

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
ROSEMOUNT, MINNESOTA**

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

JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
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JUNE 30, 2021**

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SINGLE AUDIT AND OTHER REQUIRED REPORTS

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**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***

School Board
Independent School District No. 196
Rosemount-Apple Valley-Eagan Public School
Rosemount, 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. 196 (the District), 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 December 8, 2021.

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) 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, which we consider to be a material weakness.

Compliance and Other Matters

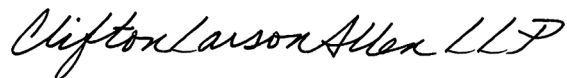
As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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. 196’s Response to Findings

Independent School District No. 196’s responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Independent School District No. 196’s responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 8, 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**

School Board
Independent School District No. 196
Rosemount-Apple Valley-Eagan Public School
Rosemount, Minnesota

Report on Compliance for Each Major Federal Program

We have audited Independent School District No. 196'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 each of the District's major federal programs for the year ended June 30, 2021. The District'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 the 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 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 each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal program is not modified with respect to this matter.

Independent School District No. 196's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Independent School District No. 196's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Independent School District No. 196 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. 196'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. 196'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a material weakness.

Report on Internal Control Over Compliance (Continued)

Independent School District No. 196's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Independent School District No. 196'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 aggregate remaining fund information of the District 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. We issued our report thereon dated December 8, 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 8, 2021

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---|-------------------------------|-------------------------|---------------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Passed Through Minnesota Department of Education: | | | | |
| Child Nutrition Cluster: | | | | |
| Non-Cash Assistance (Commodities): | | | | |
| National School Lunch Program | 10.555 | 01-0196-000-000 {a} | \$ 973,218 | \$ - |
| Cash Assistance: | | | | |
| School Breakfast Program | 10.553 | 01-0196-000-000 {a} | - | - |
| National School Lunch Program | 10.555 | 01-0196-000-000 {a} | 23,222 | - |
| Summer Food Service Program for Children | 10.559 | 01-0196-000-000 {a} | 8,949,700 | - |
| Cash Assistance Subtotal | | | <u>8,972,922</u> | <u>-</u> |
| Total U.S. Department of Agriculture | | | 9,946,140 | - |
| U.S. DEPARTMENT OF THE TREASURY | | | | |
| Passed Through Minnesota Department of Education: | | | | |
| COVID-19 Coronavirus Relief Fund | 21.019 | 01-0196-000-000 {d} | 7,741,627 | - |
| COVID-19 State and Local Fiscal Recovery Funds | 21.027 | 01-0196-000-000 | 157,289 | - |
| Total Passed Through Minnesota Department of Education | | | <u>7,898,916</u> | <u>-</u> |
| Passed Through Dakota County: | | | | |
| COVID-19 Coronavirus Relief Fund | 21.019 | 01-0196-000-000 {d} | 1,056,218 | - |
| Total U.S. Department of the Treasury | | | 8,955,134 | - |
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Passed Through Minnesota Department of Education: | | | | |
| Adult Basic Education | 84.002 | 01-0196-000-000 | 64,326 | - |
| Title I - Part A | 84.010 | 01-0196-000-000 | 2,271,839 | - |
| Carl Perkins Vocational and Applied Technology | 84.048 | 01-0196-000-000 | 204,684 | - |
| Special Education Grants to LEAs | 84.027 | 01-0196-000-000 {b} | 5,679,790 | - |
| Special Education Preschool Grants | 84.173 | 01-0196-000-000 {b} | 168,151 | - |
| Special Education Infants and Toddlers Program | 84.181 | 01-0196-000-000 | 139,770 | - |
| Special Education - Autism Spectrum | 84.323 | 01-0196-000-000 | 7,646 | - |
| Education for Homeless Children and Youth | 84.196 | 01-0196-000-000 | 19,236 | - |
| Title II - Improving Teacher Quality | 84.367 | 01-0196-000-000 | 483,004 | - |
| Title III - English Language Acquisition | 84.365 | 01-0196-000-000 | 206,001 | - |
| Student Support and Academic Enrichment Program | 84.424 | 01-0196-000-000 | 127,703 | - |
| COVID-19 Governor's Emergency Education Relief Fund | 84.425C | 01-0196-000-000 {c} | 309,974 | - |
| COVID-19 Elementary and Secondary School Emergency Relief Fund | 84.425D | 01-0196-000-000 {c} | 6,782,416 | - |
| Miscellaneous Other Federal Programs | | 01-0492-000-000 | - | - |
| Total Passed Through Minnesota Department of Education | | | <u>16,464,540</u> | <u>-</u> |
| Direct: | | | | |
| Indian Education Grants to Local Educational Agencies | 84.060 | Unknown | 62,811 | - |
| Magnet Schools Assistance | 84.165 | Unknown | 91,577 | - |
| Total U.S. Department of Education | | | <u>154,388</u> | <u>-</u> |
| Total Federal Awards | | | <u>\$ 35,520,202</u> | <u>\$ -</u> |

