



**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

REGULAR AUDIT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023-2022

**OHIO AUDITOR OF STATE
KEITH FABER**



**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY
JUNE 20, 2023 AND 2022**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Miami Valley Educational Computer Association
Greene County
888 Dayton Street, Suite 102
Yellow Springs, Ohio 45387

To the Board of Directors:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Miami Valley Educational Computer Association, Greene County, Ohio (the Association), which comprises the cash balances, receipts and disbursements as of and for the fiscal years ended June 30, 2023, and 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 as of and for the fiscal years ended June 30, 2023, and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 1.

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 Association, as of June 30, 2023, and 2022, or the changes in financial position thereof for the fiscal years 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 Association, 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 opinion.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Association on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), 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 1 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 Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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 Association'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 Association'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 Association'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 May 30, 2024, on our consideration of the Association'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 Association'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 Association's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

May 30, 2024

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**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND BALANCE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Operating Cash Receipts:	
Charges for Services	14,718,443
Rental Income	277,619
Miscellaneous	<u>30,348</u>
Total Operating Cash Receipts	<u>15,026,410</u>
 Operating Cash Disbursements:	
Personal Services	3,309,655
Contractual Services	5,661,120
Supplies and Materials	859,115
Capital Outlay	4,591,973
Other	<u>92,925</u>
Total Operating Cash Disbursements	<u>14,514,788</u>
Operating Receipts Over/(Under) Operating Disbursements	<u>511,622</u>
 Non-Operating Cash Receipts:	
Intergovernmental Receipts	354,459
Motorcycle Ohio Grant Receipts	<u>94,941</u>
Total Non-Operating Cash Receipts	449,400
 Non-Operating Cash Disbursements:	
Motorcycle Ohio Grant Disbursements	<u>92,319</u>
Net Receipts Over/(Under) Disbursements	868,703
Fund Cash Balance, July 1	<u>631,420</u>
Fund Cash Balance, June 30	<u><u>1,500,123</u></u>

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

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**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Miami Valley Educational Computer Association (the "Association") was organized under Ohio Rev. Code Section 3313.92 in 1980. Beginning July 1, 2006, it was reorganized into a Regional Council of Government under Ohio Revised Code Chapter 167. During each of these fiscal years, the Association operated under a Board of Directors consisting of seven members elected from a general assembly for three-year terms.

The Association provides computer systems for the needs of the member Boards of Education as authorized by state statute guidelines. The Association serves thirty school districts and educational service centers, in Clark, Clinton, Fayette, Greene, Highland, Madison, Montgomery, and Ross Counties, as well as twenty-one community schools, two STEM schools, and four parochial schools.

The Association also provides technical support for the needs of several non K-12 government and educational entities in the Miami Valley area.

In fiscal year 2023, the Association again acted as a grantee of the Motorcycle Ohio program, funded through the Ohio Department of Public Safety. The range portion of the motorcycle safety courses were held at Professional Driving Systems in Dayton and the classroom portion of the classes were held at MVECA from July 1, 2022 through December 31, 2022, after which the classroom portion of the curriculum was held at Frank Nicholas Elementary School through a classroom rental agreement with West Carrollton City Schools. This program is administered by instructors employed by the Association. The grant monies associated with this program are accounted for separately within the Association's accounting system.

B. Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Association recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits and Investments

The Association's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

D. Fund Accounting

The Association uses fund accounting to segregate cash and investments that are restricted as to use. The Association classifies its activity into the following fund type:

Enterprise Fund - This fund accounts for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Association's primary sources of revenue are user charges and grants from the State of Ohio.

E. Property, Plant and Equipment

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

F. Unpaid Vacation and Sick Leave

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

2. EQUITY IN POOLED DEPOSITS

The Association maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at June 30 was as follows:

	<u>2023</u>
Demand deposits	<u>\$1,500,123</u>
Total deposits	<u>\$1,500,123</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the Ohio Pooled Collateral System (OPCS).

3. LEASES

The Association has six continuing leases. The first lease is for FY20 category 2 e-rate purchases. The length of the lease is four years and includes a first payment of \$2,192,243 and three subsequent payments of \$104,134 that began on January 14, 2020. As of June 30, 2023, all four annual lease payments have been made.

