

Washington Park Community School  
Cuyahoga County, Ohio

*Audited Financial Statements*

For the Fiscal Years Ended  
June 30, 2013 and June 30, 2012





# Dave Yost • Auditor of State

Board of Trustees  
Washington Park Community School  
4000 Washington Park Boulevard  
Newburgh Heights, Ohio 44106

We have reviewed the *Independent Auditor's Report* of the Washington Park Community School, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period July 1, 2012 through June 30, 2013. 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 Washington Park Community School is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

May 22, 2014

**This page intentionally left blank.**

**WASHINGTON PARK COMMUNITY SCHOOL  
CUYAHOGA COUNTY, OHIO**

*For the Fiscal Years Ended June 30, 2013 and 2012  
Table of Contents*

---

	<i>Page</i>
Independent Auditor's Report .....	1
Management's Discussion and Analysis .....	4
Basic Financial Statements:	
Statements of Net Position .....	8
Statements of Revenues, Expenses and Changes in Net Position .....	9
Statements of Cash Flows .....	10
Notes to the Basic Financial Statements .....	11
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	21
Independent Accountant's Report on Applying Agreed-Upon Procedure .....	23

**This page intentionally left blank.**

December 24, 2013

The Board of Trustees  
Washington Park Community School  
Cuyahoga County, Ohio  
4000 Washington Park Boulevard  
Newburgh Heights, Ohio 44106

## **Independent Auditor's Report**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Washington Park Community School, Cuyahoga County, Ohio (the School) as of and for the years ended June 30, 2013 and June 30, 2012, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Washington Park Community School, Cuyahoga County, Ohio, as of June 30, 2013 and June 30, 2012, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2013 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School's internal control over financial reporting and compliance.

*Rea & Associates, Inc.*

Medina, Ohio



*This page intentionally  
left blank*

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For Fiscal Years Ended June 30, 2013 and 2012*

---

The discussion and analysis of Washington Park Community School's (the "School") financial performance provides an overall review of the School's financial activities for the fiscal years ended June 30, 2013 and 2012. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the Notes to the Basic Financial Statements and the Basic Financial Statements to enhance their understanding of the School's financial performance.

Certain comparative information between the current fiscal year and the prior fiscal year is required to be presented in the MD&A. Due to the comparative presentation within the basic financial statements, a comparison analysis between fiscal year 2012 and fiscal year 2011 is also required.

**Financial Highlights**

Key financial highlights for 2013 are as follows:

- In total, net position increased \$57,872, which represents a 4 percent increase from 2012. This increase is due primarily to an increase in Federal and State subsidies.
- Capital assets decreased \$13,718 during fiscal year 2013.

**Using this Annual Financial Report**

This annual report consists of three parts, the Management's Discussion and Analysis, the Basic Financial Statements and the Notes to the Basic Financial Statements. The Basic Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position answer the question, "How did we do financially during fiscal year 2013 and 2012?" The Statement of Net Position includes all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most companies in the private sector. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For Fiscal Years Ended June 30, 2013 and 2012*

**Statement of Net Position**

The following schedule provides a summary of the School's Statement of Net Position for fiscal years ended June 30, 2013, 2012 and 2011:

	2013	2012	2011
<b>Assets</b>			
<i>Current assets:</i>			
Equity in pooled cash and cash equivalents	\$ 1,279,109	\$ 1,180,552	\$ 1,057,609
Accounts receivable	0	0	214
Due from other governments	67,477	111,414	191,757
<i>Total current assets</i>	<u>1,346,586</u>	<u>1,291,966</u>	<u>1,249,580</u>
<i>Noncurrent assets:</i>			
Capital assets (net of accumulated depreciation)	175,804	189,522	212,140
<i>Total assets</i>	<u>1,522,390</u>	<u>1,481,488</u>	<u>1,461,720</u>
<b>Liabilities</b>			
Accounts payable	1,600	6,120	1,318
Accrued wages and benefits	153,551	171,457	180,440
Due within one year	3,698	5,685	5,191
<i>Total current liabilities</i>	<u>158,849</u>	<u>183,262</u>	<u>186,949</u>
<i>Noncurrent liabilities:</i>			
Due in more than one year	15,255	7,812	13,949
<i>Total liabilities</i>	<u>174,104</u>	<u>191,074</u>	<u>200,898</u>
<b>Net position</b>			
Net investment in capital assets	156,851	176,025	193,000
Unrestricted	1,191,435	1,114,389	1,067,822
<i>Total net position</i>	<u>\$ 1,348,286</u>	<u>\$ 1,290,414</u>	<u>\$ 1,260,822</u>