{a} - Total Child Nutrition Cluster = \$9,946,140

{b} - Special Education Cluster = \$5,847,941

{c} - Total Education Stabilization Fund = \$7,092,390

{d} - Total Coronavirus Relief Fund = \$8,797,845

See notes to Schedule of Expenditures of Federal Awards.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
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 the Independent School District No. 196 (the District) 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 the District, it is not intended to and does not present the financial position, changes in net position, or cash flows 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 for all awards with the exception of Assistance Listing 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.

NOTE 3 INDIRECT COST RATE

Independent School District No. 196 has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

School Board
Independent School District No. 196
Rosemount-Apple Valley-Eagan Public School
Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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. 196 (the District) 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 December 8, 2021.

In connection with our audit, we noted that Independent School District No. 196 failed to comply with provisions of the contracting and bidding and miscellaneous sections of *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, in so far as they relate to accounting matters as described in the Schedule of Findings and Questioned Costs as items 2021-003 and 2021-004. Also, in connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 196 failed to comply with the provisions of deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, 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.

Independent School District No. 196's written response to the legal compliance findings identified in our audit are described in the (schedule name where findings are listed). Independent School District No. 196'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.

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 Political Subdivisions* and the results of that testing, and not to provide an opinion on the effectiveness of the District's compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 8, 2021



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**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

1. Internal control over financial reporting:

- Material weakness(es) identified? x yes no
- Significant deficiency(ies) identified? yes x none reported

2. Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? x yes no
- Significant deficiency(ies) identified? yes x none reported

1. Type of auditors’ report issued on compliance for major federal programs: Unmodified

2. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

| Assistance Listing Number | Name of Federal Program or Cluster |
|----------------------------------|---|
| 21.019 | COVID-19 Coronavirus Relief Fund |
| 84.010 | Title I – Part A |
| 84.425C and 84.425D | COVID-19 Education Stabilization Fund |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,065,606

Auditee qualified as low-risk auditee? yes x no

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

2021 – 001: Material Audit Adjustment

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During audit procedures conducted over accounts payable it was noted that a material invoice related to claims from fiscal year 2021 was not accrued back into the proper fiscal year.

Criteria: The District should have the proper financial procedures and controls in place to ensure that all invoices are applied to the proper fiscal year and any payables are accrued as appropriate.

Effect: The design of the internal controls over the year-end cutoff of payables may limit the District's ability to detect or prevent a misstatement of the financial statements.

Cause: The District's procedures for accruing subsequent invoices related to the prior fiscal year did not properly identify the invoice.

Recommendation: We recommend District management review its procedures and controls related to the year-end accrual process to ensure all payables are properly recorded.

Views of responsible officials and planned corrective actions: The District does not disagree with the finding.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Actions planned in response to finding: The District will work to ensure that all subsequent invoices related to the prior fiscal year are properly accrued.

Responsible party: The District's Coordinator of Finance.

Planned completion date for corrective action plan: June 30, 2022.

