Total	<u>\$632,372</u>	<u>\$635,231</u>	<u>\$2,859</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$640,016	\$615,421	\$24,595

3. RETIREMENT SYSTEMS

The Center's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PERS contributed 8.5% of their gross salaries. The Center was required to contribute an amount equal to 13.55% of participants' gross salaries. The Center has paid all contributions required through December 31, 1999.

4. RISK MANAGEMENT

The Center has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Public officials and law enforcement liability
- Public employees dishonesty

5. FUNDING

The majority of the Center's funding is provided through charges assessed on member counties.

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REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

Board of Trustees
South Central Ohio Regional Juvenile Detention Center
Ross County
182 Cattail Road
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of South Central Ohio Regional Juvenile Detention Center, Ross County, Ohio (the Center), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated March 31, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Center'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 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 audits, we considered Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Center in a separate letter dated March 31, 2000.

South Central Ohio Regional Juvenile Detention Center
Ross County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

JIM PETRO
Auditor of State

March 31, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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SOUTH CENTRAL OHIO REGIONAL JUVENILE DETENTION CENTER

ROSS 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 20, 2000**