



FEDERAL SINGLE AUDIT REPORT

June 30, 2019

PLAINEDGE UNION FREE SCHOOL DISTRICT
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PLAINEDGE UNION FREE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
<u>United States Department of Education</u>			
Passed Through New York State Department of Education:			
Special Education Cluster:			
Special Education Grants to States	84.027	0032-19-0469	\$ 607,026
Special Education Preschool Grants	84.173	0033-19-0469	<u>28,784</u>
Total Special Education Cluster			<u>635,810</u>
Title I Part A			
Title I Grants to Local Educational Agencies	84.010	0021-18-1705	1,148
Title I Grants to Local Educational Agencies	84.010	0021-19-1705	<u>88,589</u>
			<u>89,737</u>
English Language Acquisition State Grants	84.365	0149-18-1705	1,328
English Language Acquisition State Grants	84.365	0149-19-1705	<u>17,702</u>
			<u>19,030</u>
Supporting Effective Instruction State Grants	84.367	0147-19-1705	<u>46,392</u>
Student Support and Academic Enrichment	84.424	0204-19-1705	<u>8,826</u>
Total Department of Education			<u>799,795</u>
<u>United States Department of Agriculture</u>			
Passed Through New York State, Department of Education			
Child Nutrition Cluster			
Non-Cash Assistance (food distribution)			
National School Lunch Program	10.555	N/A	52,240
Cash Assistance			
National School Lunch Program	10.555	N/A	<u>146,812</u>
Total Department of Agriculture			<u>199,052</u>
Total Federal Awards Expended			<u>\$ 998,847</u>

PLAINEDGE UNION FREE SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

1. GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Plainedge Union Free School District (District) under programs of the federal government for the year ended June 30, 2019. 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 Plainedge Union Free School District, it is not intended to and does not present the financial position and changes in net position of the Plainedge Union Free School District.

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 limited as to reimbursement.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

Pass-through numbers are presented where available.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

Non-monetary assistance is reported in the schedule at the fair market value of commodities received, which is provided by New York State.

3. INDIRECT COSTS

The Plainedge Union Free School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

4. SUBRECIPIENTS

No amounts were provided to subrecipients.

5. OTHER DISCLOSURES

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

PLAINEDGE UNION FREE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2019

There were no prior audit findings or questioned costs.

**INDEPENDENT AUDITOR'S 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**

To the Board of Education
Plainedge Union Free School District
North Massapequa, New York

Report on Compliance for Each Major Federal Program

We have audited the Plainedge Union Free School District'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 Plainedge Union Free School District's major federal programs for the year ended June 30, 2019. The Plainedge Union Free School District's major federal programs are 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 each of the Plainedge Union Free School District'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 requirements of Title 2 *U.S. Code of Federal Regulation 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 Plainedge Union Free School 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 each major federal program. However, our audit does not provide a legal determination of the Plainedge Union Free School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Plainedge Union Free School District 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, 2019.

Report on Internal Control Over Compliance

Management of the Plainedge Union Free School 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 Plainedge Union Free School District'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 the Plainedge Union Free School 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item number 2019-001.

Plainedge Union Free School District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Plainedge Union Free School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 fiduciary funds of the Plainedge Union Free School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Plainedge Union Free School District's basic financial statements. We have issued our report thereon dated October 10, 2019, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain other 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.

Cullen & Danowski, LLP

March 6, 2020

*(except for our report on the Schedule of Expenditures of Federal Awards,
for which the date is October 10, 2019)*

PLAINEDGE UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

- A. The auditor's report expresses an unmodified opinion on whether the financial statements were prepared in accordance with GAAP.
- B. No significant deficiencies in internal control were disclosed by the audit of the financial statements.
- C. No instances of noncompliance material to the financial statements were disclosed during the audit.
- D. One significant deficiency in internal control over major federal award programs was disclosed by the audit.
- E. The auditor's report on compliance for the major programs expresses an unmodified opinion.
- F. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in Part 3 of this Schedule.
- G. The programs tested as major programs were:
 - Department of Education
 - Special Education Cluster
 - Special Education Grants to States CFDA No. 84.027
 - Special Education Preschool Grants CFDA No. 84.173
- H. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
- I. The Plainedge Union Free School District qualified as a low-risk auditee.

2. FINANCIAL STATEMENTS FINDINGS

There were no findings to be reported.

3. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Significant Deficiency

2019-001. Internal Control Over Compliance

Department of Education

Special Education Cluster	
Special Education Grants to States	CFDA No. 84.027
Special Education Preschool Grants	CFDA No. 84.173

Criteria: 2 CFR section 200.303 of the Uniform Guidance requires non-Federal entities receiving Federal awards to establish and maintain internal control over the Federal awards that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Under the Uniform Guidance, Federal

PLAINEDGE UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

awards recipients must maintain updated written documentation of internal control policies and procedures, which include procurement policies that adhere to state and local law as well as federal regulations and statutes; procedures for documenting how costs are to be allocated to federal awards, documenting actual time and effort for payroll costs charged to federal awards; cash management procedures to minimize the time elapsed between the receipts and disbursements of federal funds; and how to safeguard personally identifiable information.

Condition: The District has not updated their existing policies and written procedures to conform to Uniform Guidance requirements.

Cause: Staffing constraints limited the District's ability to perform a timely review and update of its existing policies and written procedures.

Potential Effect: Not having updated written policies and procedures weaken the internal controls over the Federal award and could increase the risk of noncompliance with Federal statutes and regulations.

Questioned Costs: None reported.

Repeat Finding: This is not a repeat finding from the previous audit.

Recommendation: The District must review its existing written policies and procedures and update them as needed in order to comply with requirements of Uniform Guidance.

Views of Responsible Officials of Auditee: We are aware of the finding for 2018-19 and would like to indicate that the required policy was adopted by the Board of Education on June 13, 2019.



PLAINEDGE PUBLIC SCHOOLS

DISTRICT ADMINISTRATION BUILDING
241 WYNGATE DRIVE, N. MASSAPEQUA, NY 11758
(516) 992-7462 FAX (516) 992-7447

EDWARD A. SALINA, JR.
SUPERINTENDENT OF SCHOOLS

PETER PORRAZZO
ASSISTANT SUPERINTENDENT FOR BUSINESS

Significant Deficiency

2019-001. Internal Control Over Compliance

Department of Education

Special Education Cluster	
Special Education Grants to States	CFDA No. 84.027
Special Education Preschool Grants	CFDA No. 84.173

Condition: The District has not updated their existing policies and written procedures to conform to Uniform Guidance requirements.

Planned Corrective Action: Although the District did not have the required policy language in place for the start of the 2019 fiscal year, Regulation 6700R was updated to include the required language and approved by the Board of Education prior to the close of the 2019 fiscal year. In addition, subsequent to year end, the District has put in place a Federal Funds Procedural Manual. The Federal Funds Procedural Manual will continue to be updated to assure full compliance with Uniform Guidance.

Responsible Contact Person: Peter Porrazzo, Assistant Superintendent for Business and Administration.

Anticipated Completion Date: April 30, 2020

Contact Information:
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