

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND OTHER REQUIRED REPORTS**

JUNE 30, 2021



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BURNSVILLE, MINNESOTA
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SINGLE AUDIT AND OTHER REQUIRED REPORTS



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Education
Independent School District No. 191
Burnsville, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Independent School District No. 191's basic financial statements, and have issued our report thereon dated October 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Independent School District No. 191's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 191's internal control. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 191's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a material weakness.

Board of Education
Independent School District No. 191
Burnsville, Minnesota

Compliance and Other Matters

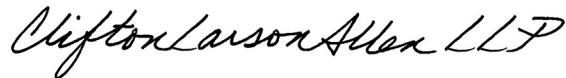
As part of obtaining reasonable assurance about whether Independent School District No. 191’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Independent School District No. 191’s Response to Findings

Independent School District No. 191’s response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Independent School District No. 191’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Independent School District No. 191’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Independent School District No. 191’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 28, 2021



**INDEPENDENT AUDITORS' 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 THE UNIFORM GUIDANCE**

Board of Education
Independent School District No. 191
Burnsville, Minnesota

Report on Compliance for Each Major Federal Program

We have audited Independent School District No. 191's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Independent School District No. 191's major federal programs for the year ended June 30, 2021. Independent School District No. 191's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Independent School District No. 191'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 the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Independent School District No. 191'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 Independent School District No. 191's compliance.

Opinion on Each Major Federal Program

In our opinion, Independent School District No. 191 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 year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Independent School District No. 191 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 Independent School District No. 191'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 the Uniform Guidance, 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 Independent School District No. 191'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 a 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 a 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. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Board of Education
Independent School District No. 191
Burnsville, Minnesota

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Independent School District No. 191's basic financial statements. We issued our report thereon dated October 28, 2021, 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 the Uniform Guidance 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.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 28, 2021

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Agency/Pass-Through Grantor/Program Title	Pass-Through Entity Number	Federal Assistance Listing Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Minnesota Department of Education:			
Food Distribution (& Commodity Rebate Program):			
Cash Assistance	202020N109942	{a} 10.555	\$ 10,173
Noncash Assistance	202020N109942	{a} 10.555	368,948
Summer Food Service Program for Children	202020N109942	{a} 10.559	3,564,203
Child Care Food Program	202020N109942	{a} 10.559	350,107
Fresh Fruit and Vegetable Program	202020L160342	10.582	40,814
COVID-19 Pandemic EBT Administrative Costs	212MN101S9007	10.649	17,016
Total U.S. Department of Agriculture			<u>4,351,261</u>
U.S. DEPARTMENT OF TREASURY			
Passed Through Minnesota Department of Education:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	2,730,383
COVID-19 American Rescue Plan (ARP) Summer Academic Enrichment and Mental Health	S425U210045	21.027	33,790
Passed Through Dakota County:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	236,479
Passed Through Scott County:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	51,094
Total U.S. Department of Treasury			<u>3,051,746</u>
U.S. DEPARTMENT OF EDUCATION			
Passed Through Minnesota Department of Education:			
Adult Education - Basic Grants to States	V002A200024	84.002	66,697
Title I - Part A Improving Academic Achievement	S010A200023	84.010	1,541,627
Indian Education Grants to Local Educational Agencies	S060A202641	84.060	13,399
IDEA, Part B - Special Education Grants to States	H027A200087	{b} 84.027	1,915,099
Special Education - Preschool Grants	H173A200086	{b} 84.173	100,694
Special Education - Grants for Infants and Families	H181A200029	84.181	50,833
Title VIII - Homeless Children and Youth	S013A200024	84.196	19,892
Javits Gifted and Talented Students Education	S206A190022	84.206A	35,564
Title II - Part A Teacher and Principal Training	S367A200022	84.367	298,353
Title III - Part A - English Language Acquisition Grants	S365A200023A	84.365	205,414
Title IV - Part A - Student Support and Academic Enrichment Education Stabilization Fund	S424A200024	84.424	85,548
COVID-19 Governor's Emergency Education Relief (GEER I and II) Fund	S425C200015	84.425C	295,140
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I and II) Fund	S425D200045	84.425D	1,201,527
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I and II) Fund	S425D210045	84.425D	191,479
Total Education Stabilization Fund			<u>1,688,146</u>
Total U. S. Department of Education Passed Through Minnesota Department of Education:			6,021,266
Passed Through Independent School District No. 196:			
Career and Technical Education - Basic Grants to States	*	84.048	24,554
Total U. S. Department of Education			<u>6,045,820</u>
Total Expenditure of Federal Awards			<u>\$ 13,448,827</u>

{a} = Child Nutrition Cluster Total = \$4,293,430

{b} = Special Education Cluster Total = \$2,015,793

{c} = COVID-19 Coronavirus Relief Fund Total = \$3,017,956

* Pass-through entity number is unknown

Note: the District did not have any subrecipients in the current fiscal year.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Independent School District No. 191 under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Independent School District No. 191, it is not intended to and does not present the financial position, changes in position, or cash flows of Independent School District No. 191.

NOTE 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 the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, 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. Independent School District No. 191 does not charge indirect costs to its federal programs, however if they were to charge indirect costs they would use the indirect cost rate provided to them by the Minnesota Department of Education (the pass-through entity) rather than use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Education
Independent School District No. 191
Burnsville, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Independent School District No. 191 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2021

In connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 191 failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. §6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the *Minnesota Legal Compliance Audit Guide for School Districts* and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 28, 2021

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.019C	Coronavirus Relief Fund
84.027 and 84.173	Special Education Cluster
84.425C and 84.425D	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee? yes x no

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

FINDING: 2021-001 MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FOOD SERVICE MEAL CLAIMS

Condition: The District's procedures and controls related to food service fund meal counts and the related state and federal revenues claimed the CLiCS did not detect some significant variances in actual meal counts from what was claimed until after the normal 60-day time limit to make or correct the claims had passed. This included missing claims for the entire month of February of 2021. This was detected by the District during its annual reconciliation of its point-of-sale food service software meal counts to the CLiCS meal counts. Arrangements had to be made with MDE to allow the School to submit late and revised claims for these months. This resulted in \$276,172 in revenues and receivables being claimed late, for February 2021 alone.

Criteria: The District should have procedures and controls in place that ensure all food service meals claims in CLiCS are made accurately and timely.

Effect: Lack of proper procedures and controls food service meal claims in CLiCS could result in significant errors going undetected or not being detected and correct in a timely manner, which could then lead to misstatements of food service fund revenues and receivables.

Cause: COVID-19 forced frequent changes in procedures. From February 2021 through April 2021 ISD 191 successfully transitioned through three learning model shifts while still planning for more shifts to occur mid to late April. With each shift the Food Service Department's operational plans needed to be adjusted. The largest impacts came about as the District opened a new community distribution site and expanded its program offerings to include a CACFP At Risk Snack for In-Person Learners. Throughout the learning model and operational shifts, the Food Service Department continued to struggle with unexpected and overwhelming employee absences due to COVID-19. During this time, the Food Service Department relied on administrative support to keep the operation running.

Context: September, October, November, December and February all had errors in claims past 60 days, including no claims originally being made for February.

Recommendation: We recommend that the District review its related policies and procedures to ensure District personnel are preparing the food service meal claims timely and someone other than the preparer is reviewing and approving the meal counts being claimed prior to submission in CLiCS.

Prior Year Finding? No

Views of responsible officials: There is no disagreement with the audit finding.

INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Section III – Findings and Questioned Costs – Major Federal Programs

None such findings noted.

Section IV – Minnesota Legal Compliance Findings

None such findings noted.

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