Plan to monitor completion of corrective action plan: The corrective action plan will be monitored by the Board of Education and the Finance Department.

Repeat Finding: This is a repeat finding which also occurred in the prior year. See prior year finding 2020-001.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Section III – Findings and Questioned Costs – Major Federal Programs

2021 - 002: Time and Effort Documentation for Payroll

Federal Agencies: U.S. Department of Education

Federal Program Title: Title I – Part A

ALN: 84.010

Pass-Through Agency: Minnesota Department of Education

Award Period: July 1, 2020 – June 30, 2021

Type of Finding: Material Weakness in Internal Control Over Compliance and Compliance Finding

Criteria: The Uniform Guidance requires charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. In addition, these records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated, be incorporated into the official records of the entity, and reasonable reflect the total activity for which the employee is compensated.

Condition: During our testing of a sample of payroll transactions charged to the grant we noted four transactions for which the amount charged to the grant did not agree to the time and effort documentation completed by the employee.

Context: Of a sample of 40 payroll disbursement charged to the grant we noted five disbursements which did not contain the proper time and effort documentation, or the time and effort documentation did not agree with how the employee's payroll was allocated to the federal program. This was a statistically valid sample.

Questioned Costs: None

Cause: Updates to the payroll allocations, based on time and effort documentation completed, were not all adequately incorporated into the systems for allocating payroll costs to federal awards.

Effect: The District was not in compliance with the Uniform Guidance requirements around cost principles and time and effort documentation.

Repeat Finding: No

Recommendation: We recommend that the District reviews its procedures and controls over time and effort documentation for wages charged to Federal programs to ensure all documentation accurately reflects the work performed and that the time and effort documentation agrees with how the employee's wages are allocated to the grant in the finance system.

View of Responsible Official: There is no disagreement with the audit finding.

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section V – MN Legal Compliance Findings

FINDING: 2021-003 CONTRACTING AND BIDDING

Condition: Minnesota statute 123B.52, subd. 1 requires that notices of requests for bids be published for a full two weeks. In addition, Minnesota statute 471.425, subd. 4 requires that contracts include language which requires the prime contractor to pay subcontractors within ten days of receipt of payment from the governmental entity. During our review of a selection of contracts and bids, we noted there was one bid which was published for eleven days rather than the required fourteen and whose contract did not include the required subcontractor payment language.

Recommendation: We recommend the District review its process for ensuring all contracts, bids, quotes, etc. follow Minnesota State statutes for contracting and bidding.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will implement the recommendation immediately to ensure all contracts follow proper procedure in compliance with state statutes.

Officials Responsible for Ensuring CAP:

Christopher Onyango-Robshaw, Coordinator of Finance, is the official responsible for ensuring implementation of the corrective action plan.

Planned Completion Date for CAP:

The planned completion date for the CAP is November 30, 2022.

Plan to Monitor Completion of CAP:

The Board of Education and administration will be monitoring this corrective action plan.

**INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

FINDING: 2021-004 MISCELLANEOUS PROVISIONS

Condition: Minn. Stat. §§ 345.38-.43 state that if the District has any unclaimed or uncashed checks or other intangible property held for more than three years the property must be reported and paid or delivered to the state. CLA noted that there were some older student lunch accounts which had balances and were not properly remitted to the state as unclaimed property.

Recommendation: We recommend that the District implement a process which includes reviewing all inactive lunch balance accounts for all of those that have been inactive for three years and enduring they are then remitted to the State.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will implement the recommendation immediately to properly remit balances which are older than three years to the state.

Officials Responsible for Ensuring CAP:

Christopher Onyango-Robshaw, Coordinator of Finance, and Spencer Fischer, Child Nutrition Program Director, is the official responsible for ensuring implementation of the corrective action plan.

Planned Completion Date for CAP:

The planned completion date for the CAP is June 30, 2022.

Plan to Monitor Completion of CAP:

The Board of Education and administration will be monitoring this corrective action plan.

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