Toledo Academy of Learning
Lucas County, Ohio

Single Audit

July 1, 2007 through June 30, 2008
Fiscal Years Audited Under GAGAS: 2008

Balestra, Harr & Scherer, CPAs, Inc.
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Mary Taylor, CPA
Auditor of State

Board of Trustees
Toledo Academy of Learning
301 Collingwood Blvd.
Toledo, Ohio 43604

We have reviewed the *Independent Auditor's Report* of the Toledo Academy of Learning, Lucas County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2007 through June 30, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 30, 2009

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Toledo Academy of Learning
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For the Fiscal Year Ended June 30, 2008

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Member American Institute of Certified Public Accountants
Ohio Society of Certified Public Accountants

Independent Auditor's Report

Members of the Board
Toledo Academy of Learning
301 Collingwood Blvd.
Toledo, Ohio 43604

We have audited the accompanying financial statements of the business type activities of the Toledo Academy of Learning (the Academy), Lucas County, as of and for the year ended June 30, 2008, which collectively comprise the Academy's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Academy'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 obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Academy, as of June 30, 2008, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2009 on our consideration of the Academy'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.

The Management's Discussion and Analysis on pages 3 through 7 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Academy's basic financial statements. The schedule of federal awards receipts and expenditures is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of federal awards receipts and expenditures has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As described in Note 15, the Academy implemented Governmental Accounting Standards Board (GASB) Statement No. 50, *Pension Disclosures – an amendment of GASB statement No. 25 and No. 27,* GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity transfers of Assets and Future Revenues.*

As described in Note 16, the Ohio Department of Education has decided to close the Academy as of June 29, 2009 for failure to meet state academic standards.

Balestra, Harr & Scherer

Balestra, Harr & Scherer, CPAs, Inc.
March 27, 2009

Toledo Academy of Learning

Management's Discussion and Analysis
For the Year Ended June 30, 2008
(Unaudited)

The discussion and analysis of Toledo Academy of Learning's (the Academy) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the Academy's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Academy's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented, and is presented in the MD&A.

Financial Highlights

Key financial highlights for the Toledo Academy of Learning during fiscal year 2008 are as follows:

- Total net assets of the Academy increased $203,097 in fiscal year 2008. Ending net assets of the School were ($305,751) compared with ($508,848) at June 30, 2007.

- Total assets increased $99,499 from the prior year and total liabilities decreased by $103,598 during this same 12 month period.

- The Academy's operating loss for fiscal year 2008 was $606,514 compared with an operating loss of $1,399,520 reported for the prior year. Foundation revenues decreased by $143,437 while operating expenses decreased by $929,483 over those reported for the prior year.

Using this Financial Report

This financial report contains the basic financial statements of the Academy, as well as the Management's Discussion and Analysis and notes to the basic financial statements. The basic financial statements include a statement of net assets, statement of revenues, expenses and changes in net assets, and a statement of cash flows. As the Academy reports its operations using enterprise fund accounting, all financial transactions and accounts are reported as one activity, therefore the entity wide and the fund presentations information is the same.

Statement of Net Assets

The statement of net assets answers the question, "How did we do financially during the fiscal year?" This statement includes all assets and liabilities, both financial and capital, and short-term and long-term, using the accrual basis of accounting and the economic resources focus, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all revenues and expenses during the year, regardless of when the cash is received or paid.

This statement reports the Academy's net assets; however, in evaluating the overall position and financial viability of the Academy, non-financial information such as the condition of the Academy's property and potential changes in the laws governing charter schools in the State of Ohio will also need to be evaluated.

Table 1 provides a summary of the Academy's net assets for fiscal year 2008 compared to those reported for fiscal year 2007.

Table 1
Net Assets

	2008	2007
Assets:		
Current assets	$ 282,413	$ 188,203
Noncurrent assets	$ 93,138	$ 87,849
Total Assets	$ 375,551	$ 276,052
Liabilities		
Current liabilities	$ 681,302	$ 784,900
Non-current liabilities	$ -	$ -
Total Liabilities	$ 681,302	$ 784,900
Net Assets:		
Invested in capital assets	$ 81,074	$ 87,849
Restricted	$ 61,588	$ 9,536
Unrestricted	$ (448,413)	$ (606,233)
Total Net Assets	$ (305,751)	$ (508,848)

The total assets of the Academy increased by $99,499, which represents a 36 percent increase, from total assets reported for fiscal year 2007. The cash and cash equivalents at the end of fiscal year 2008 were $94,210 higher than the cash and cash equivalents balance at the end of fiscal year 2007.

