

North Central State College Foundation, Inc.

Richland County, Ohio

Regular Audit

July 1, 2007 through June 30, 2008



Balestra, Harr & Scherer, CPAs, Inc.

528 South West St, P.O. Box 687, Piketon, Ohio 45661 Phone: (740) 289-4131 Fax: (740) 289-3639



Mary Taylor, CPA

Auditor of State

Board of Trustees
North Central State College Foundation, Inc.
2441 Kenwood Circle
Mansfield, Ohio 44901

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 27, 2009

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North Central State College Foundation, Inc.
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For the Fiscal Year Ended June 30, 2008

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North Central State College Foundation, Inc.

Board of Trustees

July 1, 2007 through July 30, 2008

Internal Relations

Gayle Gorman Freeman (Chair)
Tom Brennan
Don Covert
Bernie Deubel
Kim Foster
Arnold Haring
Peg Moir (ex-officio)**
Brad Peffley

Special Events

Debbi Adams (Chair)
Bill Cooper
George (Bud) Frank
Gayle Gorman Freeman
Arnold Haring
Chriss Harris **
Bill Jilek
Glenn McClelland
Brad Peffley
Don Plotts **
Tim Rowsey
Matthew Smith
Don Stone
Rick Taylor
Dave Williamson

Honorary Life Members

Bob Enskat***
Dr. Henry Fallerius***
Bill Hartnett***
Jim Kehoe***

Staff

Mary Rodriguez
Gale Wagner

Resource Development

Bill Jilek (Chair)
George “Bud” Frank
Arnold Haring
Gayle Freeman
Mark Kreinbuhl
Brad McCormack**
Don Plotts**
Matthew Smith
Lydia Reed
E. Victor Smith
Rick Taylor
John “Jack” Welsh
Donald Wine

Community and Alumni Relations

Bill Cooper (Chair)
Mark Collins (ex officio)
Kathy Daniels
Dave Gooch
Jay Goyal
Virginia Imhoff
Gunther Meisse
Lawrence Rawls
Mehdi Ressallat
Tim Rowsey

Ex-Officio**

Dr. Ron Abrams
Therese Bushner
Mark Collins
Bill Miller
Per Moir
Don Plotts**
Betty Wells**
Stephen Williams
Robert Zettler

North Central State College Foundation, Inc.

Appointed Officials

July 1, 2007 through July 30, 2008

PRESIDENT

Glenn McClelland

IMMEDIATE PAST PRESIDENT

David Kimble

VICE PRESIDENT FOR ACTIVITIES

Deborah Adams

VICE PRESIDENT FOR COMMUNITY RELATIONS

Bill Cooper

VICE PRESIDENT FOR INTERNAL RELATIONS

Gayle Gorman Freeman

VICE PRESIDENT FOR RESOURCE DEVELOPMENT

Bill Jilek

SECRETARY

Mehdi Ressallat

TREASURER

J. Brad McCormack**

EXECUTIVE DIRECTOR

Chriss Harris**

**Member College President's Staff

***Honorary Life Trustee

LEGAL COUNSEL

Weldon, Huston & Keyser

David D. Carto

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Mansfield, OH 44902-1692

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Ohio Society of Certified Public Accountants

Independent Accountants' Report

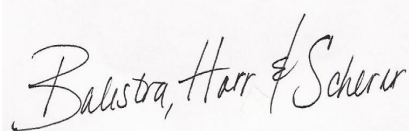
North Central State College Foundation, Inc.
Board of Trustees
2441 Kenwood Circle
Mansfield, Ohio 44903

We have audited the accompanying financial statements of the North Central State College Foundation, Inc., Richland County, Ohio (the Foundation), a component unit of the Northwest State Community College, as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 the Foundation as of June 30, 2008, and the changes in financial position and cash flows thereof in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2008, on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Balestra, Harr & Scherer, CPAs, Inc.
December 17, 2008

North Central State College Foundation, Inc.
Statement of Financial Position
As of June 30, 2008

ASSETS

Cash and cash equivalents	\$190,460
Investments	1,920,362
Interest in Assets held by Richland County Foundation	250,000
Contributions receivable (net of allowance for uncollectible and accumulated amortization discount)	20,048
Prepaid Expense	6,569
Emergency Loan Receivable	1,880
	<hr/>
Total Assets	<u><u>\$2,389,319</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts Payable	\$36,911
Deferred Income	18,425
	<hr/>
Total Liabilities	<u>55,336</u>
Net Assets:	
Unrestricted	675,132
Temporarily Restricted	272,095
Temporarily Restricted-Assets held by Richland County Foundation	250,000
	<hr/>
Total Temporarily Restricted	522,095
Permanently Restricted	1,136,756
	<hr/>
Total Net Assets	<u>2,333,983</u>
	<hr/>
Total Liabilities and Net Assets	<u><u>\$2,389,319</u></u>

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

North Central State College Foundation, Inc.
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS</u>				
Contributions	\$10,339	\$213,207	\$75,735	\$299,281
Investment income, including realized and unrealized gains and losses, net	(13,933)	39,455	(61,039)	(35,517)
Richland County Foundation Revenue	43,490	0	0	43,490
Fundraising Revenue	114,408	0	0	114,408
Other Revenue	0	0	10,000	10,000
Net assets released from restrictions	125,858	(125,858)	0	0
	<u>280,162</u>	<u>126,804</u>	<u>24,696</u>	<u>431,662</u>
<u>EXPENSES</u>				
Program Services:				
Scholarships	84,930	0	0	84,930
Entrepreneur Hall of Fame	10,340	0	0	10,340
Professional development	43,600	0	0	43,600
Personnel reimbursement	56,831	0	0	56,831
Management and General:				
Investment Expense	5,464	6,400	56	11,920
Fundraising	108,648	0	0	108,648
Materials and Supplies	11,581	0	0	11,581
Contractual Services	10,000	0	0	10,000
Outreach Fund	5,063	0	0	5,063
Other Expense	28,567	0	0	28,567
	<u>365,024</u>	<u>6,400</u>	<u>56</u>	<u>371,480</u>
Changes in Net Assets	(84,862)	120,404	24,640	60,182
Net Assets, Beginning of Year	759,994	401,691	1,112,116	2,273,801
Net Assets, End of Year	<u>\$675,132</u>	<u>\$522,095</u>	<u>\$1,136,756</u>	<u>\$2,333,983</u>

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

North Central State College Foundation, Inc.
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2008

Cash Flows from Operating Activities:	
Change in net assets	\$60,182
Adjustments to reconcile net assets to net cash used for operating activities:	
Decrease in contributions receivable	12,951
Increase in emergency loan receivable	(124)
Decrease in prepaid expenses	15,926
Decrease in accounts payable	(71,131)
Increase in deferred revenue	7,275
Contributions restricted for investment in endowment	(24,640)
Net unrealized and realized gains on investments	<u>47,289</u>
Total adjustments	<u>(12,454)</u>
Net cash used for operating activities	47,728
Cash flows from financing activities:	
Proceeds from contributions restricted for investment in endowment	<u>24,640</u>
Net cash provided by financing activities	<u>24,640</u>
Net increase in cash and cash equivalents	72,368
Cash and cash equivalents at beginning of year	<u>118,092</u>
Cash and cash equivalents at end of year	<u><u>\$190,460</u></u>

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

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

1. DESCRIPTION OF THE FOUNDATION

North Central State College Foundation, Inc. (the Foundation) financial statements have been prepared on an accrual basis of accounting. The Foundation is a not-for-profit organization established in accordance with Section 501(c)(3) of the Internal Revenue Code. The Foundation operates under a Board of Trustees who is appointed, not to be less than twelve, but not to exceed forty members. The Foundation is organized primarily to engage in activities and programs to provide support and services to the North Central State College (the College).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributions

The Foundation reports contributions in accordance with Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. SFAS No. 116 requires that unconditional promises to give, with payments due in future periods, be recorded as receivables and support in either unrestricted, temporarily restricted, or permanently restricted net assets as appropriate in the period received at their net present value. The accumulated discount of net present value of the pledge is accounted for as contribution income of the related class of net assets. Conditional promises to give are not recorded as support until the condition upon which they depend has been substantially met by the Foundation.

Financial Statement Presentation

SFAS No. 117, *Financial Statements of Not-For-Profit Organizations*, requires that the amounts for each of three classes of net assets: unrestricted, temporarily restricted and permanently restricted, be presented in an aggregated statement of financial position and that the amounts of changes in each of those classes of net assets be presented in a statement of activities. This statement requires that resources be classified into three net asset categories according to donor-imposed restrictions. A description of each of the categories is as follows:

Unrestricted Net Assets

Assets which are free of donor-imposed restrictions; all revenues, expenses, gains and losses that are not changes in temporarily or permanently restricted net assets.

Temporarily Restricted Net Assets

Assets which include gifts and pledges receivable for which donor-imposed restrictions have not been met and for which the ultimate purpose of the proceeds are not permanently restricted.

Permanently Restricted Assets

Assets that are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity. The income from these assets is included in the investment income of unrestricted and restricted funds, as appropriate, in the accompanying Statement of Activities.