In 2013, net position increased \$57,872 and \$29,592 in 2012. The increase is primarily from the increase in Federal and State subsidies. Capital assets decreased \$13,718 in 2013 and decreased \$22,618 in 2012 due to current depreciation and disposals exceeding additional purchases. Due from other governments decreased \$43,937 in 2013 and \$80,343 in 2012. This decrease is due to a loss of the Education Jobs and other federal grant money.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For Fiscal Years Ended June 30, 2013 and 2012*

**Statement of Revenues, Expenses and Changes in Net Position**

The Statement of Revenues, Expenses and Changes in Net Position report operating and nonoperating activities for the fiscal years ended June 30, 2013 and 2012.

The following schedule provides a summary of the School's Statement of Revenues, Expenses and Changes in Net Position for fiscal years ended June 30, 2013, 2012 and 2011:

	2013	2012	2011
<b>Operating revenues</b>			
Foundation payments	\$ 1,673,815	\$ 1,672,638	\$ 1,540,128
State distributed casino revenue	4,852	0	0
Other operating revenues	6,471	9,971	7,503
<i>Total operating revenues</i>	1,685,138	1,682,609	1,547,631
<b>Operating expenses</b>			
Salaries	1,072,859	1,140,005	1,133,559
Fringe benefits	310,030	320,617	342,723
Purchased services	372,543	302,907	342,168
Materials and supplies	169,832	175,068	118,286
Depreciation	24,833	26,519	29,652
Other operating expenses	66,402	57,114	62,057
<i>Total operating expenses</i>	2,016,499	2,022,230	2,028,445
<i>Operating income (loss)</i>	(331,361)	(339,621)	(480,814)
<b>Non operating revenues (expenses)</b>			
Federal and State subsidies	387,294	368,783	704,768
Gain on disposal of capital assets	1,798	0	0
Investment income	141	430	744
<i>Total non-operating revenues (expenses)</i>	389,233	369,213	705,512
<i>Change in net position</i>	57,872	29,592	224,698
<i>Net position at beginning of year</i>	1,290,414	1,260,822	1,036,124
<i>Net position at end of year</i>	\$ 1,348,286	\$ 1,290,414	\$ 1,260,822

Net position increased in fiscal years ended June 30, 2013, 2012 and 2011. Foundation revenue fluctuates with enrollment and the timing effects of the ADM reporting by the State of Ohio. The School does not presently intend to add more grade levels, so the increase in revenues will probably not increase in the near future. For that reason, school management is wary of the increasing bottom line and plans to begin an investment program to most appropriately capitalize on present assets. Federal and state grants decreased \$335,985 in 2012 due to the loss of the ARRA and other grants.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For Fiscal Years Ended June 30, 2013 and 2012*

---

**Capital Assets**

As of June 30, 2013, the School had capital assets of \$175,804 invested in buildings and improvements, furniture and equipment and leasehold improvements. This is a \$13,718 decrease from June 30, 2012.

The following schedule provides a summary of the School's capital assets as of June 30, 2013, 2012 and 2011:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Capital Assets (Net of Depreciation)</b>			
Furniture and Equipment	\$ 60,237	\$ 69,675	\$ 88,013
Leasehold Improvements	<u>115,567</u>	<u>119,847</u>	<u>124,127</u>
Net Capital Assets	<u>\$ 175,804</u>	<u>\$ 189,522</u>	<u>\$ 212,140</u>

For more information on capital assets, see Note IV of the Notes to the Basic Financial Statements.