Noncurrent assets improved by $5,289 (6%) to $93,138 during the 2008 fiscal year. Noncurrent financial assets for the Academy are comprised of $81,074 in capital assets, net of accumulated depreciation and a security deposit of $12,064.

Total liabilities of the School decreased $103,598 over those reported one year ago. The 13.2 percent decrease was primarily due to the repayment of $100,000 toward the principle payments for the line of credit.

The total net assets reported for fiscal year 2008 improved by $203,097. Unrestricted net assets increased by $157,820 to ($305,751) while restricted net assets increased by $52,052. Net assets invested in capital assets, net of related debt, decreased by $6,775.

Table 2 shows the changes in net assets for the fiscal year ended June 30, 2008 as compared to changes reported for fiscal year 2007.

Table 2
Change in Net Assets

	2008	2007
Operating Revenues:		
Foundation payments	$ 2,723,199	$ 2,866,636
Food service revenues	$ -	$ 846
Other operating revenues	$ 11,562	$ 3,756
Non Operating Revenues:		
State and Federal grants	$ 839,886	$ 880,644
Interest earnings	$ 4,043	$ 5,695
Interest and fiscal charges	$ (34,318)	$ -
Total Revenues	$ 3,544,372	$ 3,757,577
Operating Expenses:		
Salaries & Wages	$ 1,162,869	$ 1,956,731
Fringe benefits	$ 404,606	$ 661,271
Building rental	$ 692,753	$ 454,376
Contractual fiscal servcies	$ 217,953	$ -
Other purchased services	$ 471,854	$ 822,324
Materials and supplies	$ 316,378	$ 278,769
Depreciation	$ 52,599	$ 69,406
Other expenses	$ 22,263	$ 27,881
Non Operating Expenses:		
Interest and fiscal charges	$ -	$ 33,728
Total Expenses	$ 3,341,275	$ 4,304,486
Change in Net Assets	$ 203,097	$ (546,909)
Net Assets, beginning of year	$ (508,848)	$ 38,061
Net Assets, end of year	$ (305,751)	$ (508,848)

Total revenue decreased $213,205 for fiscal year 2008 compared with the prior fiscal year primarily due to the decreased revenue from lower foundation payments from the Ohio Department of Education directly related to lower student enrollment from the previous fiscal year.

Expenses reported for fiscal year 2008 were $963,211 lower than expenses reported for fiscal year 2007 due to significant reductions in staff related expenses. (Note: Contracted fiscal services were included in "Other purchased services" in fiscal year 2007.)

Capital Assets

At the end of fiscal year 2008, the Academy had $81,074 invested in buildings, leasehold improvements, and furniture, fixtures and equipment. There was a total of $45,824 in purchases which met the Academy's capitalization threshold of $500 during the year. See Note 5 of the basic financial statements for additional details.

Debt

During the prior fiscal year, the Academy entered into a short-term debt agreement with Richland Bank for a line of credit to finance current operations. Draws of $0 were made against the line of credit during the year and with repayments of $100,000. The remaining $302,900 in principal on the line of credit, plus interest, is anticipated to be repaid by the Academy in fiscal year 2009. The line of credit bears a variable interest rate which was 7 percent as of June 30, 2008. Interest payments are due monthly.

Contacting the School

This financial report is designed to provide a general overview of the finances of the Toledo Academy of Learning and to show the Academy's accountability for the monies it receives to all vested and interested parties, as well as meeting the annual reporting requirements of the State of Ohio. Any questions about the information contained within this report or requests for additional financial information should be directed to the Treasurer of Toledo Academy of Learning, 6500 Poe Avenue, Suite 350, Dayton, Ohio 45414.

TOLEDO ACADEMY OF LEARNING

STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	210,397
Intergovernmental receivables		72,016
Total current assets		282,413
NON-CURRENT ASSETS		
Security deposit		12,064
Capital assets (Net of accumulated depreciation)		81,074
Total noncurrent assets		93,138
TOTAL ASSETS		375,551
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable		217,418
Accrued wages payable		124,367
Intergovernmental payable		34,698
Note payable		302,900
Accrued expenses		1,919
TOTAL LIABILITIES		681,302
NET ASSETS		
Invested in capital assets, net of related debt		81,074
Restricted		61,588
Unrestricted		(448,413)
TOTAL NET ASSETS	$	(305,751)

See accompanying notes to the financial statements.

