

MONDAY COMMUNITY CORRECTIONAL INSTITUTION

MONTGOMERY COUNTY

Regular Audit

For the Years Ended June 30, 2022 and 2021





88 East Broad Street
Columbus, Ohio 43215
IPARreport@ohioauditor.gov
(800) 282-0370

Governing Board
MonDay Community Correctional Institution
1951 South Gettysburg Avenue
Dayton, Ohio 45417

We have reviewed the *Independent Auditor's Report* of the MonDay Community Correctional Institution, Montgomery County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2020 through June 30, 2022. 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 MonDay Community Correctional Institution is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

December 28, 2022

This page intentionally left blank.

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
MONTGOMERY COUNTY
JUNE 30, 2022 AND 2021**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report – For the Fiscal Year Ended June 30, 2022.....	1
Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – For the Fiscal Year Ended June 30, 2022	4
Notes to the Financial Statements - For the Fiscal Year Ended June 30, 2022	5
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> – For the Fiscal Year Ended June 30, 2022.....	10
Independent Auditor’s Report – For the Fiscal Year Ended June 30, 2021.....	12
Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – For the Fiscal Year Ended June 30, 2021	14
Notes to the Financial Statements - For the Fiscal Year Ended June 30, 2021	15
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> – For Fiscal Year Ended June 30, 2021.....	21
Prepared by Management:	
Schedule of Prior Audit Findings	23

This page intentionally left blank.

INDEPENDENT AUDITOR'S REPORT

MonDay Community Correctional Institution
Montgomery County
1951 South Gettysburg Avenue
Dayton, Ohio 45417

To the Governing Board:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the MonDay Community Correctional Institution, Montgomery, Ohio (the Facility), which comprises the cash balances, receipts and disbursements for each fund as of and for the year ended June 30, 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each fund as of and for the year ended June 30, 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Facility, as of June 30, 2022, or the changes in financial position thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Facility, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the Facility on the accounting basis permitted by the financial reporting provisions of the Ohio Department of Rehabilitation and Corrections, which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Facility's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Facility's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Facility's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022, on our consideration of the Facility'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. The purpose of that report is solely 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 the effectiveness of the Facility's 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 the Facility's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
November 28, 2022

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
MONDAY COMMUNITY CORRECTIONAL INSTITUTION**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES (REGULATORY CASH BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	State Appropriations and Grants					Offender Funds					Totals
	ODRC 501-501	Federal Grant Match	School Lunch Federal	ASPIRE Federal	Offender Reentry Federal	CARES Act Federal	Offender Personal Funds	Work Release	Other Sources	Other/ Misc.	
Cash Receipts:											
Intergovernmental	\$ 8,088,737	\$ 179,157	\$ 13,819	\$ 43,750	\$ 112,440	\$ 21,031	\$ -	\$ -	\$ -	\$ -	\$ 8,458,934
Receipts for offenders	-	-	-	-	-	-	400,704	-	-	-	400,704
Collections from offenders	-	-	-	-	-	-	-	31,700	-	-	31,700
Commissions	-	-	-	-	-	-	-	166,181	-	518	166,699
Reimbursement	-	-	-	-	-	-	-	5,890	183,262	-	189,152
Other	-	-	-	-	-	-	-	314	580	2,237	3,131
Total Cash Receipts	8,088,737	179,157	13,819	43,750	112,440	21,031	400,704	204,085	183,842	2,755	9,250,320
Cash Disbursements:											
Personnel	6,729,144	187,033	-	35,000	84,714	-	-	-	74,421	-	7,110,312
Operating costs	847,592	30,980	13,819	-	-	7,193	-	130,357	80	4,414	1,034,435
Program costs	232,239	-	-	-	-	-	-	120,461	108,840	-	461,540
Equipment	47,586	-	-	-	-	13,838	-	1,736	500	-	63,660
Offender Disbursements:											
Offender legal obligations	-	-	-	-	-	-	565	-	-	-	565
Offender reimbursements	-	-	-	-	-	-	16,056	-	-	-	16,056
Offender payments to CBCF	-	-	-	-	-	-	5,642	-	-	-	5,642
Other offender payments	-	-	-	-	-	-	307,023	-	-	-	307,023
Offender savings paid at exit	-	-	-	-	-	-	59,838	-	-	-	59,838
Total Cash Disbursements	7,856,561	218,013	13,819	35,000	84,714	21,031	389,124	252,554	183,841	4,414	9,059,071
Total Receipts Over/(Under) Disbursements	232,176	(38,856)	-	8,750	27,726	-	11,580	(48,469)	1	(1,659)	191,249
Fund Cash Balances, July 1, 2021	874,025	(133,420)	-	(8,750)	(48,808)	-	23,109	311,307	170,720	5,138	1,193,321
Fund Cash Balances, June 30, 2022	\$ 1,106,201	\$ (172,276)	\$ -	\$ -	\$ (21,082)	\$ -	\$ 34,689	\$ 262,838	\$ 170,721	\$ 3,479	\$ 1,384,570
Unpaid Obligations/Open Purchase Orders	\$ 41,191										

