



**JIM PETRO**  
**AUDITOR OF STATE**  

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STATE OF OHIO



**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**REPORT OF INDEPENDENT ACCOUNTANTS**

Lighthouse Community School  
Hamilton County  
1501 Madison Road  
Cincinnati, Ohio 45206

To the Board of Trustees:

We have audited the accompanying Balance Sheet of Lighthouse Community School, Hamilton County, Ohio (the School), as of and for the year ended June 30, 2001, and the related Statement of Revenues, Expenses, and Changes in Retained Earnings, and the Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lighthouse Community School, Hamilton County, Ohio as of June 30, 2001, and the results of its operations and cash flows for the year then ended, in conformity with auditing standards generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2002, on our consideration of the School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

**Jim Petro**  
Auditor of State

February 14, 2002

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**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**BALANCE SHEET  
AS OF JUNE 30, 2001**

**Assets**

**Current Assets**

Cash	\$ 162,207
Accounts receivable	9,163
Intergovernmental receivable	<u>16,729</u>
Total Current Assets	188,099

**Non-Current Assets**

Fixed Assets (Net of Accumulated Depreciation)	<u>26,188</u>
Total Assets	\$ <u><u>214,287</u></u>

**Liabilities and Fund Equity**

**Current Liabilities**

Accounts payable	\$ 34,328
Intergovernmental payable	3,297
Contract Payable	21,662
Accrued Wages and Benefits	<u>14,169</u>
Total Current Liabilities	73,456

**Long-term Liabilities**

Compensated absences payable	<u>19,888</u>
Total Liabilities	<u>93,344</u>

**Fund Equity**

Unreserved Retained Earnings	<u>120,943</u>
Total Fund Equity	<u>120,943</u>
Total Liabilities and Fund Equity	\$ <u><u>214,287</u></u>

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

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED JUNE 30, 2001**

**Operating Revenues**

Foundation payments	\$ 150,067
State special education program	268,229
Other	<u>3,002</u>
Total Operating Revenues	<u>421,298</u>

**Operating Expenses**

Salaries	282,236
Fringe benefits	98,603
Purchased services	
Contract Services	64,466
Rent & Utilities	62,169
Equipment	24,823
Management Fees	66,000
Other purchased services	449
Supplies and materials	27,572
Depreciation	9,159
Other	<u>10,053</u>
Total Operating Expenses	<u>645,530</u>

Operating Loss	(224,232)
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**Non-Operating Revenues**

Federal grants	70,978
State Grants	52,000
Cincinnati Public Schools	33,197
Other grants	<u>189,000</u>
Total Non-Operating Revenues	<u>345,175</u>

Net Income	120,943
Retained earnings at beginning of year	<u>0</u>
Retained earnings at end of year	\$ <u><u>120,943</u></u>

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



**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2001**

**Increase(Decrease) in Cash**

**Cash Flows from Operating Activities**

Cash Received from State of Ohio & Federal Government	\$ 418,296
Cash Payments to Suppliers for Goods and Service	(189,489)
Cash Payments to Employee for Service	(264,770)
Cash Payments for Employee Benefits	(78,715)
Other Operating Revenue	3,002
Other Operating Expenditures	<u>(10,053)</u>
Net Cash Used for Operating Activities	<u>(121,729)</u>

**Cash Flows from Noncapital Financing Activities**

Other Grants received	189,000
Federal and State grants	106,249
Other Nonoperating revenue	<u>24,034</u>
Net Cash Provided by Noncapital Financing Activities	<u>319,283</u>

**Cash Flows from Capital and Related Financing Activities**

Acquisition of capital assets	<u>(35,347)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(35,347)</u>
Net increase in cash	162,207
Cash beginning of year	<u>0</u>
Cash end of year	\$ <u><u>162,207</u></u>

**Reconciliation of Operation Income to Net Cash Provided by  
(Used for) Operation Activities**

Operating Loss	\$ (224,232)
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**Adjustment to Reconcile Operating Loss to Net Cash**

**Used for Operation Activities**

Depreciation	9,159
Changes in Assets and Liabilities	
Increase in Accounts Payable	34,328
Increase in Intergovernmental Payable	3,297
Increase in Accrued Wages Payable	14,169
Increase in Compensated Absences	19,888
Increase in Contract Payable	<u>21,662</u>
Total Adjustments	102,503
Net Cash Used for Operating Activities	\$ <u><u>(121,729)</u></u>

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

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**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001**

**1. DESCRIPTION OF THE SCHOOL AND REPORTING ENTITY**

Lighthouse Community School (the School) is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702 to address the needs of students in grades six through eleven who exhibit severe behavioral handicaps, with a curriculum that provides academic credit. The School, which is part of the State's education program, is independent of any school district 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.