TOLEDO ACADEMY OF LEARNING

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

OPERATING REVENUES:	
Foundation payments	$ 2,723,199
Miscellaneous operating revenues	11,562
Total operating revenues	2,734,761
OPERATING EXPENSES	
Salaries & Wages	1,162,869
Fringe benefits	404,606
Building rental	692,753
Contractual fiscal services	217,953
Other purchases services	471,854
Materials and supplies	316,378
Depreciation	52,599
Other expenses	22,263
Total operating expenses	3,341,275
Operating loss	(606,514)
NON-OPERATING REVENUES	
Federal and state grant revenue	839,886
Interest earnings	4,043
Interest and fiscal charges	(34,318)
Total non-operating revenues	809,611
Changes in net assets	203,097
Net assets (accumulated deficit) at beginning of year	(508,848)
Net assets at end of year	$ (305,751)

See accompanying notes to the financial statements.

TOLEDO ACADEMY OF LEARNING

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	
Cash flows from operating activites:	
Cash from Foundation Payments - State of Ohio	$ 2,726,775
Cash payments to suppliers for goods and services	(1,658,972)
Cash payments to employees for services and benefits	(1,677,194)
Cash received from other operating sources	11,562
Net cash used for operating activities	(597,829)
Cash flows from noncapital financing activites:	
Federal operating grants	870,697
Cash payments for line of credit principal	(100,000)
Cash payments for line of credit interest	(32,399)
Net cash provided by noncapital financing activities	738,298
Cash flows from capital and related financing activites:	
Payments for capital acquisitions	(40,709)
Net cash used for capital and related financing activities	(40,709)
Cash flows from investing activites:	
Interest earnings	4,043
Net cash used for capital and related financing activities	4,043
NET INCREASE IN CASH AND CASH EQUIVALENTS	103,803
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	106,594
CASH AND CASH EQUIVALENTS, END OF YEAR	210,397
Reconcililation of operating loss to net cash used for operating activities	
Operating loss	(606,514)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	52,599
Changes in assets and liabilities:	
Increase in intergovernmental receivables	(33,282)
Increase in accounts payable	65,320
Decrease in accrued wages payable	(77,831)
Increase in intergovernmental payables	1,879
Total Adjustments	8,685
Net cash used for operating activities	$ (597,829)

See accompanying notes to the financial statements.

1. Description of the School and Reporting Entity:

Toledo Academy of Learning (the Academy), is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702. The Academy's objective is to bridge the gap between families, educators, and the community to form a supportive network dedicated to fostering excellence and innovation in education. The development program is offered for students in kindergarten through grade twelve who are average, at risk, special needs, or gifted. The Academy, which is part of the State's education program, is independent of any school district and is non sectarian in its programs, admission policies, employment practices, and all other operations. The Academy may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the Academy.

Richland Academy of the Arts has served as the Academy's Sponsor since July 1, 2006. The Sponsor is responsible for evaluating the performance of the Academy and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The Academy operates under the direction of a seven-member Board of Trustees (the Board). The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The Board controls the Academy's instructional/support facility staffed by 23 non-certified and 39 certificated full time teaching personnel who provide services to 365 students.

The Academy has entered into a service agreement with Mangen & Associates to provide certain financial and accounting services, including performing all duties required of the Treasurer of the Academy (Note 11).

2. Summary of Significant Accounting Policies:

The financial statements of the Academy have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Academy also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The Academy has elected not to apply FASB statements and interpretations issued after November 30, 1989. The more significant of the Academy's accounting policies are described below.

A. Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the statement of net assets. The difference between total assets and liabilities are defined as net assets. The statement of revenues, expenses and changes in net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

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

The accrual basis of accounting is utilized for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

C. Budgetary Process

Unlike other public schools located in the state of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Rev. Code Section 5705, unless specifically provided in the Academy's contract with its Sponsor. The contract between the Academy and its Sponsor does prescribe an annual budget requirement in addition to preparing a five-year forecast which is to be updated on an annual basis.

D. Cash and Cash Equivalents

All monies received by the Academy are maintained in a demand deposit account. For internal accounting purposes, the School segregates its cash into separate funds.

E. Capital Assets

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The Academy does not possess any infrastructure. The Academy maintains a capitalization threshold of $500. Improvements are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets are depreciated. Improvements to capital assets are depreciated over the remaining useful life of the related capital assets. Depreciation of furniture and equipment, as well as leasehold improvements is computed using the straight-line method over estimated useful lives of five years.

F. Estimates

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

G. Intergovernmental Revenues

The Academy is a participant in the State Foundation Program. The foundation funding is recognized as operating revenues in the accounting period in which they are earned, essentially the same as the fiscal year. Federal and state grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements of the grants have been met.

Intergovernmental revenues associated with the Foundation Program totaled $2,723,199 and revenues associated with specific education grants from the state and federal governments totaled $839,886 during fiscal year 2008.

H. Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly by the Academy's primary mission. For the Academy, operating revenues include revenues paid through the State Foundation Program. Operating expenses are necessary costs incurred to support the Academy's primary mission, including salaries, benefits, purchased services, materials and supplies and depreciation.

Non-operating revenues and expenses are those that are not generated directly by the Academy's primary mission. Various federal and state grants, interest earnings, if any, and payments made to the Academy by other instructional entities for use of the School's instructional staff comprise the non-operating revenues of the Academy. Interest and fiscal charges on outstanding obligations, as well as gain or loss on capital asset disposals, if any, comprise the non-operating expenses.

I. Accrued Liabilities Payable

The Academy has recognized certain liabilities on its statement of net assets relating to expenses, which are due but unpaid as of June 30, 2008, including:

Wages payable – salary payments made after year-end to instructional and support staff for services rendered prior to the end of June, but whose payroll continues into the summer months based on the fiscal year 2008 contract.

Intergovernmental payable – payment for the employer's share of the retirement contribution, Medicare and Workers' Compensation associated with services rendered during fiscal year 2008 that were paid in the subsequent fiscal year.

J. Federal Tax Exemption Status

The Academy is a non-profit organization that has been determined by the Internal Revenue Service to be exempt from federal income taxes as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code.

K. Security Deposits

The Academy entered into a lease for the use of the building for the administration and instruction of the Academy. Based on the lease agreement, a security deposit was required to be paid at the signing of the agreement. The amount, totaling $12,064, is held by the lessor.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation less any outstanding capital related debt. Net assets are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net assets of the School at year-end represent unspent federal and state grant resources for specific instructional program. The Academy applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

3. Deposits and Investments:

Custodial credit risk is the risk that in the event of bank failure, the Academy will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the federal reserve system, in the name of the respective depository and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Academy.

The Academy had 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 School 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 and five percent of the deposits being secure.

At June 30, 2008, the carrying amount of the Academy's deposits was $210,397 and the bank balance was $310,547. Of the bank deposits, $100,000 were collateralized under FDIC insurance and $210,547 were uncollateralized and uninsured. Although all statutory requirements for the deposit of public money had been followed, non-compliance with federal requirements could potentially subject the Academy to a successful claim by the FDIC.

4. Intergovernmental Receivables:

All intergovernmental receivables are considered collectible in full due to the stable condition of State programs. A summary of the principal items of receivables at June 30, 2008 is as follows:

Grants Receivables	Amount
Title I	$23,241
Title IIA	1,402
Title IID	94
Title IV	129
IDEA-B	4,130
21st Century	6,162
Total	$35,158

The Academy is also expecting a refund of $36,858 School Employees Retirement System (SERS) overpayment during fiscal year 2008.

5. Capital Assets:

Capital asset activity for the fiscal year ended June 30, 2008 was as follows:

	Balance 6/30/07	Additions	Deletions	Balance 6/30/08
Capital Assets:				
Leasehold Improvements	$127,370	$ -	$ -	$127,370
Furniture and Equipment	447,895	45,824	-	493,719
Total Assets	575,265	45,824	-	621,089
Depreciation:				
Leasehold Improvements	$122,472	$ 4,457	$ -	$126,929
Furniture and Equipment	364,944	48,142	-	413,086
Accumulated Depreciation	487,416	52,599	-	540,015
Net Capital Assets	$ 87,849			$ 81,074

6. Risk Management:

A. Property and Liability

The Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. For the year ended June 30, 2008, the Academy contracted with Cincinnati Insurance Company for its insurance coverage as follows:

Commercial Property ($1,000 deductible)	$2,160,000
Commercial General Liability per Occurrence	$1,000,000
Commercial General Liability Aggregate	$3,000,000
Commercial General Liability Personal & Advertising Injury	$1,000,000
Teacher's Professional Liability per Occurrence	$1,000,000
Teacher's Professional Liability Aggregate)	$3,000,000

The Academy owns no real estate, but lease facilities locates at 301 Collingwood Boulevard and 3001 Hill Avenue in Toledo, Ohio (see Note 14). Settlements have not exceeded coverage in any of the past three fiscal years. Coverage has not been significantly reduced from the prior year.