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

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

1. REPORTING ENTITY

The MonDay Community Correctional Institution (The Facility) provides an alternative to prison incarceration for felony offenders. The Facility is the last step in the continuum of increasing punishment before prison incarceration. The Facility is a minimum-security operation housing approximately 215 offenders as of June 30, 2022. A Facilities Governing Board oversees the Facility's operations. Common pleas judges from the County the Facility serves comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facility Governing Board and advises the Facilities Governing Board regarding Facility matters. The Facility serves a 6 county catchment area for males (Counties of Montgomery, Greene, Preble, Darke, Fayette, and Miami), and serves all 88 counties in the State of Ohio for females.

For the year ended June 30, 2022, the financial statement presents all funds related to the Facility.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Facility's financial statements consist of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

Fund Accounting

The Facility uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Facility are presented below:

State Appropriations and Grants

Ohio Department of Rehabilitation and Correction (ODRC) 501-501 Funding: ODRC grants this funding, appropriated from the State's General Fund, to the Facility to support general operating costs.

Federal Grant Match: Reports amounts received to meet any Federal program matching requirements.

Ohio Office of Criminal Justice Services (OCJS) Funding: OCJS serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from OCJS under the Residential Substance Abuse Treatment (RSAT) Program. These monies are used to pay salaries and fringe benefits of Staff that work directly with MonDay residents that are in the RSAT Program, and to pay for program materials. This grant requires a 25% match from MonDay.

Federal: Reports amounts received from the Federal government, including amounts passed through ODRC.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

State Appropriations and Grants (Continued)

Department of Education (DOE) Funding: MonDay receives Federal monies from DOE under the National School Lunch Program. DOE reimburses MonDay for food costs associated with providing meals to residents that are under the age of 21.

Miami Valley Career Technology Center (MVCTC) Funding: Miami Valley Career Technology Center serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from MVCTC under the ASPIRE Education Program (formerly ABLE). These monies are used to pay salaries and fringe benefits of Teachers that work directly with MonDay residents that are enrolled in MonDay's Education Program.

Wright State University (WSU) Funding: Wright State University serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from WSU under the Offender Reentry Program. These monies are used to pay salaries and fringe benefits of Screening Staff that assess potential residents for acceptance into MonDay's Program that will prepare them for successful reentry into the community.

Ohio Department of Rehabilitation and Correction (ODRC) Funding: The Ohio Department of Rehabilitation and Correction serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from ODRC under the CARES Act Program. These monies are used to purchase medical supplies and medical equipment as the Facility continues to deal with the COVID pandemic.

Offender Funds

Offender Personal Funds: These funds are amounts the Facility receives and holds in a custodial capacity for each offender while confined. The Facility holds personal funds, including salaries that offenders may earn while confined, and maintains separate balances for each offender. The Facility makes payments as directed by the offender or per program requirements. Upon release, the Facility pays remaining funds to the offender.

Work Release Fund: This fund receives other Offender Funds, such as telephone and vending commissions, receipts from the sale of phone cards to offenders and per diem rates charged to employed offenders. This fund pays for programs and services benefiting offenders, such as indigent offenders' personal care supplies, clothing and other miscellaneous supplies to meet residents' needs.

Other Sources Fund: This fund receives miscellaneous receipts from other entities that are a reimbursement of the Facility's costs.