**Current Financial Issues**

Washington Park Community School had \$2,072,573 in revenues and expenses of \$2,014,701 for fiscal year ended June 30, 2013. As the School matures, we strive to maintain the high level of services we currently offer, to provide a strong educational product to our students and families and to maintain the reputation we have developed during these initial years.

**Contacting the School's Financial Management**

This financial report is designed to provide our constituents with a general overview of the School's finances and to show the School's accountability for the monies it receives. If you have any questions about this report or need additional information, please contact Ms. Beth Hargreaves, Treasurer, Washington Park Community School, 4000 Washington Park Boulevard, Newburgh Heights, Ohio 44105.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Statements of Net Position*  
*June 30, 2013 and 2012*

	2013	2012
<b>Assets</b>		
<i>Current assets:</i>		
Equity in pooled cash and cash equivalents	\$ 1,279,109	\$ 1,180,552
Due from other governments	67,477	111,414
<i>Total current assets</i>	<u>1,346,586</u>	<u>1,291,966</u>
<i>Noncurrent assets:</i>		
Capital assets (net of accumulated depreciation)	175,804	189,522
<i>Total assets</i>	<u>1,522,390</u>	<u>1,481,488</u>
<b>Liabilities</b>		
Accounts payable	1,600	6,120
Accrued wages and benefits	153,551	171,457
Due within one year	3,698	5,685
<i>Total current liabilities</i>	<u>158,849</u>	<u>183,262</u>
<i>Noncurrent liabilities:</i>		
Due in more than one year	15,255	7,812
<i>Total liabilities</i>	<u>174,104</u>	<u>191,074</u>
<b>Net position</b>		
Net investment in capital assets	156,851	176,025
Unrestricted	1,191,435	1,114,389
<i>Total net position</i>	<u>\$ 1,348,286</u>	<u>\$ 1,290,414</u>

See accompanying notes to the basic financial statements.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Statements of Revenues, Expenses, and Changes in Net Position*  
*For the Fiscal Years Ended June 30, 2013 and 2012*

	2013	2012
<b>Operating revenues</b>		
Foundation payments	\$ 1,673,815	\$ 1,672,638
State distributed casino revenue	4,852	0
Other operating revenues	6,471	9,971
<i>Total operating revenues</i>	1,685,138	1,682,609
<b>Operating expenses</b>		
Salaries	1,072,859	1,140,005
Fringe benefits	310,030	320,617
Purchased services	372,543	302,907
Materials and supplies	169,832	175,068
Depreciation	24,833	26,519
Other operating expenses	66,402	57,114
<i>Total operating expenses</i>	2,016,499	2,022,230
<i>Operating income (loss)</i>	(331,361)	(339,621)
<b>Non operating revenues (expenses)</b>		
Federal and State subsidies	387,294	368,783
Gain on disposal of capital assets	1,798	0
Investment income	141	430
<i>Total non-operating revenues (expenses)</i>	389,233	369,213
<i>Change in net position</i>	57,872	29,592
<i>Net position at beginning of year</i>	1,290,414	1,260,822
<i>Net position at end of year</i>	\$ 1,348,286	\$ 1,290,414