The School was approved for operation under contract with the Cincinnati City School District (the Sponsor) for a period of three years commencing July 1, 2000. 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 nine-member Board of Directors. The Board is responsible for carrying out the provisions of the contract which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The Board of Directors controls the School's one instructional/support facility staffed by 4 certificated full time teaching personnel who provided services to 38 students for Fiscal Year 2001.

**2. RELATED ORGANIZATION**

Seven Board members of the Lighthouse Community School are also Board members of Lighthouse Youth Services, Inc. Lighthouse Community School contracts with Lighthouse Youth Services, Inc. for various management services, including:

1. Utilization of operations and policy manuals, forms, and management procedures, as the same are from time to time developed by Lighthouse Youth Services, Inc.;
2. Assistance in identifying and applying for grants;
3. Financial management;
4. Administrative staff supervision;
5. Human Resource assistance with hiring and benefits management; and
6. Such other management consultant services as are from time to time mutually agreed upon.

Lighthouse Community School paid Lighthouse Youth Services, Inc. \$66,000 as specified in the contract during the fiscal year for these services, of which \$5,500 was a payable at year end.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Lighthouse Community 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

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

establishing governmental accounting and financial reporting principles. The School also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB Pronouncements. The more significant of the School's accounting policies are described below.

**A. Basis Of Presentation**

**Enterprise Accounting**

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

**B. Measurement Focus and Basis of Accounting**

Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the balance sheet. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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

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

**C. Budgetary Process**

Unlike other public schools located in the state of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Rev. Code Chapter 5705, unless specifically provided in the School's contract with its Sponsor. The contract between the School and its Sponsor does not prescribe a budgetary process for the School.

**D. Cash**

The School's Treasurer accounts for all monies received by the School. For cash management, all cash received by the Treasurer is pooled in an interest bearing checking account. Total cash for the School is presented as "Cash" on the accompanying balance sheet.

**E. Fixed Assets and Depreciation**

Fixed assets are capitalized at cost and updated for additions and retirements during the year. The School maintains a capitalization threshold of one thousand dollars. 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. The School does not possess any infrastructure.

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives. Improvements to fixed assets are depreciated over the remaining useful lives of the related fixed assets.

<u>Assets</u>	<u>Years</u>
Furniture and Equipment	5
Computers	3

**F. Intergovernmental Revenues**

The School currently participates in the State Foundation Program, and the State Special Education Program. Revenues received from these programs are recognized as operating revenues in the accounting period in which all eligibility requirements have been met.

Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met.

Eligibility requirements include timing requirements, which specify the 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.

The School also participates in the Federal Charter School Grant Program through the Ohio Department of Education. Under this program, the School was awarded \$50,000 to offset start-up costs of the School. Revenue received from this program is recognized as non-operating revenue and unreserved retained earnings on the accompanying financial statements.

Amounts awarded under the above named programs for the 2001 school year totaled \$680,274.

**G. Compensated Absences**

Vacation benefits are accrued as a liability at year end if the employees' rights to receive compensation are attributable to services already rendered, and it is probable that the School will compensate the employees for the benefits through paid time off or some other means. The school record a liability for accumulated unused vacation time when earned for all employees.

The entire amount of compensated absences is reported as liability.

**4. DEPOSITS**

At June 30, 2001, the carrying amount of School's deposits was \$162,207. The bank balance was \$172,964. Of the bank balance \$100,000 was covered by federal depository insurance.

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**5. RECEIVABLES**

Receivables at June 30, 2001, consisted of funds from the School's sponsor, Cincinnati Public Schools, and intergovernmental (e.g. federal grants) receivables. All intergovernmental receivables are considered collectible in full, due to the stable condition of State programs, and the current year guarantee of federal funds.

**6. FIXED ASSETS**

A summary of the School's fixed assets at June 30, 2001, follows:

Furniture and Equipment	\$ 35,347
Less: accumulated depreciation	<u>(9,159)</u>
Net Fixed Assets	<u>\$ 26,188</u>

There was no construction in progress at June 30, 2001.

**7. LEASEHOLD IMPROVEMENTS**

During fiscal year 2001, the School made \$35,000 of leasehold improvements to the six classrooms used for the operations of the School. Since the School does not plan to remain in their facility longer than two years, these improvements were included on the financial statements as operating expenses.

**8. RISK MANAGEMENT**

**A. Property and Liability**

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 year 2001, the School contracted with Philadelphia Insurance Company for property and general liability insurance. There is a \$1,000 deductible with a one hundred percent blanket, all risk policy.

Professional liability is protected by Philadelphia Insurance Company with a \$1,000,000 single occurrence limit and \$3,000,000 aggregate and no deductible.

**B. Workers' Compensation**

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

**9. DEFINED BENEFIT PENSION PLANS**

**A. School Employees Retirement System**

The School contributes to the School Employees Retirement System of Ohio (SERS), a cost sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries.

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. That report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the school is required to contribute 14 percent. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The School's required contribution for pension obligations to SERS for the fiscal year ended June 30, 2001 was \$16,233 and 100 percent has been contributed for fiscal year 2001.

**B. State Teachers Retirement System**

The School contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School's required contribution for pension obligations to STRS for the fiscal year ended June 30, 2001 was \$20,891 and 84.3 percent has been contributed for fiscal year 2001. \$3,297 represents the unpaid contribution for fiscal year 2001, and is recorded as a liability.

**10. POST EMPLOYMENT BENEFITS**

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

For STRS, all benefit recipients are required to pay a portion of health care costs in the form of a monthly premium. By Ohio Law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The board currently allocates employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the School, this amount equaled \$6,715 during the 2001 fiscal year.

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**10. POST EMPLOYMENT BENEFITS (Continued)**

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 8.45 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay has been established at \$12,400. For the School the amount to fund health care benefits, including surcharge, equaled \$9,874 during the 2001 fiscal year.

**11. OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave components are derived from School policies. Teachers, administrators and classified employees earn up to thirty days of vacation per year, depending upon position, scheduled hours and length of service. Accumulated unused vacation time is paid to all employees upon termination of employment. Teachers, administrators and classified employees earn sick leave at the rate of one day per month. Sick leave may be accumulated up to 12 weeks, or 480 hours, and is not paid out upon termination.

**B. Insurance Benefits**

The School provides life insurance to all employees through a private carrier. Coverage in the amount of \$10,000 is provided for all certified and noncertified employees.

**12. OPERATING LEASE**

The School entered into a one-year lease with the YMCA of Greater Cincinnati, Inc and the Madisonville Branch at 6100 Desmond Street, Cincinnati, Ohio for 6 classrooms to be used for the operation of the School. In fiscal year 2001 the School paid \$16,600. The School has an option to renew the lease for an additional two years. The School renewed their lease with the YMCA for fiscal year 2002 for \$24,000.

**13. STATE SCHOOL FUNDING DECISION**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 2, 1001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.



**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**13. STATE SCHOOL FUNDING DECISION (Continued)**

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 31, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision and the reconsideration will have on its future State funding and on its financial operations.

**14. CONTINGENCIES**

**A. Grants**

The School received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School at June 30, 2001.

**B. Litigation**

A suit was filed in Franklin County Common Pleas Court on May 14, 2001, alleging that Ohio's Community (i.e., Charter) Schools program violates the state Constitution and state laws. The effect of this suit, if any, on Lighthouse Community School is not presently determinable.

**C. State Funding**

The Ohio Department of Education conducts reviews of enrollment data 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 results of this review could result in state funding being adjusted. The School anticipates a reduction adjustment of \$3766 to state funding for fiscal year 2001, as a result of the review.

**15. FEDERAL EXEMPT STATUS**

Lighthouse Community School has obtained its 501(c)(3) tax exempt status. 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.

**LIGHTHOUSE COMMUNITY SCHOOL  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2001  
(Continued)**

**16. OTHER GRANTS**

Lighthouse Community School received a three year grant from the Knowledge Works Foundation of \$179,000 for development and operation of the school; and a one time grant from the Segoe Family Foundation of \$10,000 for development and support of a mobile library.



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

Lighthouse Community School  
Hamilton County  
1501 Madison Road  
Cincinnati, Ohio 45206

To the Board of Trustees:

We have audited the accompanying financial statements of Lighthouse Community School, Hamilton County, Ohio (the School), as of and for the year ended June 30, 2001, and have issued our report thereon dated February 14, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the School in a separate letter dated February 14, 2002.

Lighthouse Community School  
Hamilton County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
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This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

February 14, 2002



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**LIGHTHOUSE COMMUNITY SCHOOL**

**HAMILTON 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 Bablitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 12, 2002**