Other/Misc. Fund: This fund receives other funds, such as vending commissions and donations. This fund is for the benefit of MonDay Staff, and is used for purchases such as service recognition awards or activities which relate to employee functions or retirements.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the Ohio Department of Rehabilitation and Correction. This basis is similar to the cash receipts and disbursements accounting basis. The Facility recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters the Ohio Department of Rehabilitation and Correction requires.

Budgetary Process

Appropriations

The Facility must budget its intended uses of ODRC 501-501 funding as part of its funding application to ODRC. After ODRC approves the budget, the Board formally adopts it. The Facility cannot spend or obligate (i.e., encumber) more than the appropriation. Facilities must obtain approval from ODRC to transfer amounts between budget categories.

Encumbrances

Disbursements from State appropriations and Grants are subject to Montgomery County's payment approval process. The County Auditor must approve (i.e., certify and encumber) certain payments when the Facility commits to make a payment. The budgetary disbursement amounts reported in Note 3 include cash disbursed against the current year budget plus amounts spent within ninety days of June 30 to liquidate year-end commitments. Amounts not liquidated within ninety days of June 30 are subject to refund to ODRC, unless ODRC approves an extension.

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

The Montgomery County Treasurer is the custodian of the Facility's grant funds and State appropriations. The County holds these Facility assets in the County's deposit and investment pool, valued at the County Treasurer's reported carrying amount. The Facility holds offenders' cash, work release cash, and benevolent/other cash in demand deposit accounts.

Capital Assets

The Facility records disbursements for acquisitions of capital assets when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

3. BUDGETARY ACTIVITY

Budgetary activity for ODRC 501-501 funding for the year ending June 30, 2022 follows:

2022 Budgeted vs. Actual Budgetary Basis Disbursements		
Appropriation Authority	Budgetary Disbursements	Variance
\$ 8,088,737	\$ 7,897,752	\$ 190,985

4. COLLATERAL ON DEPOSITS AND INVESTMENTS

Grants and State Appropriations

The County Treasurer is responsible for collateralizing deposits and investments for grants and State appropriations the County holds as custodian for the Facility.

Deposits - Offender, Work Release and Other Miscellaneous Funds

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

5. RISK MANAGEMENT

Commercial Insurance

The Facility is included in Montgomery County’s commercial insurance policies, and is charged once a year by the County for its allocation of annual premiums. The Facility has commercial insurance coverage for the following risks:

- Comprehensive property and general liability.
- Automobile liability.
- Public Employers liability.

6. DEFINED BENEFIT PENSION PLANS

The Facility’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes plan benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2022, OPERS members contributed 10% of their gross salaries and the Facility contributed an amount equaling 14% of participants’ gross salaries. The Facility has paid all contributions required through June 30, 2022.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

7. POSTEMPLOYMENT BENEFITS

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

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

MonDay Community Correctional Institution
Montgomery County
1951 South Gettysburg Avenue
Dayton, Ohio 45417

To the Governing Board:

We have audited, 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, the financial statements of the cash balances, receipts, and disbursements for each fund of the MonDay Community Correctional Institution, Montgomery County, (the Facility) as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated November 28, 2022, wherein we noted the Facility followed financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Facility's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Facility's internal control. Accordingly, we do not express an opinion on the effectiveness of the Facility'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 Facility'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facility'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 financial statements. 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 Facility'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 Facility's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charles E. Harris & Associates, Inc.

Charles E. Harris & Associates, Inc.

November 28, 2022

INDEPENDENT AUDITOR'S REPORT

MonDay Community Correctional Institution
Montgomery County
1951 South Gettysburg Avenue
Dayton, Ohio 45417

To the Governing Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each fund and the related notes of the MonDay Community Correctional Institution, Montgomery County, Ohio (the Facility) as of and for the year ended June 30, 2021.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Facility's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Facility's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the Facility prepared these financial statements using the accounting basis permitted by the financial reporting provisions of the Ohio Department of Rehabilitation and Corrections, which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Facility does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis the Ohio Department of Rehabilitation and Corrections permits. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Facility as of June 30, 2021, or changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each fund of the MonDay Community Correctional Institution, Montgomery County as of and for the year ended June 30, 2021 in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits, described in Note 2.