The second lease is for a backup solution purchase. The length of the lease is 36 months and includes monthly payments of \$5,205 that began on January 22, 2020. As of June 30, 2023, 36 of 36 monthly lease payments have been made.

The third lease is for FY21 category 2 e-rate purchases. The length of the lease is five years and includes a first payment of \$565,333 and four subsequent payments of \$104,807 that began on February 4, 2021. As of June 30, 2023, three of five annual lease payments have been made.

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The fourth lease is for FY22 category 2 e-rate purchases, entered into on May 21, 2021. The length of the lease is 36 months and includes a first payment of \$1,065,006 and 36 subsequent monthly payments of \$14,137 that began December 21, 2021. As of June 30, 2023, 15 of 36 monthly payments have been made.

The fifth lease is for FY23 category 2 e-rate purchases, entered into on April 15, 2022. The length of the lease is four years and includes a first payment of \$1,133,201 and three subsequent payments of \$190,180 that began on April 11, 2023. As of June 30, 2023, one of four annual lease payments have been made.

The sixth lease is for FY24 category 2 e-rate purchases, entered into on May 15, 2023. The length of the lease is four years and includes a first payment of \$487,632 and three subsequent payments of \$153,113, which will begin April 15, 2024. As of June 30, 2023, no payments have been made.

Lease Payments (including Principal & Interest) Due in the Next 5 Years

Year Ending June 30:	FY21 E-rate Lease	FY22 E-rate Lease	FY23 E-rate Lease	FY24 E-rate Lease	Total
2024	\$104,807	\$169,648	\$190,180	\$487,632	\$952,267
2025	\$104,807	\$98,962	\$190,180	\$153,113	\$547,062
2026	0	0	\$190,180	\$153,113	\$343,293
2027	0	0	0	\$153,113	\$153,113
2028	0	0	0	0	0
Total	\$209,614	\$268,610	\$570,540	\$946,971	\$1,995,735

4. REAL ESTATE

The Association purchased real property at 888 Dayton Street in Yellow Springs, Ohio on July 22, 2021. The total purchase price of the real estate was \$2.4M. The financing structure for the purchase is serviced by Huntington Bank on a lease-leaseback arrangement. The Association purchased the building with a down payment of \$361,965. Financing includes a 15-year term with principal and interest payments due each December and interest-only payments due each June. The Association made \$170,434 in principal and interest payments during fiscal year 2023.

Portions of the building are used as commercial rental property. As of June 30, 2023, the tenants in the building were Kettering Health, Sharon Russell, Yellow Springer, Pamela Funderberg, LMT, Xylem, Village Accounting & Tax, LLP, and Yellow Springs Exempted Village Schools.

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Principal and interest due for the next five years and thereafter are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$120,000	\$51,850	\$171,850
2025	\$120,000	\$48,190	\$168,190
2026	\$125,000	\$44,454	\$169,454
2027	\$125,000	\$40,641	\$165,641
2028	\$130,000	\$36,753	\$166,753
2029-2033	\$690,000	\$122,305	\$812,305
2034-2036	\$450,000	\$20,892	\$470,892
Total	\$1,760,000	\$365,085	\$2,125,085

5. RETIREMENT SYSTEM

The Association's full and part-time employees belong to the School Employees Retirement System (SERS) of Ohio. SERS is a cost-sharing, multiple-employer defined benefit plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For fiscal year 2023, members of SERS contributed 10% of their gross salaries. The Association contributed an amount equal to 14% of participants' gross salaries. The Association also picked up 10% of the Executive Director's and Associate Director's share and 8% of the Treasurer's share. The Association has paid all contributions required through June 30, 2023.

The Association's Motorcycle Ohio instructors belong to the State Teachers Retirement System (STRS) of Ohio. STRS is a cost-sharing, multiple-employer defined benefit plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For fiscal year 2023, members of STRS contributed 14% of their gross salaries. The Association contributed an amount equal to 14% of participants' gross salaries. The Association has paid all contributions required through June 30, 2023.

