



Achieving success, one student at a time!

Corrective Action Plans and
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020

A. FINANCIAL STATEMENT FINDINGS

None.

B. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – SCHOOL BREAKFAST PROGRAM – CFDA NO. 10.553, NATIONAL SCHOOL LUNCH PROGRAM – CFDA NO. 10.555, AND SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (COVID-19) – CFDA NO. 10.559 – PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION

2020-001 Internal Control Over Compliance With Federal Special Tests and Provisions

Finding Summary

7 CFR § 245.6a requires Independent School District No. 283 (the District) to establish and maintain effective internal control over compliance with requirements applicable to federal programs, including child nutrition cluster special tests and provisions requirements. The District did not have sufficient controls in place to ensure that the required verification of free and reduced-price applications was completed accurately.

Corrective Action Plan

Actions Planned – The District intends to review its internal control procedures relating to special tests and provisions requirements to ensure they are sufficient.

Official Responsible – Patricia Magnuson, Director of Business Services.

Planned Completion Date – June 30, 2021.

Disagreement With or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – Patricia Magnuson, Director of Business Services, will work with the financial auditors to review specific weaknesses identified during the annual audit and actions needed to eliminate or mitigate this finding.

INDEPENDENT SCHOOL DISTRICT 283

Corrective Action Plans and
Summary Schedule of Prior Audit Findings (continued)
Year Ended June 30, 2020

C. MINNESOTA LEGAL COMPLIANCE FINDINGS

2020-002 Untimely Payment of Invoices

Finding Summary

Minnesota Statutes require prompt payment of local government bills within a standard payment period of 35 days from receipt for governing boards that meet at least once a month.

Corrective Action Plan

Actions Planned – The District intends to review its procedures relating to disbursements to ensure compliance in the future.

Official Responsible – Patricia Magnuson, Director of Business Services.

Planned Completion Date – June 30, 2021.

Disagreement with or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – Patricia Magnuson, Director of Business Services, will work with the financial auditors to review specific weaknesses identified during the annual audit, and actions needed to eliminate or mitigate this finding.

D. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDING – MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FINANCIAL REPORTING

2019-001 Financial Statement Year-End Journal Entries and Prior Period Adjustments

Condition/Context – During the audit of the preparation of the year ended June 30, 2019 financial statements, the District recorded journal entries as part of the audit process, including prior period adjustments. The prior period adjustments are being reported in fiscal 2019 to adjust capital assets, flexible benefit plan activities, interest receivable, single-employer pension plan, and other post-employment benefits plan balances previously reported. Journal entries made during the audit process were made to keep the financial statements from being misstated by a material amount. Auditing standards consider the identification of a material misstatement that was not initially identified by the District, to be a material weakness in the related internal control.

Current Status – This is not a current year finding.