Emphasis of Matter

As discussed in Note 8 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Facility. We did not modify our opinions regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022, on our consideration of the Facility'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 the Facility's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
November 28, 2022

OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
MONDAY COMMUNITY CORRECTIONAL INSTITUTION

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES (REGULATORY CASH BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	State Appropriations and Grants						Offender Funds				Totals	
	ODRC 501-501	ODRC C50101	Federal Grant Match	School Lunch Federal	ASPIRE Federal	Offender Reentry Federal	CESF Federal	Offender Personal Funds	Work Release	Other Sources		Other/ Misc.
Cash Receipts:												
Intergovernmental	\$ 7,878,157	\$ 294,857	\$ 61,748	\$ 10,140	\$ 35,000	\$ 81,000	\$ 141,899	\$ -	\$ -	\$ -	\$ -	\$ 8,502,801
Receipts for offenders	-	-	-	-	-	-	-	353,144	-	-	-	353,144
Collections from offenders	-	-	-	-	-	-	-	-	35,082	-	-	35,082
Commissions	-	-	-	-	-	-	-	-	140,633	-	1,160	141,793
Reimbursement	-	-	-	-	-	-	-	-	5,458	151,680	-	157,138
Other	-	-	-	-	-	-	-	-	74	1,662	4,364	6,100
Total Cash Receipts	7,878,157	294,857	61,748	10,140	35,000	81,000	141,899	353,144	181,247	153,342	5,524	9,196,058
Cash Disbursements:												
Personnel	6,818,685	-	140,247	-	35,000	95,539	101,200	-	-	70,952	-	7,261,623
Operating costs	828,697	-	22,667	10,140	-	-	35,323	-	53,766	62	4,745	955,400
Program costs	171,554	-	-	-	-	-	-	-	90,508	87,491	-	349,553
Equipment	47,094	-	-	-	-	-	5,376	-	9,525	1,600	-	63,595
Capital Project	-	294,857	-	-	-	-	-	-	-	-	-	294,857
Offender Disbursements:												
Offender legal obligations	-	-	-	-	-	-	-	475	-	-	-	475
Offender reimbursements	-	-	-	-	-	-	-	15,209	-	-	-	15,209
Offender payments to CBCF	-	-	-	-	-	-	-	2,009	-	-	-	2,009
Other offender payments	-	-	-	-	-	-	-	292,419	-	-	-	292,419
Offender savings paid at exit	-	-	-	-	-	-	-	35,709	-	-	-	35,709
Total Cash Disbursements	7,866,030	294,857	162,914	10,140	35,000	95,539	141,899	345,821	153,799	160,105	4,745	9,270,849
Total Receipts Over/(Under) Disbursements	12,127	-	(101,166)	-	-	(14,539)	-	7,323	27,448	(6,763)	779	(74,791)
Fund Cash Balances, July 1, 2020	861,898	-	(32,254)	-	(8,750)	(34,269)	-	15,786	283,859	177,483	4,359	1,268,112
Fund Cash Balances, June 30, 2021	<u>\$ 874,025</u>	<u>\$ -</u>	<u>\$ (133,420)</u>	<u>\$ -</u>	<u>\$ (8,750)</u>	<u>\$ (48,808)</u>	<u>\$ -</u>	<u>\$ 23,109</u>	<u>\$ 311,307</u>	<u>\$ 170,720</u>	<u>\$ 5,138</u>	<u>\$ 1,193,321</u>
Unpaid Obligations/Open Purchase Orders	<u>\$ 88,984</u>											

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

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

1. REPORTING ENTITY

The MonDay Community Correctional Institution (The Facility) provides an alternative to prison incarceration for felony offenders. The Facility is the last step in the continuum of increasing punishment before prison incarceration. The Facility is a minimum-security operation housing approximately 215 offenders as of June 30, 2021. A Facilities Governing Board oversees the Facility's operations. Common pleas judges from the County the Facility serves comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facility Governing Board and advises the Facilities Governing Board regarding Facility matters. The Facility serves a 6 county catchment area for males (Counties of Montgomery, Greene, Preble, Darke, Fayette, and Miami), and serves all 88 counties in the State of Ohio for females.

