

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2013**

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SINGLE AUDIT REPORT  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

To the Board of Education  
Port Jefferson Union Free School District

**Report on Compliance for Each Major Federal Program**

We have audited the Port Jefferson Union Free School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Port Jefferson Union Free School District's major federal programs for the fiscal year ended June 30, 2013. The Port Jefferson Union Free 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Port Jefferson Union Free School District's major federal programs based on our audit of the types of compliance requirements referred to above. 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; and 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 Port Jefferson Union Free 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Port Jefferson Union Free School District's compliance.

## ***Opinion on Each Major Federal Program***

In our opinion, Port Jefferson Union Free School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2013.

## **Report on Internal Control over Compliance**

Management of Port Jefferson Union Free School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Port Jefferson Union Free School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Port Jefferson Union Free School District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, each major fund, and the fiduciary funds of Port Jefferson Union Free School District as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Port Jefferson Union Free School District's basic financial statements. We issued our report thereon dated October 1, 2013, which contained unmodified opinions on those financial statements. 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 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. 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 expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*R.S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP

Islandia, NY

December 20, 2013

(except for our report on the schedule of expenditures of federal awards, for which the date is October 1, 2013)

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Agency or Pass-through Number	Expenditures	Total Expenditures by CFDA Number
<b>United States Department of Energy</b>				
Passed Through New York State, Energy Research and Development Authority				
ARRA - State Energy Program	81.041	18912	\$ 55,008	\$ 55,008
<b>United States Department of Homeland Security</b>				
Passed Through NYS Division of Homeland Security and Emergency Services				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4085-DR-NY	31,748	31,748
<b>United States Department of Education</b>				
Passed Through New York State, Department of Education:				
Special Education Cluster				
Special Education Grants to States (IDEA, Part B)	84.027	0032-13-0881	277,629	277,629
Special Education Pre-School Grants (IDEA PreSchool)	84.173	0033-13-0881	5,583	5,583
Total Special Education Cluster			283,212	
Title I Grants to Local Educational Agencies	84.010	0021-13-2980	74,129	74,129
Improving Teacher Quality State Grants	84.367	0147-13-2980	40,545	40,545
ARRA - State Fiscal Stabilization Fund-Race to the Top Incentive Grants, Recovery Act	84.395	5500-13-2980	1,920	1,920
Total Department of Education				399,806
<b>United States Department of Agriculture</b>				
Passed Through New York State, Department of Education				
Child Nutrition Cluster				
Non-Cash Assistance (food distribution)				
National School Lunch Program	10.555	N/A	11,277	
Cash-Assistance				
National School Lunch Program	10.555	N/A	28,788	40,065
Special Milk Program for Children	10.556	N/A	1,960	1,960
Total Department of Agriculture				42,025
<b>Total Federal Awards Expended</b>				<b>\$ 528,587</b>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Port Jefferson Union Free School District under programs of the federal government for the fiscal year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Port Jefferson Union Free School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the Port Jefferson Union Free School District.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The value of food commodities was calculated using the U.S. Department of Agriculture's Food and Nutrition Service commodity price lists. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. Pass-through entity identifying numbers are presented where available.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented.

Matching costs (the Port Jefferson Union Free School District's share of certain program costs) are not included in the reported expenditures.

**3. SUBRECIPIENTS:**

No amounts were provided to subrecipients.

**4. OTHER DISCLOSURES:**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the Port Jefferson Union Free School District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**PART I SUMMARY OF AUDITORS' RESULTS**

***Financial Statements***

Type of auditors' opinion(s) issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes   x   no

Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   x   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   x   no

***Federal Awards***

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes   x   no

Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   x   none reported

Type of auditors' opinion(s) issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes   x   no

Identification of major programs:

<u>Name of federal program</u>	<u>CFDA Number</u>
Special Education Grants to States (IDEA, Part B)	84.027
Special Education Preschool Grants (IDEA Preschool)	84.173

Dollar threshold used to distinguish between Type A and Type B Programs \$300,000

Auditee qualified as low risk? \_\_\_\_\_   x   yes \_\_\_\_\_ no



**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**PART II      FINANCIAL STATEMENT FINDINGS**

There are no financial statement findings to be reported.

**PART III      FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There are no federal award findings or questioned costs to be reported.

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

There were no prior year audit federal award findings or questioned costs.

**PORT JEFFERSON UNION FREE SCHOOL DISTRICT  
CORRECTIVE ACTION PLAN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

A corrective action plan for fiscal year ended June 30, 2013 is not required.