



Dave Yost • Auditor of State

February 7, 2011

Liberty Local School District
Trumbull County
4115 Shady Road
Youngstown, Ohio 44505

To Ms. Tracey Obermeyer, Treasurer, and Mr. Stan Watson, Superintendent:

As part of our regular audit of Liberty Local School District for the period July 1, 2009 through June 30, 2010, we have determined that the condition of your financial records is not adequate to finish our audit. We have been unable to obtain the following information:

- Bank reconciliations for the entire period
- Bank statements for July and August 2010.
- GAAP financial Statements and related Footnotes for FY10
- Budgetary Documentation (i.e. Certificates of Estimated Resources, Appropriations) to be filed with the County Budget Commission for FY10.

Consequently, we consider the financial records unauditible pursuant to Ohio Rev. Code Section 117.41.

Within ninety days from the date of this letter, you must revise your financial records and provide the data necessary to complete our audit. Failure to bring your accounts, records, and reports into an auditible condition within ninety days may result in legal action pursuant to Ohio Rev. Code Section 117.42. This action may result in the Attorney General issuing a subpoena for you, Ms. Obermeyer and Mr. Watson, to appear in our office to explain your failure to bring your accounts, records, and reports into an auditible condition. Additionally, the Attorney General may file suit to compel you to prepare and/or produce the necessary information to complete an audit.

Should you require assistance in correcting these deficiencies, Liberty Local School District may contact the Auditor of State's Local Government Services (LGS) division or an independent accounting firm to obtain the necessary help. However, we will not

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consider your failure to act in a timely manner or their inability to meet your schedule as a mitigating factor to extend the 90 day period.

Should you desire LGS' assistance, we would require assurance that their involvement did not impair our independence. We would be pleased to discuss safeguards with you we can apply to maintain our independence.

If you have any questions, please contact us at (330) 797-9900.

Sincerely,

Dave Yost
Auditor of State



Martin R. Kubic, CPA
Chief Auditor, Youngstown Region

cc: Robert Hinkle, Auditor of State Chief Deputy Auditor
Bill Owen, Auditor of State Chief Legal Counsel
Kevin Saionzkowski, Chief Auditor Special Audits Section
Nita Hendryx, Chief Project Manager Local Government Services
Susan Babbitt, Clerk of the Bureau
Diana DeVito, President, Board of Education, Liberty Local School District
Dennis Watkins, Trumbull County Prosecuting Attorney