For the year ended June 30, 2021, the financial statement presents all funds related to the Facility.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Facility's financial statements consist of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

Fund Accounting

The Facility uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Facility are presented below:

State Appropriations and Grants

Ohio Department of Rehabilitation and Correction (ODRC) 501-501 Funding: ODRC grants this funding, appropriated from the State's General Fund, to the Facility to support general operating costs.

Ohio Department of Rehabilitation and Correction (ODRC) C50101 Funding: ODRC grants this funding, appropriated from the State's Adult Correctional Building Fund, to the Facility to support the Building 2 Roof Replacement Capital Project.

Federal Grant Match: Reports amounts received to meet any Federal program matching requirements.

Ohio Office of Criminal Justice Services (OCJS) Funding: OCJS serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from OCJS under the Residential Substance Abuse Treatment (RSAT) Program. These monies are used to pay salaries and fringe benefits of Staff that work directly with MonDay residents that are in the RSAT Program, and to pay for program materials. This grant requires a 25% match from MonDay.

Federal: Reports amounts received from the Federal government, including amounts passed through ODRC.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

State Appropriations and Grants (Continued)

Department of Education (DOE) Funding: MonDay receives Federal monies from DOE under the National School Lunch Program. DOE reimburses MonDay for food costs associated with providing meals to residents that are under the age of 21.

Miami Valley Career Technology Center (MVCTC) Funding: Miami Valley Career Technology Center serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from MVCTC under the ASPIRE Education Program (formerly ABLE). These monies are used to pay salaries and fringe benefits of Teachers that work directly with MonDay residents that are enrolled in MonDay's Education Program.

Wright State University (WSU) Funding: Wright State University serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from WSU under the Offender Reentry Program. These monies are used to pay salaries and fringe benefits of Screening Staff that assess potential residents for acceptance into MonDay's Program that will prepare them for successful reentry into the community.

Ohio Office of Criminal Justice Services (OCJS) Funding: OCJS serves as a pass through organization for monies being distributed by the Federal Government. MonDay receives monies from OCJS under the Coronavirus Emergency Supplemental Funding (CESF) Program. These monies are used to pay additional salary, supply and equipment costs incurred as a result of the COVID-19 pandemic.

Offender Funds

Offender Personal Funds: These funds are amounts the Facility receives and holds in a custodial capacity for each offender while confined. The Facility holds personal funds, including salaries that offenders may earn while confined, and maintains separate balances for each offender. The Facility makes payments as directed by the offender or per program requirements. Upon release, the Facility pays remaining funds to the offender.

Work Release Fund: This fund receives other Offender Funds, such as telephone and vending commissions, receipts from the sale of phone cards to offenders and per diem rates charged to employed offenders. This fund pays for programs and services benefiting offenders, such as indigent offenders' personal care supplies, clothing and other miscellaneous supplies to meet residents' needs.

Other Sources Fund: This fund receives miscellaneous receipts from other entities that are a reimbursement of the Facility's costs.

Other/Misc. Fund: This fund receives other funds, such as vending commissions and donations. This fund is for the benefit of MonDay Staff, and is used for purchases such as service recognition awards or activities which relate to employee functions or retirements.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the Ohio Department of Rehabilitation and Correction. This basis is similar to the cash receipts and disbursements accounting basis. The Facility recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters the Ohio Department of Rehabilitation and Correction requires.

Budgetary Process

Appropriations

The Facility must budget its intended uses of ODRC 501-501 funding as part of its funding application to ODRC. After ODRC approves the budget, the Board formally adopts it. The Facility cannot spend or obligate (i.e., encumber) more than the appropriation. Facilities must obtain approval from ODRC to transfer amounts between budget categories.

Encumbrances

Disbursements from State appropriations and Grants are subject to Montgomery County's payment approval process. The County Auditor must approve (i.e., certify and encumber) certain payments when the Facility commits to make a payment. The budgetary disbursement amounts reported in Note 3 include cash disbursed against the current year budget plus amounts spent within ninety days of June 30 to liquidate year-end commitments. Amounts not liquidated within ninety days of June 30 are subject to refund to ODRC, unless ODRC approves an extension.

A summary of 2021 budgetary activity appears in Note 3.

