

# ***Audit Highlights***

Annual Financial Report  
Lawrence County School Department  
For the Year Ended June 30, 2004

## ***Scope***

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Lawrence County School Department as of and for the year ended June 30, 2004.

## ***Results***

Our report on Lawrence 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 Lawrence County School Department management. Detailed findings, recommendations, and management's responses are included in the Single Audit Report.

The following are summaries of the audit findings:

### **LAWRENCE COUNTY SCHOOL DEPARTMENT:**

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.
- ◆ The department limited bid specifications to a particular make, model, or manufacturer for the purchase of vocational equipment and heating/air-conditioning units, violating the intent of the competitive bid law.
- ◆ Expenditures exceeded appropriations in the Central Cafeteria Fund by \$19,175.

*State of Tennessee*  
*Comptroller of the Treasury*  
*Department of Audit*  
*Division of County Audit*