

Audit Highlights

Annual Financial Report
Obion County School Department
For the Year Ended June 30, 2003

Scope

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Obion County School Department as of and for the year ended June 30, 2003.

Results

Our report on Obion County School Department's financial statements expresses an adverse opinion because government-wide financial statements are not presented in accordance with Governmental Accounting Standards Board Statement No. 34.

Our audit resulted in three findings and recommendations, which we have reviewed with Obion County School Department's management. These findings and recommendations are included in the Single Audit Report.

The following are summaries of the audit findings:

OBION COUNTY SCHOOL DEPARTMENT:

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.
- ◆ The transportation supervisor is part owner of a local charter bus service. During the audit period, \$3,269 was paid to this charter bus service. The transportation supervisor oversees group trips taken by the school system and is the contact person for reserving school buses for various trips. When spare buses are not available for trips, charter buses are used.
- ◆ The Career Technology Center did not maintain inventory records and controls over assets owned by the School Department. Equipment and tools owned by the School Department were not identified by property tags or other means of identification. Also, procedures were not in place to ensure that personnel independent of maintaining inventory records were responsible for identifying equipment and tools owned by the Technology Center and teachers.

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