

# STATE OF FLORIDA AUDITOR GENERAL DAVID W. MARTIN, CPA



## Summary

**Report Number:** [2011-122](#)

**Report Title:** **Martin County District School Board – Federal Single Audit**

**Report Period:** **FYE 06/30/2010**

**Release Date:** **03/04/2011**

### Summary of Report on Financial Statements

The District's basic financial statements, as of and for the fiscal year ended June 30, 2010, were presented fairly, in all material respects, in accordance with prescribed financial reporting standards. Our report on the District's financial statements is included in the District's [Comprehensive Annual Financial Report](#) for the fiscal year ended June 30, 2010, issued by the Martin County District School Board.

### Summary of Report on Internal Control and Compliance

Our audit did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* issued by the Comptroller General of the United States.

### Summary of Reports on Federal Awards

Information on the Schedule of Expenditures of Federal Awards (SEFA) is presented for purposes of additional analysis and is not a required part of the District's basic financial statements. Information on the SEFA is fairly stated, in all material respects, in relation to the District's basic financial statements taken as a whole.

We audited the District's Federal awards for compliance with applicable Federal requirements. The Title I, Part A Cluster; Special Education Cluster; State Fiscal Stabilization Fund Cluster; and Head Start programs were audited as major Federal programs. The results of our audit indicated that the District materially complied with the requirements that were applicable to the major Federal programs tested. However, we did note noncompliance and control deficiency findings as summarized below.

**Federal Awards Finding No. 1:** Improvements were needed in District procedures for reporting program information and related expenditures on the Schedule of Expenditures of Federal Awards.

**Federal Awards Finding No. 2:** The District needed to enhance its procedures to ensure that enrollment levels are maintained in accordance with Federal requirements for the Head Start program.

**Federal Awards Finding No. 3:** Certain salary and benefit costs were inappropriately charged to the Head Start program, resulting in \$6,369.03 of questioned costs.

### Audit Objectives and Scope

Our audit objectives were to determine whether the Martin County District School Board and its officers with administrative and stewardship responsibilities for District operations had:

- Presented the District's basic financial statements in accordance with generally accepted accounting principles;

- Established and implemented internal control over financial reporting and compliance with requirements that could have a direct and material effect on the financial statements or on a major Federal program;
- Complied with the various provisions of laws, rules, regulations, contracts, and grant agreements that are material to the financial statements, and those applicable to the District's major Federal programs.

#### Audit Methodology

The methodology used to develop the findings in this report included the examination of pertinent District records in connection with the application of procedures required by auditing standards generally accepted in the United States of America, applicable standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and Office of Management and Budget *Circular A-133*.

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**Management's response is included in the audit report as Exhibit A.**