See accompanying notes to the basic financial statements.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Statements of Cash Flows*  
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
<b>Increase (decrease) in cash and cash equivalents</b>		
<b>Cash flows from operating activities:</b>		
Cash received from State of Ohio	\$ 1,673,815	\$ 1,672,638
Cash received from casino revenue	4,852	0
Cash payments to suppliers for goods and services	(546,895)	(473,173)
Cash payments to employees for services	(1,406,752)	(1,469,605)
Other operating revenues	6,471	10,185
Other operating expenses	(66,402)	(57,114)
<i>Net cash provided by (used for) operating activities</i>	<u>(334,911)</u>	<u>(317,069)</u>
<b>Cash flows from non-capital financing activities:</b>		
Federal and State grants received	437,188	449,126
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets	0	(3,901)
Principal payments on capital lease	(3,861)	(5,643)
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(3,861)</u>	<u>(9,544)</u>
<b>Cash flows from investing activities:</b>		
Investment earnings	141	430
<i>Net increase (decrease) in cash and cash equivalents</i>	98,557	122,943
<i>Cash and cash equivalents at beginning of year</i>	<u>1,180,552</u>	<u>1,057,609</u>
<i>Cash and cash equivalents at end of year</i>	<u>\$ 1,279,109</u>	<u>\$ 1,180,552</u>
<b>Reconciliation of operating income (loss) to net cash Provided By (Used For) Operating Activities:</b>		
Operating income (loss)	\$ (331,361)	\$ (339,621)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	24,833	26,519
(Increase) decrease in assets:		
Accounts receivable		214
Due from other governments	(5,957)	0
Increase (decrease) in liabilities:		
Accounts payable	(4,520)	4,802
Accrued wages and benefits	(17,906)	(8,983)
<i>Total adjustments</i>	<u>(3,550)</u>	<u>22,552</u>
<i>Net cash provided by (used for) operating activities</i>	<u>\$ (334,911)</u>	<u>\$ (317,069)</u>
<b>Non-cash financing and investing activities</b>		
Borrowing under a capital lease purchase	\$ 20,971	\$ 0

See accompanying notes to the basic financial statements.



**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

## **I. Description of the School and Reporting Entity**

Washington Park Community School (the “School”) is a non-profit 501(c)(3) corporation established pursuant to Ohio Revised Code Chapters 3314 and 3314.03 to establish a new start-up school in Cleveland Municipal School that provides education to students in kindergarten through the eighth grade. The School, which is part of the State’s education program, is independent of any School and is nonsectarian in its programs, admission policies, employment practices and all other operations. The School may sue and be sued, acquire facilities as needed and contract for any services necessary for the operation of the School. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School’s tax-exempt status.

The School was reassigned for operation under a contract with the Ohio Department of Education to the Educational Service Center of Lake Erie West (the Sponsor) for a period of five years commencing in the 2006 academic year. In fiscal year 2009, the School and the Sponsor entered into an agreement to extend the contract through fiscal year ending June 30, 2012. In fiscal year 2012, the School and the Sponsor entered into an agreement to extend the contract through fiscal year ending June 30, 2015. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The School operates under the direction of a self-appointing, five-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.

## **II. Summary of Significant Accounting Policies**

The financial statements of the School 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 following are the most significant of the School’s accounting policies.

### **1. 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.

### **2. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment 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 Position. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

Basis of accounting refers to when revenues and expenses are recognized in the financial records and reported in the financial statements. The School's financial statements are prepared using the accrual basis of accounting. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded when the exchange takes place. Revenues resulting from nonexchange transactions, in which the School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Expenses are recognized at the time they are incurred.

### 3. Cash and Cash Equivalents

Cash held by the School is reflected as "Equity in pooled cash and cash equivalents" on the statement of net position. Investments with an original maturity of three months or less at the time they are purchased are presented on the financial statements as cash equivalents.

### 4. 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 Revised Code Chapter 5705, except section 5705.391 which requires the School to prepare a five year projection of operational revenues and expenditures.

### 5. Due From Other Governments

Monies due the School for the year ended June 30, 2013 and 2012 are recorded as "Due from other governments". A current asset for the receivable is recorded at the time of the event causing the monies to be due.

### 6. Capital Assets and Depreciation

Capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the dates received. The School does not possess any infrastructure.

Leasehold improvements are also capitalized. The costs 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.

Depreciation of buildings, furniture and equipment, and leasehold improvements is computed using the straight-line method over their estimated lives. All items with a useful life of one year or greater and a value of \$1,000 or more are capitalized. The School will also capitalize any purchases that are considered a "controlled" type asset per school policy, although it may be valued at less than \$1,000.