6. RISK MANAGEMENT

During fiscal year 2023, the Association contracted with the Southwestern Ohio Educational Purchasing Council (SOEPC) for coverage which included the following risks:

- Healthcare, dental, vision and life insurance for employees

During fiscal year 2023, the Association contracted with Arthur J. Gallagher & Co. for coverage which included the following risks:

- Comprehensive property and general liability – brokered through the SOEPC
- Errors and omissions – brokered through the SOEPC

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND BALANCE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Operating Cash Receipts:	
Charges for Services	\$12,310,492
Rental Income	\$301,844
Miscellaneous	<u>49,041</u>
Total Operating Cash Receipts	<u>12,661,377</u>
Operating Cash Disbursements:	
Personal Services	3,371,557
Contractual Services	5,626,404
Supplies and Materials	30,119
Capital Outlay	4,442,863
Other	<u>60,743</u>
Total Operating Cash Disbursements	<u>13,531,686</u>
Operating Receipts Over/(Under) Operating Disbursements	<u>(870,309)</u>
Non-Operating Cash Receipts:	
Intergovernmental Receipts	271,415
Motorcycle Ohio Grant Receipts	<u>87,993</u>
Total Non-Operating Cash Receipts	359,408
Non-Operating Cash Disbursements:	
Motorcycle Ohio Grant Disbursements	<u>88,500</u>
Net Receipts Over/(Under) Disbursements	(599,401)
Fund Cash Balance, July 1	<u>1,230,821</u>
Fund Cash Balance, June 30	<u><u>\$631,420</u></u>

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

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**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Miami Valley Educational Computer Association (the "Association") was organized under Ohio Rev. Code Section 3313.92 in 1980. Beginning July 1, 2006, it was reorganized into a Regional Council of Government under Ohio Revised Code Chapter 167. During each of these fiscal years, the Association operated under a Board of Directors consisting of seven members elected from a general assembly for three-year terms.

The Association provides computer systems for the needs of the member Boards of Education as authorized by state statute guidelines. The Association serves twenty-nine school districts and educational service centers, in Clark, Clinton, Fayette, Greene, Highland, Madison, Montgomery, and Ross Counties, as well as twenty community schools, two STEM schools, and three parochial schools.

The Association also provides technical support for the needs of several non K-12 government and educational entities in the Miami Valley area.

In fiscal year 2022, the Association again acted as a grantee of the Motorcycle Ohio program, funded through the Ohio Department of Public Safety. Motorcycle safety courses were held on the grounds of the former Greene County Career Center (now owned by Emerge Recovery & Trade Initiative) for part of the fiscal year. After that agreement ended, the range portion of the classes were held at Professional Driving Systems in Dayton and the classroom portion of the classes were held at MVECA. This program is administered by instructors employed by the Association. The grant monies associated with this program are accounted for separately within the Association's accounting system.

B. Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Association recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits and Investments

The Association's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

D. Fund Accounting

The Association uses fund accounting to segregate cash and investments that are restricted as to use. The Association classifies its activity into the following fund type:

Enterprise Fund - This fund accounts for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Association's primary sources of revenue are user charges and grants from the State of Ohio.

E. Property, Plant and Equipment

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

F. Unpaid Vacation and Sick Leave

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

2. EQUITY IN POOLED DEPOSITS

The Association maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at June 30 was as follows:

	<u>2022</u>
Demand deposits	<u>\$631,420</u>
Total deposits	<u>\$631,420</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the Ohio Pooled Collateral System (OPCS).

3. LEASES

The Association has six continuing leases. The first lease is for FY19 category 2 e-rate purchases. The length of the lease is four years and includes a first payment of \$500,000 and three subsequent payments of \$152,155 that began on July 12, 2018. As of June 30, 2022, all four annual lease payments have been made.

The second lease is for FY20 category 2 e-rate purchases. The length of the lease is four years and includes a first payment of \$2,192,243 and three subsequent payments of \$104,134 that began on January 14, 2020. As of June 30, 2022, three of four annual lease payments have been made.

The third lease is for a backup solution purchase. The length of the lease is 36 months and includes monthly payments of \$5,205 that began on January 22, 2020. As of June 30, 2022, 31 of 36 monthly lease payments have been made.

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The fourth lease is for FY21 category 2 e-rate purchases. The length of the lease is five years and includes a first payment of \$565,333 and four subsequent payments of \$104,807 that began on February 4, 2021. As of June 30, 2022, two of five annual lease payments has been made.

The fifth lease is for FY22 category 2 e-rate purchases, entered into on May 21, 2021. The length of the lease is 36 months and includes a first payment of \$1,065,006 and 36 subsequent monthly payments of \$14,137 that will begin in January 2022. As of June 30, 2022, 5 of 36 monthly payments have been made.