When a donor restriction expires, that is, when a stipulated time restriction expires or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Investments

The Foundation reports investments in accordance with SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Investments in marketable securities with readily determined fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets. Investments of the unrestricted, temporarily restricted, and permanently restricted funds are pooled for making investment transactions and are carried at market value. Interest and dividend income, as well as realized and unrealized gains and losses, are allocated to unrestricted, temporarily restricted, and permanently restricted funds.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Service and Facilities

The Foundation has no employees or property (other than cash and investments). Substantially all clerical and management duties are presently performed by business office personnel who are employees of North Central State College, utilizing equipment and facilities of North Central State College.

For accounting purposes, the value of facilities is considered immaterial and it has not been recognized in the financial statements. However, the value of the services provided by College personnel have been recognized in the Statement of Activities as personnel reimbursement expenses.

Contributions Receivable

Contributions received, including unconditional promises to give, are recognized as revenue by net asset class when the donor's commitment is received. Unconditional promises are recognized at the estimated present value of the future cash flows, net of allowances (fair value). Promises designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted. Conditional promises are recorded when donor stipulations are substantially met. The Foundation requires an initial minimum balance of \$5,000 to establish a scholarship fund. The policy allows a period, generally not to exceed 48 months, for the accumulation of contributions and interest to meet the minimum \$5,000 requirement.

Prepaid Expenses

Certain payments to vendors for fundraising activities reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets acquired by the Foundation consist of office equipment. All expenditures for capital assets in excess of \$1,000 are capitalized. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets not to exceed ten years. All capital assets of the Foundation are fully depreciated.

Deferred Revenue

Deferred revenue results from various fundraising activities. It represents amounts received from sponsors, vendors, and sales of admission tickets in advance. Deferred revenue is recognized as revenue in the period that the fundraising activity actually occurs.

Estimates

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

3. INVESTMENTS

The various investments in fixed income securities, mutual funds and other investment securities are exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities could occur in the near term and those changes could materially affect the amounts reported in the financial statements.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

3. INVESTMENTS (Continued)

At June 30, 2008, investments consisted of the following:

	Market/ Carrying Value	Maturity			
		Less than One Year	1-2 Years	3-5 Years	6-7 Years
Money Market Investments –					
U.S. Government Obligations	\$388,551	\$388,551	\$0	\$0	\$0
State and Municipal Bonds	147,721	147,721	0	0	0
Hedge Exchange Fund	9,405	9,405	0	0	0
Mutual Funds - Fixed Income Corporations	285,082	99,696	50,497	99,077	35,812
Mutual Funds - Equity Securities	1,089,603	1,089,603	0	0	0
Total	\$1,920,362	\$1,734,976	\$50,497	\$99,077	\$35,812

4. CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are included in the financial statements as contributions receivable and contributions of the appropriate net asset category. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount rate on those amounts is computed using a risk free interest rate applicable to the years in which the promises are to be received. The discount rate used for the year ended June 30, 2008 was 3.25%. The amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until conditions of those promises have been met.

Contributions receivable consisted of the following at June 30, 2008:

Unconditional promises to give before unamortized discount and allowance for uncollectible contributions:

Temporarily restricted	\$13,000
Permanently restricted	10,000
Gross unconditional promises to give	<u>23,000</u>
Less: Unamortized discount	(652)
Less: Allowance for uncollectible contributions	<u>(2,300)</u>
Net unconditional promises to give	<u>\$20,048</u>
Amounts due:	
Less than one year	<u>\$20,048</u>

5. TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by donors.

Scholarships for Students	\$82,258
Other Expense	<u>43,600</u>
Total Released Net Assets	<u>\$125,858</u>

Temporarily and permanently restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose. Temporarily restricted net assets are available for providing scholarships to the College's students, providing professional development funds to the College staff and purchasing equipment for the benefit of the College. Permanently restricted net assets are restricted to investment in perpetuity and the income from which is expendable for scholarships to the College's students.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

5. TEMPORARILY RESTRICTED NET ASSETS (Continued)

The different types of temporarily restricted net assets are classified as follows:

<u>Scholarships for Students:</u>	
ADA Ford Educational Aid	\$2,997
Brown Scholarship	500
Carter Memorial Scholarship	1,309
Cobey Scholarship	900
Computer Center	1,492
Emerson Scholarship	4,500
Equipment	7,265
Faculty Scholarship	1,347
FYE Textbooks	710
G-R Civic Scholarship	900
Garber Scholarship	1,200
General NC State Scholarships	6,604
Gimbel-Health Chair	17,117
Gimble Scholarships	28,449
Gorman Fund	30,999
Gorman-Rupp Scholarship	3,000
Gubkin Scholarship	800
Kroger Scholarship	1,000
Haring Scholarship	2,000
Innovation Fund	69,533
KMU Scholarship	550
Mansfield University	5,931
McDonalds Scholarships	500
Nursing Scholarship	11,000
Orange and Blue Scholarship	3,000
Paralegal Library	321
Pres Emeritus Scholarship	1,000
Preston Scholarship	1,450
Professional Development	906
Rable Machine Scholarship	1,998
Welsh Scholarship	2,550
Tech Prep	9,522
YES Scholarship	3,000
Other (Receivable Pledges)	47,745
Richland County Foundation	250,000
Total Temporarily Restricted	<u><u>\$522,095</u></u>

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

6. PERMANENTLY RESTRICTED NET ASSETS

Endowment Scholarships for Students:

ADA Ford Educational Aid Fund	\$20,000
Brown Scholarship	8,020
Cardwell Endowment	5,911
Carter Memorial Endowment	32,103
Cobey Scholarship	23,257
Emerson Scholarship	114,440
Faculty Scholarship	11,679
G-R Civic Scholarship	23,101
Galion FOP	7,645
Garber Scholarship	33,465
Gimble Health Chair	240,962
Gorman-Rupp Scholarship	60,070
Gubkin Scholarship	8,148
Haring Scholarship	24,950
KMU Scholarship	6,922
Kroger Scholarship	36,567
NCOBDC Scholarship	2,533
Neer Scholarship	2,674
Nursing Scholarship	249,043
Orange and Blue Scholarship	73,868
Presidents Emeritus Endowment	21,088
Preston Endowment	35,491
Respiratory Care Endowment	1,441
Welsh Scholarship	55,365
Williams Human Services Fund	1,218
Entrepreneur Endowment (Y.E.S.)	30,078
Restricted Contributions	<u>6,717</u>
Total Permanently Restricted	<u><u>\$1,136,756</u></u>

7. RICHLAND COUNTY FOUNDATION

During 1991, the Foundation established a "Direct Fund" in which an irrevocable gift was made to the Richland County Foundation. This fund is identified by the Richland County Foundation as the North Central State College Foundation "Endowment Fund" and is subject to the provisions contained within the fund agreement dated December 31, 1991. This fund is the property of the Richland County Foundation, whereby, those funds will be held in perpetuity, and the investment income will be distributed to the Foundation annually to benefit the North Central State College. One of the provisions in this fund agreement, the variance power, concerns the power to vary some of the terms of the agreement. As defined by United States Treasury Regulations, the Richland County Foundation has the right to modify the terms of the fund agreement if in the judgment of the Richland County Foundation's Board of Trustees, the restrictions and conditions in the agreement become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

North Central State College Foundation, Inc.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2008

7. RICHLAND COUNTY FOUNDATION (Continued)

In accordance with SFAS No. 136, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Hold Contributions for Others*, the portion of this fund contributed by the Foundation is considered a reciprocal transfer because the Foundation is also the beneficiary of this fund. This balance is shown on the Richland County Foundation's Statement of Financial Position as a liability called "Funds Held as Agency Endowments". This amounted to \$250,000 at June 30, 2008.

Also, under SFAS No. 136, the portion of this fund contributed by unrelated third party donors is considered a contribution to the Richland County Foundation and is included in the net assets of Richland County Foundation. The amount recognized in the Statement of Financial Position of the Richland County Foundation at June 30, 2008 totaled \$284,003.

8. INCOME TAXES

The Foundation is a not-for-profit corporation as described in Section 501 (c) (3) of the Internal Revenue Code, and the organization is exempt from federal and state income taxes.

9. RELATED PARTY

As described in Note 1, the Foundation is affiliated with the College. During the year ended June 30, 2008, the College provided the Foundation with professional services valued at \$56,831. The value of those services are included as personnel reimbursement expenses in the financial statements.

During the year ended June 30, 2008, the Foundation provided scholarships and support to the College of \$84,930.

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Piketon, Ohio 45661

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www.bhscpas.com

Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants

Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

North Central State College Foundation, Inc.
Board of Trustees
2441 Kenwood Circle
Mansfield, Ohio 44903

We have audited the financial statements of the North Central State College Foundation, Inc., Richland County, Ohio (the Foundation) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 17, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Foundation's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Foundation's internal control will not prevent or detect a material financial statement misstatement.

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

North Central State College Foundation, Inc.

Board of Trustees

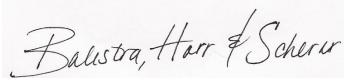
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Page 2

Compliance and Other Matters

As part of reasonably assuring whether the Foundation's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.

December 17, 2008



Mary Taylor, CPA
Auditor of State

NORTH CENTRAL STATE COLLEGE FOUNDATION, INC.

RICHLAND COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2009**