<u>Capital Asset Classification</u>	<u>Years</u>
Furniture and Equipment	5 - 10
Leasehold Improvements	5 - 39

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

7. Intergovernmental Revenues

The School currently participates in the State Foundation Program. Revenue received from this program is recognized as operating revenue in the accounting period in which all eligibility requirements have been met. The School currently participates in the State Meals Program, the Food Service Federal Grant Program, the IDEA Part B Program, Title I, Title II-A, and Title II-D. Grants and entitlements from these programs are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met.

Amounts received under the above named programs for the 2013 and 2012 school years totaled \$2,065,961 and \$2,041,421 respectively.

8. Compensated Absences

Vacation is taken in a manner which corresponds with the School calendar; therefore, the School does not accrue vacation time as a liability.

Sick leave benefits are earned at the rate of one day per month and cannot be carried into the subsequent year. No accrual for sick time is made since unused sick time is not paid to employees upon employment termination.

9. Use of 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.

10. Implementation of New Accounting Policies

For the fiscal year ended June 30, 2013, the School has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "*Accounting and Financial Reporting for Service Concession Arrangements*," GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*," GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*," and GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the School.

GASB Statement No. 61 improves guidance for including, presenting and disclosing information about component units and equity interest transactions of a financial reporting entity. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the School.

GASB Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the School.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. It also amends the net asset reporting requirements in GASB Statement No. 34 by incorporating deferred outflows and inflows into the definitions and renaming the residual measure as net position, rather than net assets.

### III. Deposits and Investments

**Deposits** At fiscal years ended June 30, 2013 and 2012, the carrying amount of the School's deposits totaled \$1,279,109 and \$1,180,552, respectively and its bank balances were \$1,333,992 and \$1,220,205, respectively. Of the bank balances:

1. \$856,660 was covered by the Federal Depository Insurance Corporation for fiscal year ended June 30, 2013 and \$1,216,337 for fiscal year ended June 30, 2012. The Ohio Depository Act stipulates that FirstMerit Bank pledge collateral for the deposits of the School in a pool of securities under Section 135.181 of the Ohio Revised Code.
2. \$477,332 was uninsured and uncollateralized for fiscal year ended June 30, 2013 and \$3,868 for fiscal year ended June 30, 2012. Although the securities serving as collateral were held by the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School to a successful claim by the FDIC.

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the School's cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

### IV. Capital Assets

A summary of the School's capital assets at June 30, 2013 and 2012 follows:

	Balance 7/1/2012	Additions	Deletions	Balance 6/30/2013
Capital Assets, Being Depreciated:				
Furniture and Equipment	\$ 210,158	\$ 20,971	\$ (30,640)	\$ 200,489
Leasehold Improvements	354,633	0	0	354,633
Total Capital Assets, Being Depreciated	<u>564,791</u>	<u>20,971</u>	<u>(30,640)</u>	<u>555,122</u>
Less Accumulated Depreciation:				
Furniture and Equipment	(140,483)	(20,553)	20,784	(140,252)
Leasehold Improvements	(234,786)	(4,280)	0	(239,066)
Total Accumulated Depreciation	<u>(375,269)</u>	<u>(24,833)</u>	<u>20,784</u>	<u>(379,318)</u>
Total Capital Assets, Net	<u>\$ 189,522</u>	<u>\$ (3,862)</u>	<u>\$ (9,856)</u>	<u>\$ 175,804</u>

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

	Balance 7/1/2011	Additions	Deletions	Balance 6/30/2012
Capital Assets, Being Depreciated:				
Furniture and Equipment	\$227,733	\$ 3,901	\$ (21,476)	\$210,158
Leasehold Improvements	354,633	0	0	354,633
Total Capital Assets, Being Depreciated	<u>582,366</u>	<u>3,901</u>	<u>(21,476)</u>	<u>564,791</u>
Less Accumulated Depreciation:				
Furniture and Equipment	(139,720)	(22,239)	21,476	(140,483)
Leasehold Improvements	(230,506)	(4,280)	0	(234,786)
Total Accumulated Depreciation	<u>(370,226)</u>	<u>(26,519)</u>	<u>21,476</u>	<u>(375,269)</u>
Total Capital Assets, Net	<u>\$ 212,140</u>	<u>\$ (22,618)</u>	<u>\$ 0</u>	<u>\$ 189,522</u>