The sixth lease is for FY23 category 2 e-rate purchases, entered into on April 15, 2022. The length of the lease is four years and includes a first payment of \$1,162,744 and three subsequent annual payments of \$190,180, which will begin in January 2023. As of June 2022, no payments have been made.

Lease Payments (including Principal & Interest) Due in the Next 5 Years

Year Ending June 30:	FY20 E-rate Lease	Backup Solution Lease	FY21 E-rate Lease	FY22 E-rate Lease	FY23 E-rate Lease	Total
2023	\$104,134	\$26,027	\$104,807	\$169,644	\$1,162,744	\$1,567,356
2024	0	0	\$104,807	\$169,644	\$190,180	\$464,631
2025	0	0	\$104,807	\$98,959	\$190,180	\$393,946
2026	0	0	0	0	\$190,180	\$190,180
2027	0	0	0	0	0	0
Total	\$104,134	\$26,027	\$314,421	\$438,247	\$1,733,284	\$2,616,113

4. REAL ESTATE

The Association purchased real property at 888 Dayton Street in Yellow Springs, Ohio on July 22, 2021. The total purchase price of the real estate was \$2.4M. The financing structure for the purchase is serviced by Huntington Bank on a lease-leaseback arrangement. The Association purchased the building with a down payment of \$361,965. Financing includes a 15-year term with principal and interest payments due each December and interest-only payments due each June. The Association made \$175,452 in principal and interest payments during fiscal year 2022.

Portions of the building are used as commercial rental property. As of June 30, 2022, the tenants in the building were Kettering Health, Yellow Springs Primary Care, Sharon Russell, and Yellow Springer. Parking lot space was rented by Armin Sayson.

Principal and interest due for the next five years and thereafter are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	\$115,000	\$55,434	\$170,434
2024	\$120,000	\$51,850	\$171,850
2025	\$120,000	\$48,190	\$168,190
2026	\$125,000	\$44,454	\$169,454
2027	\$125,000	\$40,641	\$165,641
2028-2032	\$675,000	\$143,121	\$818,121
2033-2036	\$595,000	\$36,829	\$631,829
Total	\$1,875,000	\$420,519	\$2,295,519

**MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

5. RETIREMENT SYSTEM

The Association's full and part-time employees belong to the School Employees Retirement System (SERS) of Ohio. SERS is a cost-sharing, multiple-employer defined benefit plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For fiscal year 2022, members of SERS contributed 10% of their gross salaries. The Association contributed an amount equal to 14% of participants' gross salaries. The Association also picked up 10% of the Executive Director's and one Associate Director's share and 8% of the Treasurer's share. The Association has paid all contributions required through June 30, 2022.

The Association's Motorcycle Ohio instructors belong to the State Teachers Retirement System (STRS) of Ohio. STRS is a cost-sharing, multiple-employer defined benefit plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For fiscal year 2022, members of STRS contributed 14% of their gross salaries. The Association contributed an amount equal to 14% of participants' gross salaries. The Association has paid all contributions required through June 30, 2022.

6. RISK MANAGEMENT

During fiscal year 2022, the Association contracted with the Southwestern Ohio Educational Purchasing Council (SOEPC) for coverage which included the following risks:

- Healthcare, dental, vision and life insurance for employees

During fiscal year 2022, the Association contracted with Arthur J. Gallagher & Co. for coverage which included the following risks:

- Comprehensive property and general liability – brokered through the SOEPC
- Errors and omissions – brokered through the SOEPC

OHIO AUDITOR OF STATE KEITH FABER



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

Miami Valley Educational Computer Association
Greene County
888 Dayton Street, Suite 102
Yellow Springs, Ohio 45387

To the Board of Directors:

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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements as of and for the fiscal years ended June 30, 2023 and 2022 and the related notes to the financial statements of the Miami Valley Educational Computer Association, Greene County, (the Association) and have issued our report thereon dated May 30, 2024, wherein we noted the Association followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 Association'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 Association'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 Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

May 30, 2024

OHIO AUDITOR OF STATE KEITH FABER



MIAMI VALLEY EDUCATIONAL COMPUTER ASSOCIATION

GREENE 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 6/25/2024

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov