

Oak Park Elementary School District 97

Oak Park, Illinois

Reports required by the Uniform Guidance and
Government Auditing Standards
June 30, 2016

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**Independent Auditor's 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***

To the Members of the Board of Education
Oak Park Elementary School District 97

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 of America, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oak Park Elementary School District 97 (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **REPORT DATE**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 determination of financial statement amounts. 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*.

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 the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

[Firm Signature]

Chicago, Illinois

REPORT DATE

DRAFT

**Independent Auditor's Report on Compliance for the Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

To the Members of the Board of Education
Oak Park Elementary School District 97

Report on Compliance for the Major Federal Program

We have audited Oak Park Elementary School District 97's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2016. The District's major federal program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program 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 the 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 the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, Oak Park Elementary School District 97 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 the 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 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.

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 the District as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated **REPORT DATE** which contained unmodified opinions on those financial statements. Our audit for the year ended June 30, 2016 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2016 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 2016 information has been subjected to the auditing procedures applied in the audits of the basic financial statements for the year ended June 30, 2016, 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 2016 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States, the District's basic financial statements as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated October 13, 2015, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. Our report was modified to include an emphasis of matter paragraph regarding the adoption of reporting and disclosure requirements of Governmental Accounting Standards Board Statement No. 68. The schedule of expenditures of federal awards for the year ended June 30, 2015 is presented for purposes of additional analysis 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 2015 financial statements. The 2015 information has been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 2015 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

[Firm Signature]

Chicago, Illinois
REPORT DATE

ILLINOIS STATE BOARD OF EDUCATION
100 NORTH FIRST STREET
SPRINGFIELD, ILLINOIS 62777-0001

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

County
Cook 14-016-0970-02
District/Joint Agreement Name
Oak Park School District 97
District/Joint Agreement No.
97

Federal Agency/ Pass-through Grantor/ Program Name	CFDA Number (B)	ISBE Project Number (C)	Receipts		Disbursements		Obligations/ Encumbrances (H)	Final Status (I)	Budget (J)	
			7/1/14- 6/30/15 (D)	7/1/15- 6/30/16 (E)	7/1/14- 6/30/15 (F)	7/1/15- 6/30/16 (G)				
U.S. Department of Education:										
Passed through Illinois State Board of Education:										
Title I Cluster:										
Title I Grants to Local Educational Agencies: Low Income	84.010A	16-4300-00-14-016-0970-02	\$ -	396,653	\$ -	396,653	\$ -	\$ 396,653	536,617	
		15-4300-00-14-016-0970-02	488,799	-	488,799	-	-	488,799	568,537	
Title I Grants to Local Educational Agencies: Low Income - Neglected Priv.	84.013A	16-4305-00-14-016-0970-02	-	25,675	-	25,675	-	25,675	33,175	
		15-4305-00-14-016-0970-02	29,080	-	29,080	-	-	29,080	32,716	
Total Title I Cluster			517,879	422,328	517,879	422,328	-	940,207	1,171,045	
Special Education Cluster:										
Special Education - Preschool Grants - IDEA Preschool Flow Through	84.173A	16-4600-00-14-016-0970-02	-	53,778	-	53,778	-	53,778	98,558	
		15-4600-00-14-016-0970-02	45,890	-	45,890	-	-	45,890	92,848	
Special Education - Grants to States - IDEA Flow Through	84.027A	16-4620-00-14-016-0970-02	-	1,034,009	-	1,034,009	-	1,034,009	1,901,269	
		15-4620-00-14-016-0970-02	1,023,036	-	1,023,036	-	-	1,023,036	1,599,818	
		14-4620-00-14-016-0970-02	139,000	-	139,000	-	-	1,368,973	N/A	
Special Education - Grants to States - IDEA Room and Board	84.027A	16-4625-00-14-016-0970-02	7,498	-	7,498	-	-	7,498	N/A	
Total Special Education Cluster			1,215,424	1,087,787	1,215,424	1,087,787	-	3,533,184	3,692,493	
Improving Teacher Quality - State Grants - Title II : Teacher Quality	84.367A	16-4932-00-14-016-0970-02	-	133,829	-	133,829	-	133,829	133,830	
		15-4932-00-14-016-0970-02	136,742	-	136,742	-	-	136,742	142,052	
Total Department of Education			1,870,045	1,643,944	1,870,045	1,643,944	-	4,743,962	5,139,420	

Child Nutrition Cluster:

Passed through Illinois State Board of Education:

U.S. Department of Agriculture:

National School Lunch Program	10.555	16-4210-00-14-016-0970-02	-	429,594	-	429,594	-	429,594	N/A
		15-4210-00-14-016-0970-02	490,054	68,703	490,054	68,703	-	558,757	N/A
		14-4210-00-14-016-0970-02	87,201	-	87,201	-	-	613,151	N/A
School Breakfast Program	10.553	16-4220-00-14-016-0970-02	-	33,685	-	33,685	-	33,685	N/A
		15-4220-00-14-016-0970-02	46,181	3,797	46,181	3,797	-	49,978	N/A
		14-4220-00-14-016-0970-02	6,018	-	6,018	-	-	52,618	N/A
National School Lunch Program - Value of Commodity Assistance	10.555	16-4299-00-14-016-0970-02	-	148,483	-	148,483	-	148,483	N/A
		15-4299-00-14-016-0970-02	101,039	-	101,039	-	-	101,039	N/A
Total Department of Agriculture			730,493	684,262	730,493	684,262	-	1,557,711	N/A
U.S. Department of Defense:									
National School Lunch Program - Preferred Meal Systems	10.555	16-4299-00-14-016-0970-02	-	49,564	-	49,564	-	49,564	N/A
	10.555	15-4299-00-14-016-0970-02	66,640	-	66,640	-	-	66,640	N/A
Total Child Nutrition Cluster			797,133	733,826	797,133	733,826	-	1,673,915	N/A

U.S. Department of Health and Human Services

Passed through Illinois Department of Public Aid:

Medical Assistance Program - Medicaid Matching Outreach	93.778	16-4991-00-14-016-0970-02	-	113,196	-	113,196	-	113,196	N/A
		15-4991-00-14-016-0970-02	113,094	-	113,094	-	-	113,094	N/A
Total US Department. Health and Human Services			113,094	113,196	113,094	113,196	-	226,290	N/A
Grand Total Federal Awards			\$ 2,780,272	2,490,966	\$ 2,780,272	2,490,966	-	\$ 6,644,167	5,139,420

Oak Park Elementary School District 97

Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Oak Park Elementary School District 97 (the District) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the changes in financial position of the District.

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, 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.

No funds were identified as having been provided to subrecipients by the District, and, accordingly, no funds identified in the Schedule are attributable to subrecipient entities. There were no federal awards expended for insurance or any loans or loan guarantees outstanding at year-end. The District did receive noncash assistance in the form of food commodities that is included in the Child Nutrition Cluster on the Schedule.

Oak Park Elementary School District 97

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2016**

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Identification of major programs:

<u>CFDA NUMBERS</u>	<u>Name of Federal Program or Cluster</u>
10.553 / 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs	\$750,000
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Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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Oak Park Elementary School District 97

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2016

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with generally accepted government auditing standards.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for federal awards.

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Oak Park Elementary School District 97

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016**

FINANCIAL STATEMENT FINDINGS

The prior-year audit disclosed no financial statement findings.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

The prior-year single audit disclosed no findings in the Schedule of Findings and Questioned Costs, and no uncorrected or unresolved findings exist from the prior year's Summary Schedule of Prior Audit Findings.

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