B. Workers' Compensation

The Academy pays the State Worker's Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that is determined by the State.

C. Employee Medical, Dental, Vision, Prescription and Life Benefits

The Academy has contracted with private carriers to provide employee medical, dental, vision, prescription, and life insurance to its full time employees who work 40 or more hours per week.

7. Defined Benefit Pension Plans:

A. School Employees Retirement System

The Academy contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability, and survivor benefits; annual cost-of-living adjustments; and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statue per 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 toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under Forms and Publications.

Plan members are required to contribute 10 percent of their annual covered salary and the Academy is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; at June 30, 2007 (the latest information currently available), 10 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 a statutory maximum amount, by the SERS' Retirement Board. The Academy's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007 and 2006 were $39,180, $69,606 and $69,061 respectively; 100 percent has been contributed for all fiscal years.

B. State Teachers Retirement System

The Academy 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 or by calling toll free (800) 227-7877, or by visiting STRS Ohio web-site at www.strsoh.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, 2007 (the latest information currently available), plan members were required to contribute the statutory maximum of 10.0 percent of their annual covered salaries. The School was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The Academy's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2008, 2007, and 2006 were $102,213, $166,140 and $115,001 respectively; 100 percent has been contributed for all fiscal years.

8. Post-employment Benefits

The Academy provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

STRS retirees who participated in the DB or combined plans and their dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefits recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2008, the STRS Board allocated employer contributions equal to 1 percent of covered payroll was allocated to post employment health care for the prior three years. For the Academy, the STRS amounts allocated to post-employment health care for the fiscal years ended June 30, 2008, 2007, and 2006 was $7,863, $12,780, and $12,545 respectively.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting www.strsoh.org or by requesting a copy by calling toll-free (888) 227-7877.

In additional to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two post-employment benefit plans.

A. Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retires and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2007 (latest information currently available) was $93.50; SERS' reimbursement to retires was $45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2007, the actuarially required allocation was .68%. The School contributions for the year ended June 30, 2008 were $2,664, which equaled the required contributions for the year.

B. Health Care Plan

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' post-employment benefits through employer contributions. Active members do not make contributions to the post-employment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2007 (latest information currently available), the health care allocation was 3.32%. The actuarially required contribution (ARC), as of the December 31, 2006 annual valuation, was 11.50% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty years. The Academy contributions for the years ended June 30, 2008, 2007, and 2006 were $13,008, $22,500, and $11,109 respectively.

An Additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated accordingly to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater then 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2007 (latest information currently available), the minimum compensation level was established at $35,800.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll-free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under *Forms and Publications*.

9. Restricted Net Assets:

At June 30, 2008 the Academy reported restricted net assets totaling $61,588. The nature of the net asset restrictions are as follows:

State specific educational program grants	$ 2,640
Federal specific educational program grants	58,948
Total	$61,588

10. Contingencies:

A. Grants

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts, which may be disallowed, if any, are not presently determinable. However, in the opinion of the Academy, any such disallowed claims will not have a material adverse effect on the financial position of the Academy at June 30, 2008.

B. State funding

The Ohio Department of Education conducts reviews of enrollment data and FTE calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the State, upon which state foundation funding is calculated. The results of this review could result in state funding being adjusted downward after the close of the 2008 fiscal year. This specific information was not available prior to the completion of this report. The School does anticipate a material adjustment (approximately $18,000, not included in this report) to state funding for fiscal year 2008 as a result of such review.

C. Litigation

A lawsuit entitled ***Beverly Blount-Hill, et al. v. State of Ohio, et al. Case #3:04CV197*** was filed in the U.S. District Court, Southern District of Ohio, Western Division in October 2004. The suit alleges that the funding provision of the Ohio Community Schools Act, O.R.C. Section 3314, violates both the Ohio and Federal Constitutions. If the funding scheme is determined to be unconstitutional, it could have financial ramifications for all community/charter schools in Ohio. The case is still currently pending, and the effect of this suit, if any, on the Academy cannot presently be determined.

11. Contracted Fiscal Services:

The Academy is a party to a fiscal services agreement with Mangen & Associates (M&A) School Resource Center, which is an education finance consulting company. The Agreement's term is for a twelve month period beginning July 1st and may be terminated by either party, with or without cause, by giving the other party ninety days written notice to terminate. The Agreement provides that M&A School Resource Center will perform the following functions for the Academy:

1. Standard Treasurer Services, including general ledger entries, basic record keeping required documents for state and federal governments, and basic accounting reports to Director and Board.

2. Basic Financial Management Services, including all of the functions in Standard Treasurer Services Package plus Financial Management Support Services, ongoing budgeting, accounting, purchasing, financial reporting, cash flow analysis, and resource call support.

The total fee paid for these services during fiscal year 2008 was $217,953.

12. Other Purchased Services:

During the fiscal year ended June 30, 2008, other purchased service expenses for services rendered by various vendors were as follows:

Professional and Technical Services	$200,330
Property Services	11,754
Travel Mileage/Meeting Expenses	37,859
Communications	16,439
Utilities	34,409
Contract Craft or Trade Services	300
Pupil Transportation	63,356
Other	107,407
Total Purchased Services	$471,854

13. Short-Term Debt:

During the prior fiscal year, the Academy entered into a short-term debt agreement with Richland Bank for a line of credit to finance current operations. Draws of $0 were made against the line of credit during the year and with repayments of $100,000. The remaining $302,900 in principal on the line of credit, plus interest, is anticipated to be repaid by the Academy in fiscal year 2009. The line of credit bears a variable interest rate which was 7 percent as of June 30, 2008. Interest payments are due monthly.

14. Operating Leases:

The Academy is a party to two operating leases for facilities the Academy uses for instructional and administrative space. These two lease agreements are described below:

i. Five-year lease agreement with MFB Hamilton Properties Ltd. for building space located at 301 Collingwood Avenue and 511 Hamilton Street, which commenced on September 1, 2004 and terminates on August 31, 2009. Rental payments escalate throughout the terms of the lease agreement. Rental payments made to MFB Hamilton Properties Ltd. during the year totaled $452,851.

ii. Five-year lease agreement with Byrne Road Investment Ltd. for building space located at 3001 Hill Avenue, which commenced on August 1, 2006 and terminates on July 31, 2011. Rental payments escalate throughout the terms of the lease agreement. Rental payments made to Byrne Road Investment Ltd. during the year totaled $244,700.

The following is a schedule of the future minimum payments required under the operating leases as of June 30, 2008:

Fiscal Year	MFB Hamilton	Byrne Road
2009	$396,707	$186,458
2010	66,414	187,500
2011	-	198,958
2012	-	16,667
Total	$463,121	$589,583

TOLEDO ACADEMY OF LEARNING
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2008

15. Change in Accounting Principles:

For fiscal year 2008, the Academy has implemented GASB Statement No. 45, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", and GASB Statement No. 50, "Pension Disclosures".

GASB Statement No. 45 establishes uniform standards of financial reporting for other postemployment benefits and increases the usefulness and improves the faithfulness of representations in the financial reports. The implementation of GASB Statement No. 45 did not have an effect on the financial statements of the Academy; however, certain disclosures related to postemployment benefits (see Note 8) have been modified to conform to the new reporting requirements.

GASB Statement No. 48 establishes criteria to ascertain whether certain transactions should be regarded as sales or as collateralized borrowings, as well as disclosure requirements for future revenues that are pledged and sold. The implementation of GASB Statement No. 48 did not have an effect on the financial statements of the Academy.

GASB Statement No. 50 establishes standards that more closely align the financial reporting requirements for pensions with those of other postemployment benefits. The implementation of GASB Statement No. 50 did not have an effect on the financial statements of the Academy.

16. Subsequent Events/Continued Existence

Through the Academy's sponsor, Richland Academy, the Governing Board of Toledo Academy of Learning has received information from the Ohio State Department of Education in a letter dated August 26, 2008, of its intent to close the Academy effective June 30, 2009 based on criteria listed in Ohio Revised Code 3314.35. The specific terms indicated in Section (A)(1)(C) are the failure of the Academy to rise above the status of academic emergency for a term of three or more years.

