

SOUTHERN WORCESTER COUNTY
REGIONAL VOCATIONAL SCHOOL DISTRICT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND INDEPENDENT AUDITORS' REPORTS REQUIRED
UNDER THE SINGLE AUDIT ACT AMENDMENTS OF 1996**

FOR THE YEAR ENDED JUNE 30, 2009

**SOUTHERN WORCESTER COUNTY REGIONAL VOCATIONAL SCHOOL DISTRICT
SINGLE AUDIT
TABLE OF CONTENTS**

	<u>PAGE</u>
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Schedule of Expenditures of Federal Awards	3
Notes to the Schedule of Expenditures of Federal Awards	4
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	5-6
Schedule of Findings and Questioned Costs	7
Summary Schedule of Prior Audit Findings	8

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the School Committee
Southern Worcester County Regional Vocational School District
Charlton, Massachusetts

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining information of the Southern Worcester County Regional Vocational School District, as of and for the fiscal year ended June 30, 2009, which collectively comprise the Southern Worcester County Regional Vocational School District's basic financial statements and have issued our report thereon dated October 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Southern Worcester County Regional Vocational School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Southern Worcester County Regional Vocational School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Southern Worcester County Regional Vocational School District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Southern Worcester County Regional Vocational School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Southern Worcester County Regional Vocational School District's financial statements that is more than inconsequential will not be prevented or detected by the Southern Worcester County Regional Vocational School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Southern Worcester County Regional Vocational School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Southern Worcester County Regional Vocational School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we have reported to management of the Southern Worcester County Regional Vocational School District in a separate letter dated October 23, 2009.

This report is intended for the information and use of the Southern Worcester County Regional Vocational School District's School Committee, management, and federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Scanlon & Associates, LLC

October 23, 2009

**SOUTHERN WORCESTER COUNTY REGIONAL VOCATIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Pass-Through Grantor/ Program Title	State/ Pass-Through Identification Number	Federal CFDA Number	Federal Awards Expended
U. S. Department of Agriculture			
Passed Through Commonwealth of Massachusetts			
Department of Elementary and Secondary Education:			
School Lunch Commodities	14-054-2	10.550	\$ 17,992
School Breakfast Program	14-054-2	10.553	11,669
National School Lunch Program	14-054-2	10.555	<u>107,217</u>
Total U. S. Department of Agriculture			<u>136,878</u>
U. S. Department of Education			
Passed Through Commonwealth of Massachusetts			
Department of Elementary and Secondary Education:			
Title I - 2008	305-029-8-0876-I	84.010	33,178
Title I - 2009	305-167-9-0876-J	84.010	148,924
Title I - 2009	305-468-9-0876-J	84.010	2,778
Special Education PL 94-142 Allocation - 2008	240-105-8-0876-I	84.027	13,953
Special Education PL 94-142 Allocation - 2009	240-099-9-0876-J	84.027	256,551
Special Education Program Improvement - 2009	274-177-9-0876-J	84.027	3,536
Occupational Education - Vocational Skills - 2008	400-021-8-0876-I	84.048	6,511
Occupational Education - Vocational Skills - 2009	400-029-9-0876-J	84.048	165,160
Enhanced Education Through Technology - 2009	160-275-9-0876-J	84.318	1,778
Teacher Quality-2008	140-177-8-0876-I	84.367	8,078
Teacher Quality-2009	140-358-9-0876-J	84.367	26,667
Teacher Quality-2009	140-348-9-0876-J	84.367	1,527
Emergency Recovery Program (ARRA) - 2009	782-303-9-0876-J	84.394	<u>971,556</u>
Total U. S. Department of Education			<u>1,640,197</u>
U. S. Department of Health and Human Services			
Passed Through Tri-Valley Elder Services, Inc.:			
Special Programs for the Aging - Title III, Part C - Nutrition Services		93.045	<u>3,782</u>
Total U. S. Department of Health and Human Services			<u>3,782</u>
TOTAL FEDERAL AWARDS EXPENDED			<u><u>\$1,780,857</u></u>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**SOUTHERN WORCESTER COUNTY REGIONAL VOCATIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2009**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Southern Worcester County Regional Vocational School District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

To the School Committee
Southern Worcester County Regional Vocational School District
Charlton, Massachusetts

Compliance

We have audited the compliance of the Southern Worcester County Regional Vocational School District with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Southern Worcester County Regional Vocational School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Southern Worcester County Regional Vocational School District's management. Our responsibility is to express an opinion on the Southern Worcester County Regional Vocational School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Southern Worcester County Regional Vocational School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Southern Worcester County Regional Vocational School District's compliance with those requirements.

In our opinion, the Southern Worcester County Regional Vocational School District, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Southern Worcester County Regional Vocational School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Southern Worcester County Regional Vocational School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Southern Worcester County Regional Vocational School District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining information of the Southern Worcester County Regional Vocational School District, as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated October 23, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Southern Worcester County Regional Vocational School District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements of the Southern Worcester County Regional Vocational School District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information of the management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Scanlon & Associates, LLC

October 23, 2009

**SOUTHERN WORCESTER COUNTY REGIONAL VOCATIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified not considered to be a material weakness?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified not considered to be a material weakness?	None Reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.394	U. S. Department of Education - State Fiscal Stabilization Fund - Education State Grants, Recovery Act

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as a low-risk auditee?	No

Section II - Financial Statement Findings

There are no material weaknesses or significant deficiencies in internal control over financial reporting noted.

Section III - Federal Award Findings and Questioned Costs

Status of Prior Year's Audit Finding is summarized on the following page.

**SOUTHERN WORCESTER COUNTY REGIONAL VOCATIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009**

**Finding 2008-1: Significant Deficiency in Internal Control Over Compliance –
Allowable Costs/Cost Principles – U. S. Department of Education Grants –
Required Time and Effort Certifications**

Prior Year Comment:

The finding cited the District for not obtaining time and effort certifications for employees paid from Federal grants.

Status:

The District is currently obtaining time and effort certifications each month from employees who are paid partially from Federal grants and semi-annually from employees who are paid entirely from Federal grants.

The finding has been rectified.