

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
MAINE STATE STATUTE REQUIREMENTS

School Committee and Management
Millinocket School Department

We have audited the fund financial statements of each major fund and the aggregate remaining fund information of Millinocket School Department as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Millinocket School Department's basic financial statements. We issued our report thereon dated December 12, 2014, which contained unmodified opinions on those financial statements.

As part of obtaining reasonable assurance about whether Millinocket School Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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.

In connection with that audit we:

1. Considered whether the School Department has complied with budget content requirements of section 15693.
2. Considered whether the School Department has complied with transfer limitations between budget cost centers pursuant to section 1485.
3. Considered whether the School Department has exceeded its authority to expend funds.
4. Considered whether the School Department has complied with the applicable provisions of the unexpended balances requirements established under section 15004.
5. Reviewed the annual financial data submitted to the Department of Education and reconciled it to the audited financial statement totals (see attached *Schedule of Reconciliation of the MEDMS Financial System with Audited Financial Statements*).
6. Considered whether the School Department was in compliance with applicable provisions of the Essential Programs and Services Funding Act.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. Nothing came to our attention to indicate the School Department had not complied with the above listed items (items #1 - #6).

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying *Schedule of Reconciliation of the MEDMS Financial System with Audited Financial Statements* is presented for purposes of additional analysis as required by regulation of the Maine Department of Education and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Schedule of Reconciliation of the MEDMS Financial System with Audited Financial Statements* is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and regulations of the Maine Department of Education in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.



December 12, 2014
South Portland, Maine

TOWN OF MILLINOCKET SCHOOL DEPARTMENT
Schedule of Reconciliation of MEDMS Financial Systems with the Audited Financial Statements
For the Year Ended June 30, 2014

	General	School Categorical Programs	School Lunch	Summer Nutrition	Capital Projects	Adult Education
Revenues and transfers in:						
Per MEDMS	\$ 6,223,255.76	798,550.77	311,229.47	15,868.40	-	6,693.00
Adjustments:						
Add in Title 1A - CIPS	-	6,900.00	-	-	-	-
Adjusted MEDMS balance	6,223,255.76	805,450.77	311,229.47	15,868.40	-	6,693.00
Per fund financial statements (Exhibits A-2, B-2 and Schedule 1)	6,223,257.00	805,450.00	311,229.00	15,868.00	-	6,693.00
Variances	\$ (1.24)	0.77	0.47	0.40	-	-

	General	School Categorical Programs	School Lunch	Summer Nutrition	Capital Projects	Adult Education
Expenditures and transfers out:						
Per MEDMS	\$ 6,108,852.93	812,058.57	317,699.86	16,172.03	-	6,692.51
Adjustments:						
Add in Fund 6500 Superintendent Office	-	2,402.00	-	-	-	-
Account for International Student Program not included in upload	-	1,289.00	-	-	-	-
Adjusted MEDMS balance	6,108,852.93	815,749.57	317,699.86	16,172.03	-	6,692.51
Per fund financial statements (Exhibits A-2, B-2 and Schedule 1)	6,108,464.00	815,753.00	317,699.00	16,172.00	-	6,693.00
Variances	\$ 388.93	(3.43)	0.86	0.03	-	(0.49)

See accompanying auditors report.

Reconciliation between financial statements and MEDMS report:

Revenues	\$ 6,223,257.00	805,450.00	296,229.00	15,868.00	-	-
Transfers in	-	-	15,000.00	-	-	6,693.00
Total revenues	6,223,257.00	805,450.00	311,229.00	15,868.00	-	6,693.00
Expenditures	6,086,771.00	815,753.00	317,699.00	16,172.00	-	6,693.00
Transfers out	21,693.00	-	-	-	-	-
Total expenditures	6,108,464.00	815,753.00	317,699.00	16,172.00	-	6,693.00
Net transfers in (out)	(21,693.00)	-	15,000.00	-	-	6,693.00