Toledo Academy of Learning
Lucas County

Schedule of Federal Awards Receipts and Expenditures
For the Fiscal Year Ended June 30, 2008

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE				
Passed through Ohio Department of Education:				
Nutrition Cluster				
National School Breakfast Program	05PU	10.553	62,559	62,559
National School Lunch Program	LLP4	10.555	152,066	152,066
Total Nutrition Cluster			214,625	214,625
Total United States Department of Agriculture			214,625	214,625
UNITED STATES DEPARTMENT OF EDUCATION				
Passed through Ohio Department of Education				
Special Education Cluster:				
Special Education- Grants to States	6B-SF	84.027	115,646	104,511
Special Education- Preschool	PGS1	84.173	909	909
Total Special Education Cluster			116,555	105,420
Title I	C1S1	84.010	337,689	278,582
Safe and Drug Free Schools	DRS1	84.186	6,509	6,666
State Grants for Innovative Programs	C2S1	84.298	1,602	1,919
Education Technology State Grants	TJSL	84.318	3,684	16,589
Twenty-First Century Community Learning Centers	T1S1	84.287	148,423	108,223
Improving Teacher Quality State Grants	TRS1	84.367	22,789	17,904
Total United States Department of Education			637,251	535,303
Total Federal Financial Assistance			$ 851,876	$ 749,928

See Notes to the Schedule of Federal Awards Receipts and Expenditures.

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards receipts and expenditures (the Schedule) summarizes activity of the Academy's federal awards programs. The schedule has been prepared on the cash basis of accounting.

NOTE B – MATCHING REQUIREMENTS

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

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

Members of the Board
Toledo Academy of Learning
301 Collingwood Blvd.
Toledo, Ohio 43604

We have audited the financial statements of the business type activities of the Toledo Academy of Learning (the Academy) as of and for the year ended June 30, 2008, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated March 27, 2009 in which we noted that the Academy implemented GASB Statements No. 50, No 48, and No. 45, and wherein the Ohio Department of Education has decided to close the Academy as of June 30, 2009 for failure to meet state academic standards. 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 Academy's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not to opine on the effectiveness of the Academy's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Academy'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 the normal course of 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 Academy'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 Academy's internal control will not prevent or detect a more-than-inconsequential will not be prevented or detected by the Academy's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Academy's internal control will not prevent or detect a material financial 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 deficiencies in internal control that might be significant deficiencies or material weakness. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Academy's basic 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain non-compliance and other matters that was reported to the Academy in a separate report dated March 27, 2009.

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

Balestra, Harr & Scherer

Balestra, Harr & Scherer, CPAs, Inc.

March 27, 2009

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

Members of the Board
Toledo Academy of Learning
301 Collingwood Blvd.
Toledo, Ohio 43604

Compliance

We have audited the compliance of the Toledo Academy of Learning (the Academy) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2008. The Academy's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Academy's management. Our responsibility is to express an opinion on the Academy's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Academy's compliance with those requirements.

In our opinion, the Academy complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the Academy is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Academy's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control over compliance.

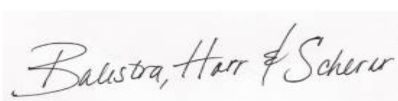
Internal Control Over Compliance (Continued)

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Academy 's internal control.

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

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



Balestra, Harr & Scherer, CPAs, Inc.

March 27, 2009

TOLEDO ACADEMY OF LEARNING
For the Fiscal Year Ended 30, 2008

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant internal control conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under section .510?	No
(d)(1)(vii)	Major Programs (list):	CFDA # 84.010 Title I Grants to Local Educational Agencies
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > $300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

TOLEDO ACADEMY OF LEARNING
For the Fiscal Year Ended June 30, 2008

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

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

Finding Number	None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

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

Toledo Academy of Learning

Lucas County

Schedule of Prior Audit Findings

June 30, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected; Partially Corrected: Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2007-001	Significant Deficiency: Immaterial misstatements identified in the following areas: Food service revenues, Accrued wages payable, and Unrecorded accounts payable	Yes	

Mary Taylor, CPA
Auditor of State

TOLEDO ACADEMY OF LEARNING

LUCAS 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
JULY 14, 2009

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