**V. Purchased Services**

For the following fiscal year ended, purchased services reported on the Statement of Revenues, Expenses, and Changes in Net Position consisted of the following:

	2013	2012
Consulting Fees	\$ 159,787	\$ 135,168
General Services	<u>212,756</u>	<u>167,739</u>
Total	<u>\$ 372,543</u>	<u>\$ 302,907</u>

**VI. Risk Management**

1. Property and Liability Insurance

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal years 2013 and 2012, the School contracted with Indiana Insurance Company for property and general liability insurance with a \$2,000,000 aggregate limit.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

2. Workers' Compensation

The School makes premium payments to the State Workers' Compensation System for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that is calculated by the State.

3. Employee Medical, Dental and Vision Benefits

The School has contracted with a private carrier to provide its full-time salaried employees medical/surgical benefits. The School pays all premiums for this coverage.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

## **VII. Pension Plans**

### **1. School Employees Retirement System**

Plan Description - The School 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 statute 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 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](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School 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; for fiscal year 2013, 13.05 percent and .05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School’s required contributions to SERS for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2013, 2012 and 2011 were \$32,720 \$33,300 and \$28,776, respectively; 100 percent has been contributed for fiscal year 2013, 2012 and 2011.

### **2. State Teachers Retirement System**

Plan Description – The School participates in the State Teachers Retirement System of Ohio (“STRS Ohio”), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a publicly-available, stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://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 a member’s lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to allocate 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. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

A DB or Combined Plan member with five or more years of 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.

Funding Policy – For the fiscal year 2013, plan members were required to contribute 10 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 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2013, 2012 and 2011 were \$110,121, \$92,118 and \$99,222, respectively; 83 percent has been contributed for fiscal year 2013 and 100 percent for the fiscal years 2012 and 2011. Contributions to the DC and Combined Plans for fiscal year 2013 were \$16,359 made by the School and \$11,685 made by the plan members.

### 3. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2013, certain members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

## **VIII. Postemployment Benefits**

### 1. School Employees Retirement System

Plan Description – The School 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, Medicare Advantage and traditional indemnity plans. A prescription drug plan 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 Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 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 monthly premium for calendar year 2013 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50. 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. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

Funding Policy – 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 2013, .16 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer’s SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the actuarially determined amount was \$20,525.

Active members do not contribute to the postemployment benefit plans. 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. 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 School’s contributions for health care (including surcharge) for the fiscal years ended June 30, 2013, 2012 and 2011 were \$400, \$1,272 and \$2,947, respectively; 100 percent has been contributed for fiscal years 2013, 2012, and 2011.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2013, the actuarially required allocation was .74 percent of covered payroll. The School’s contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012 and 2011 were \$1,848, \$1,735, and \$1,566, respectively; 100 percent has been contributed for fiscal years 2013, 2012, and 2011.

## 2. State Teachers Retirement System

Plan Description - The School contributes to the cost sharing, multiple-employer defined benefit Health Plan (the “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 financial report of STRS. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free (888) 227-7877.

Funding Policy – 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 2013, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School’s contributions for health care for fiscal years ended June 30, 2013, 2012 and 2011 were \$8,471, \$8,516 and \$9,359, respectively; 83 percent has been contributed for fiscal year 2013 and 100 percent for fiscal years 2012 and 2011.



