

**OBION COUNTY BOARD OF EDUCATION  
UNION CITY, TENNESSEE**

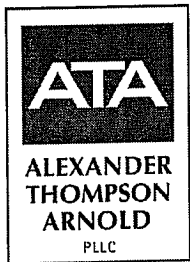
**AGREED UPON PROCEDURES: SCHOOL CAFETERIAS**

***For the Year Ended June 30, 2009***

OBION COUNTY BOARD OF EDUCATION  
UNION CITY, TENNESSEE  
AGREED UPON PROCEDURES: SCHOOL CAFETERIAS  
For the Year Ended June 30, 2009

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Governmental Audit Quality Center – AICPA  
Tennessee Society of Certified Public Accountants  
Center for Public Company Audit Firms  
Employee Benefit Plan Audit Quality Center – AICPA

[www.atacpa.net](http://www.atacpa.net)

Mr. David Huss, Director of Schools  
Obion County Board of Education  
Union City, Tennessee 38261

We have performed the procedures enumerated in Schedule A, which were agreed to by Obion County Board of Education, solely to assist you with respect to Obion County School Cafeterias for the year ended June 30, 2009. Obion County Board of Education's management is responsible for Obion County School Cafeterias. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in Schedule A, either for the purpose for which this report has been requested or for any other purpose.

The information listed as supporting schedules, pages 4 through 7, in the table of contents is presented for the purposes of additional analysis. We did not audit the supplementary information and express no opinion on it.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

*Alexander Thompson Arnold PLLC*

Martin, Tennessee  
September 4, 2009

Martin, TN  
Dyersburg, TN  
Fulton, KY  
Henderson, TN  
Jackson, TN

Milan, TN  
McKenzie, TN  
Paris, TN  
Trenton, TN  
Union City, TN

**OBION COUNTY BOARD OF EDUCATION  
UNION CITY, TENNESSEE  
SCHEDULE A – SCHEDULE OF AGREED-UPON PROCEDURES  
- SCHOOL CAFETERIAS  
For the Year Ended June 30, 2009**

Schedule A

Procedures performed at 25% of schools in the system.

1. We have made a random count of inventory items and those items were physically counted and checked to the cafeteria's control sheets.
2. The temperature of the coolers, refrigerators and freezers were checked for proper cooling at the time of our visit.
3. We have written a short summary of daily operations. The cafeteria manager described a typical day as one of our first procedures, and then we observed the operations.
4. We counted the number of children's plate lunches served and compared our physical count with the computer generated number of children's plate lunches
5. We compared the number of approved applicants to the number of free and reduced price meals served, as well as applications randomly selected for verification, for eligibility and proper approval.
6. We inquired as to the adequate safeguarding of inventory, such as proper storage in locked rooms, being inaccessible to unauthorized persons, and to unauthorized persons, and whether items are received short damaged or spoiled. Also, we inquired if items are used on a first-in, first-out basis. Dates were randomly observed on items to determine if they have been in storage for long period of time.
7. We examined the plates of children's lunches to see if they comply with USDA minimum meal pattern requirements for food components. We requested a copy of a menu for at least a week to determine if meals were planned with necessary components
8. Bank account balances have been reconciled, if needed, and confirmed. We examined all canceled checks to verify that all checks were made payable to the central office.
9. We have performed tests on deposits to ensure that the school cafeterias were in compliance with the three-day deposit requirement.

Procedures for all school cafeterias:

10. Collection reports have been reviewed to ensure that the number of children served was recorded by lunch breakfast or snack, and by eligibility (free, reduced, and full pay). This information was then compared to the central office's consolidated report, Claim for Reimbursement that is submitted to the state.
11. From the collection reports, number of meals sold to children and sold to adults and meal prices for each were used to test actual receipts deposited to the bank on a monthly basis.

**OBION COUNTY BOARD OF EDUCATION  
UNION CITY, TENNESSEE  
SCHEDULE A – SCHEDULE OF AGREED-UPON PROCEDURES  
- SCHOOL CAFETERIAS  
For the Year Ended June 30, 2009**

Schedule A

The following notes any material instances of non-compliance found during the procedures performed as previously noted.

Procedures performed at 25% of schools in the system:

- Exceptions were noted at Black Oak School cafeteria and South Fulton Middle and High School cafeteria for the first procedure noted regarding inventory test counts.

Procedures performed for all school cafeterias:

- None noted.

**OBION COUNTY BOARD OF EDUCATION  
SCHOOL CAFETERIAS  
SCHEDULE OF CASH RECEIPTS  
June 30, 2009**

	<u>Number of Children's Meals Served</u>	<u>Number of Adult Meals Served</u>	<u>Total Receipts</u>
Black Oak Elementary	89,091	2,526	\$ 55,049.47
Hillcrest Elementary	127,106	8,528	104,665.58
Lake Road Elementary	148,150	5,422	110,936.04
Obion County Central High School	133,852	6,041	255,743.04
Ridgemont Elementary	126,315	3,692	79,653.84
South Fulton Elementary	73,333	3,011	46,418.77
South Fulton High School	<u>90,899</u>	<u>2,845</u>	<u>130,597.29</u>
Totals	<u><u>788,746</u></u>	<u><u>32,065</u></u>	<u><u>\$ 783,064.03</u></u>

OBION COUNTY BOARD OF EDUCATION  
 SCHOOL CAFETERIAS  
 SCHEDULE OF MEALS SERVED AND CASH RECEIPTS  
 BY CATEGORY AND BY SCHOOL  
 June 30, 2009

	Number of Lunches				Number of Breakfasts				Lunches	
	Children			Adults	Children			Adults	Children	Adults
	Free	Reduced	Regular		Free	Reduced	Regular			
Black Oak	28,155	7,094	15,938	2,397	21,993	5,481	10,430	129	\$ 30,723.85	\$ 6,252.00
Hillcrest	41,431	7,233	37,427	5,971	24,919	2,920	13,176	2,557	68,362.45	19,216.40
Lake Road	39,415	11,117	42,206	4,918	28,211	8,314	18,887	504	78,239.05	12,802.10
Obion Co. Central	43,919	10,470	50,636	5,098	17,637	2,695	8,495	943	104,238.00	13,261.10
Ridgemont	37,961	9,133	31,404	3,176	28,429	6,333	13,055	516	56,858.45	8,275.60
South Fulton Elem.	25,423	6,259	19,327	2,797	14,792	2,588	4,944	214	36,322.35	7,423.40
South Fulton HS	23,273	5,299	29,921	2,529	16,822	3,081	12,503	316	61,887.60	6,577.20
<b>Totals</b>	<b>239,577</b>	<b>56,605</b>	<b>226,859</b>	<b>26,886</b>	<b>152,803</b>	<b>31,412</b>	<b>81,490</b>	<b>5,179</b>	<b>\$ 436,631.75</b>	<b>\$ 73,807.80</b>

Total Lunches/  
Breakfast Served

523,041

265,705

Breakfast		Other Receipts	Interest Receipts	Online Receipts	Total Receipts	Actual Deposits	Difference
Children	Adults						
\$ 11,974.60	\$ 206.00	\$ 8,225.95	\$ 27.57	\$ 2,360.50	\$ 55,049.47	\$ 54,938.08	\$ (111.39)
13,910.90	4,553.50	7,241.12	32.21	8,651.00	104,665.58	101,656.88	(3,008.70)
21,028.25	751.50	9,799.19	50.42	11,734.47	110,936.04	111,190.16	254.12
11,336.00	1,414.50	146,858.12	129.14	21,493.82	255,743.04	256,039.60	296.56
14,822.40	815.50	7,253.79	26.60	8,398.50	79,653.84	80,142.43	488.59
5,537.55	321.00	2,184.50	22.57	5,392.60	46,418.77	46,355.73	(63.04)
16,413.10	470.75	56,926.31	53.38	11,731.05	130,597.29	131,034.49	437.20
<b>\$ 95,022.80</b>	<b>\$ 8,532.75</b>	<b>\$ 238,488.98</b>	<b>\$ 341.89</b>	<b>\$ 69,761.94</b>	<b>\$ 783,064.03</b>	<b>\$ 781,357.37</b>	<b>\$ (1,706.66)</b>



**OBION COUNTY BOARD OF EDUCATION  
SCHOOL CAFETERIAS  
SCHEDULE OF COMPUTED RECEIPTS  
COMPARED WITH ACTUAL RECEIPTS  
June 30, 2009**

	<u>Computed Receipts</u>	<u>Actual Receipts</u>	<u>Over (Short)</u>
<u>Children's Lunches</u>			
Reduced Rates 56,605 @ .40	\$ 22,642.00		
Regular Rates 146,302 @ 1.75	256,028.50		
Regular Rates 80,557 @2.00	<u>161,114.00</u>		
Totals	<u>\$ 439,784.50</u>	<u>\$ 436,631.75</u>	\$ (3,152.75)
 <u>Adult Lunches</u>			
Regular Rates 26,886 @ 2.60	<u>\$ 69,903.60</u>	<u>\$ 73,807.80</u>	\$ 3,904.20
 <u>Children's Breakfast</u>			
Reduced Rates 31,412 @ .30	\$ 9,423.60		
Regular Rates 60,492 @ 1.00	60,492.00		
Regular Rates 20,998 @ 1.25	<u>26,247.50</u>		
Total	<u>\$ 96,163.10</u>	<u>\$ 95,022.80</u>	\$ (1,140.30)
 <u>Adult Breakfast</u>			
Regular Rates 5,179 @ 1.50	<u>\$ 7,768.50</u>	<u>\$ 8,532.75</u>	\$ 764.25
Net			<u>\$ 375.40</u>

**OBION COUNTY BOARD OF EDUCATION  
SCHOOL CAFETERIAS  
SCHEDULE OF OVERAGES AND SHORTAGES BY SCHOOL  
June 30, 2009**

	<u>Children's Lunches</u>	<u>Adult Lunches</u>	<u>Breakfast</u>	<u>Total</u>
Black Oak	\$ (5.25)	\$ 19.80	\$ (87.20)	\$ (72.65)
Hillcrest	(28.00)	3,691.80	576.90	4,240.70
Lake Road	(68.25)	15.30	(357.45)	(410.40)
Obion County Central	(1,222.00)	6.30	(91.25)	(1,306.95)
Ridgemont	(1,751.75)	18.00	(91.00)	(1,824.75)
South Fulton Elem.	(3.50)	151.20	(182.85)	(35.15)
South Fulton HS	<u>(74.00)</u>	<u>1.80</u>	<u>(143.20)</u>	<u>(215.40)</u>
Total Over (Short)	<u>\$ (3,152.75)</u>	<u>\$ 3,904.20</u>	<u>\$ (376.05)</u>	<u>\$ 375.40</u>