

Audit Highlights

Annual Financial Report
Warren 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 Warren County School Department as of and for the year ended June 30, 2003.

Results

Our report on Warren 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 four findings and recommendations, which we have reviewed with Warren County management. Detailed findings, recommendations, and management's responses are included in the Single Audit report.

The following are summaries of the audit findings:

WARREN COUNTY SCHOOL DEPARTMENT:

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.
- ◆ Deficiencies were noted in the administration of the extended school program. Employees' duties were not adequately segregated, collections were not deposited in compliance with state statutes, a formal write-off policy was not established, and checks were not restrictively endorsed at the time of collection.
- ◆ School Department officials had not adopted a central system of accounting, budgeting, and purchasing.
- ◆ Duties were not segregated adequately among employees at the Central Office.

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