**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

**IX. Jointly Governed Organization**

The Stark Portage Area Computer Consortium (SPARCC) is a jointly governed organization comprised of 28 Schools. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions for member districts. Each of the governments of these districts supports SPARCC based upon a per pupil charge dependent upon the software package utilized. The SPARCC assembly consists of a superintendent or designated representative from each participating district and a representative from the fiscal agent. SPARCC is governed by a board of directors chosen from the general membership of the SPARCC assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county in which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Stark County Educational Services Center, which serves as fiscal agent, located at 2100 38th Street, NW, Canton, Ohio 44709. During the years ended June 30, 2013 and 2012, the School paid \$11,572 and \$5,368, respectively to SPARCC for basic service charges.

**X. Contingencies**

1. Grants

The School received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2013, if applicable, cannot be determined at this time.

2. Litigation

The School is not party to any claims or lawsuits that would, in the School's opinion, have a material effect of the basic financial statements.

3. Enrollment FTE

The Ohio Department of Education conducts reviews of enrollment and full-time equivalency (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 conclusions of this review could result in state funding being adjusted. Adjustments to the state funding during fiscal year 2013 have not been calculated as of the audit date and will be included in the financial activity for fiscal year 2014.

**XI. Rental Agreement**

Effective July 1, 2006, the School entered into a rental agreement with the Village of Newburgh Heights, Ohio, for the use of classrooms and office space. This agreement commenced on July 1, 2006 and was for the period of five years with a one year renewal option. As of June 30, 2012, the School is in negotiations to renew the rental agreement. Rental Expense for fiscal year 2013 and 2012 was \$126,000 and \$71,500 respectively. (See Note XIV).

**Washington Park Community School**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For Fiscal Years Ended 30, 2013 and 2012*

---

**XII. Charter School Funding**

On October 25, 2006, the Ohio Supreme Court ruled that publicly funded, privately operated community (i.e. charter) schools are constitutional.

**XIII. Capital Leases**

During fiscal year 2013 the School entered into a capitalized lease for copiers. This lease meets the criteria of a capital lease as defined by accounting standards, which defines a capital lease generally as one which transfers benefits and risks of ownership of the lessee.

Capital assets consisting of furniture and fixtures have been capitalized in the amount of \$20,971. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments during fiscal year 2013 totaled \$2,018. For fiscal year 2014, \$3,698 of principal payments will be due. The following is a schedule of the future minimum lease payments as of June 30, 2013.

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 5,154
2015	5,154
2016	5,154
2017	5,154
2018	<u>2,147</u>
Total Minimum Lease Payments	22,763
Less Amount Representing Interest	<u>(3,810)</u>
Present Value of Minimum Lease Payments	<u>\$ 18,953</u>

**XIV. Subsequent Event**

On October 4, 2012, the School entered into an agreement with the Village of Newburgh Heights (the Village) for the purchase of the building the School is currently renting. The agreement was finalized in July 2013 and the School paid cash in the amount of \$461,000 on July 31, 2013 to purchase the building. The building was capitalized in fiscal year 2014. The School will rent the space currently occupied by the Village back to the Village for a period of two years at a rate of \$1,352 per month.

December 24, 2013

The Board of Trustees  
Washington Park Community School  
Cuyahoga County, Ohio  
4000 Washington Park Boulevard  
Newburgh Heights, Ohio 44106

**Independent Auditor's 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***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Washington Park Community School, Cuyahoga County, Ohio (the School) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated December 24, 2013.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rea & Associates, Inc.*

Medina, Ohio

December 24, 2013

The Board of Trustees  
Washington Park Community School  
Cuyahoga County, Ohio  
4000 Washington Park Boulevard  
Newburgh Heights, Ohio 44106

### **Independent Accountant’s Report on Applying Agreed-Upon Procedure**

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 procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Washington Park Community School, Cuyahoga County, Ohio (the School) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on August 7, 2012 to include prohibiting harassment, intimidation, or bullying of any student “on a school bus” or by an “electronic act.”

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 School’s Sponsor and is not intended to be and should not be used by anyone other than these specified parties.

*Rea & Associates, Inc.*

Medina, Ohio

**This page intentionally left blank.**



# Dave Yost • Auditor of State

**WASHINGTON PARK COMMUNITY SCHOOL**

**CUYAHOGA 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 10, 2014**