



Management and the Board of Directors
School District No. 509J
Jefferson County, Oregon

While planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County School District No. 509J (the District), as of and for the year ended June 30, 2015, we noted certain immaterial matters. These matters are summarized in this letter.

Bus purchased without purchase order

One of the key internal controls over disbursements is the use of the purchase order system. During our audit, we noted a bus was purchased and delivered by the dealer without an authorized purchase order in the system. We noted the purchase of the bus was budgeted for, but District policy states all purchases must first be authorized for purchase order, regardless of budget authority. We recommend the District communicate with staff about the importance of complying with District purchasing internal controls.

Compliance with ODE reporting deadlines

This is a continuing comment from the prior year. ODE requires annual reporting of transportation data as part of the State School Fund calculation. As part of our audit, we are required to test compliance with these calculations. The report for FY 2014-15 was not timely submitted to ODE. In addition to not complying with an established due date, as we are required to audit the information on this form, the fact that it was not prepared timely impacted the timing of our audit procedures. We recommend management make it a priority to ensure the transportation department complete this information in a timely manner and adhere to all due dates established by ODE.

The matters included in this letter are no considered to be a significant deficiency or material weakness in internal control. We identified these issues during our audit fieldwork and as a result of our risk assessment procedures and not all deficiencies or weaknesses may have been identified.

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

SGA CPAs & Consultants, LLP

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October 16, 2015