Deposits and Investments

The Montgomery County Treasurer is the custodian of the Facility's grant funds and State appropriations. The County holds these Facility assets in the County's deposit and investment pool, valued at the County Treasurer's reported carrying amount. The Facility holds offenders' cash, work release cash, and benevolent/other cash in demand deposit accounts.

Capital Assets

The Facility records disbursements for acquisitions of capital assets when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

3. BUDGETARY ACTIVITY

Budgetary activity for ODRC 501-501 funding for the year ending June 30, 2021 follows:

2021 Budgeted vs. Actual Budgetary Basis Disbursements		
Appropriation Authority	Budgetary Disbursements	Variance
\$ 7,878,157	\$ 7,935,014	(\$ 56,857)

NOTE: ODRC switched to a two-year grant cycle in FY2020. The budgetary numbers above reflect only amounts for FY2021. While the amounts show an overspending in FY2021, actual Budgetary Expenditures for the two-year grant cycle are less than the FY 2020/2021 two year grant budget amount of \$15,756,314.

4. COLLATERAL ON DEPOSITS AND INVESTMENTS

Grants and State Appropriations

The County Treasurer is responsible for collateralizing deposits and investments for grants and State appropriations the County holds as custodian for the Facility.

Deposits - Offender, Work Release and Other Miscellaneous Funds

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

5. RISK MANAGEMENT

Commercial Insurance

The Facility is included in Montgomery County's commercial insurance policies, and is charged once a year by the County for its allocation of annual premiums. The Facility has commercial insurance coverage for the following risks:

- Comprehensive property and general liability.
- Automobile liability.
- Public Employers liability.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

6. DEFINED BENEFIT PENSION PLANS

The Facility's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes plan benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2021, OPERS members contributed 10% of their gross salaries and the Facility contributed an amount equaling 14% of participants' gross salaries. The Facility has paid all contributions required through June 30, 2021.

7. POSTEMPLOYMENT BENEFITS

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2021.

8. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Facility. The impact on the Facility's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

9. REFUND TO ODRC

The agreement between the County and ODRC permits the Facility to retain a maximum of one-twenty-fourth of the grant award after liquidating encumbrances outstanding at June 30. The Facility must refund any excess over this amount to ODRC. The schedule below computes the refund to ODRC for the year ending June 30. Disbursements below include cash paid to liquidate encumbrances outstanding at June 30 and exclude disbursements made during the fiscal year against amounts encumbered the prior June 30. The Facility refunds amounts computed below in the fiscal year following the computation below.

Refund to ODRC	
	2021-20
Cash, July 1 2019	\$719,046
Disbursements Against Prior Year Budget	(455,132)
Payable to ODRC, July 1	-
Sub-Total	263,914
501 Cash Receipts	15,756,314
Budgetary Basis Disbursements	(15,445,143)
Amount Subject to Refund, June 30	575,085
One-Twenty fourth of 501 Award	(656,513)
Refundable to ODRC	-

Calculation of Payable to ODRC	
	2021-20
Payable, July 1	-
Cash Refunded	-
Refundable to ODRC, June 30	-
Payable, June 30	-

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

MonDay Community Correctional Institution
Montgomery County
1951 South Gettysburg Avenue
Dayton, Ohio 45417

To the Governing Board:

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 the cash balances, receipts and disbursements for each fund of the MonDay Community Correctional Institution, Montgomery County, Ohio (the Facility) as of and for the year ended June 30, 2021, and the related notes to the financial statements and have issued our report thereon dated November 28, 2022, wherein we noted the Facility followed financial reporting provisions the Ohio Department of Rehabilitation and Corrections permits. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Facility.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Facility's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Government's internal control. Accordingly, we have not opined on it.

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 Facility'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 were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facility'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 financial statements. 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

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Facility's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Facility's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
November 28, 2022

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY**

**MONDAY COMMUNITY CORRECTIONAL INSTITUTION
SUMMARY OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021**

Prepared by Management

Finding Number	Finding Summary	Status	Additional Information
2020-001	Audit Adjustments	Corrected	N/A

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



MONDAY COMMUNITY CORRECTIONAL INSTITUTION

MONTGOMERY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 1/10/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov