

FINANCIAL-COMPLIANCE AUDIT

Montana School for the Deaf and Blind  
For the Two Fiscal Years Ended June 30, 2016

SEPTEMBER 2016

16-22B

REPORT SUMMARY

The Montana School for the Deaf and Blind promotes and provides free and comprehensive educational opportunities statewide for children ages birth to twenty-one who are deaf, hard of hearing, blind, low vision, and deaf-blind. The audit of the school focused on revenue transfers from other state agencies, personal services expenditures, and property held in trust activity. The report contains one recommendation related to internal controls over state trust land revenue transferred from the Department of Natural Resources and Conservation.

**Context**

The Montana School for the Deaf and the Blind (MSDB) has developed two different ways to meet the educational needs of Montana’s deaf and blind children of all ages. On the Great Falls campus, MSDB provides specialized instruction and an education for deaf and blind students with the goal to prepare students for independent, successful lives.

In addition, MSDB serves as a statewide resource center for parents of children with vision or hearing loss and for school districts that serve deaf and blind students. MSDB serves hundreds of students and families in communities across the state. Upon request, MSDB assists school districts, ensuring that services and programs for their deaf and blind students are appropriate.

MSDB collected total revenues of approximately \$520,000 and \$550,000 in fiscal years 2015 and 2016, respectively. We focused audit effort on transfers-in comprised of the school’s permanent fund earnings from the Department of Natural Resources and Conservation and federal subawards from the Office of Public Instruction. These transfers comprised approximately 95.2 percent and 98.8 percent of total revenues in fiscal years 2015 and 2016, respectively.

MSDB expended approximately \$7 million in each fiscal year 2015 and 2016. We focused audit effort on personal services, which comprised 87.2 percent and 86.1 percent of total expenditures in fiscal years 2015 and 2016, respectively. We also completed audit work over property held in trust activity related to student accounts and compliance with state laws.

**Results**

Our current audit report contains one recommendation related to internal controls over transfers-in revenue. We issued unmodified opinions on the financial schedules for each of the two fiscal years ended June 30, 2016.

Recommendation Concurrence	
Concur	1
Partially Concur	0
Do Not Concur	0
<b>Source: Agency audit response included in final report.</b>	