

**CALVERT COUNTY PUBLIC SCHOOLS
A COMPONENT UNIT OF CALVERT COUNTY
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2022**



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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**

Board of Education
of Calvert County
Calvert County Public Schools
Prince Frederick, Maryland

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 and each major fund of Calvert County Public Schools (CCPS), a component unit of Calvert County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the CCPS' basic financial statements, and have issued our report thereon dated October 31, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CCPS' 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 CCPS' internal control. Accordingly, we do not express an opinion on the effectiveness of CCPS' 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CCPS' 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
October 31, 2022



**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**

Calvert County Board of Education
and Management of Calvert County Public Schools
Prince Frederick, Maryland

Report on Compliance for Each Major Federal Program

We have audited Calvert County Public Schools (CCPS or Schools), a component unit of Calvert County, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of CCPS' major federal programs for the year ended June 30, 2022. CCPS' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, CCPS, complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of CCPS and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of CCPS' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to CCPS' federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CCPS' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CCPS' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding CCPS' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of CCPS' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 CCPS' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures City Schools' response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. CCPS' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on CCPS' response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. CCPS' response was not subjected to the other 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 and each major fund of CCPS, a component unit of Calvert County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise CCPS' basic financial statements. We issued our report thereon dated October 31, 2022, 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.

Calvert County Board of Education
and Management of Calvert County Public Schools

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

CliftonLarsonAllen LLP

Baltimore, Maryland
December 20, 2022

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Federal Funds Received Directly				
U.S. Department of Education				
PL 874	84.041	N/A	\$ -	\$ 460,679
U.S. Department of Health and Human Services				
<u>Head Start Cluster:</u>				
Head Start Year 8 Funds	93.600	N/A	-	1,259,499
Head Start Year 8 T & TA Funds	93.600	N/A	-	16,579
Head Start Year 9 Funds 03CH10879-03	93.600	N/A	-	399,303
Head Start Year 9 T & TA Funds - 03CH10879-03	93.600	N/A	-	560
COVID-19 Head Start	93.600	N/A	-	38,195
Total Head Start Cluster			-	1,714,136
Total Federal Funds Received Directly			-	2,174,815
U.S. Department of Education				
Federal Programs Administered Through				
Maryland State Department of Education				
<u>Elementary And Secondary Education:</u>				
Title I Educationally Deprived	84.010	20099001	-	62,996
Title I Educationally Deprived	84.010	22146401	-	423,533
Title I Educationally Deprived	84.010	22151101	-	996,512
Total Title I			-	1,483,041
<u>Occupational, Vocational and Adult Education</u>				
Perkins	84.048	22052502	-	123,132
Perkins Reserve	84.048	22081802	-	25,197
Career and Technical Education (CTE) Computer Science Grant	84.048	22083702	-	21,310
Total Vocational Education			-	169,639
<u>IDEA: Special Education Cluster:</u>				
Special Education Grants to States	84.027	22040406	-	1,624,691
Special Education Grants to States	84.027	20028501	-	165,611
Special Education Grants to States	84.027	21045101	-	1,144,644
Special Education Grants to States	84.027	22040409	-	2,343
Special Education Grants to States	84.027	21045104	-	2,039
Special Education Grants to States	84.027	21101501	-	45,924
Special Education Grants to States	84.027	20112001	-	591
Special Education Grants to States	84.027	22016001	-	48,566
Special Education Grants to States	84.027	22040407	-	33,736
Special Education Grants to States	84.027	22040410	-	8,719
Special Education Preschool Grants	84.027	21045105	-	3,476
Special Education Grants to States	84.027	22132102	-	17,278
Special Education Grants to States	84.027	21101502	-	33,815
Special Education Grants to States	84.027	22132103	-	71,604
Special Education Grants to States	84.027	21101503	-	37,834
Special Education Grants to States	84.027	19026207	-	15,601
Special Education Grants to States	84.027	22040408	-	63,504
Special Education Grants to States	84.027	21045103	-	368,053
Special Education Grants to States	84.027	22126801	-	352,659
Special Education Grants to States	84.027	22126802	-	7,553
Special Education Grants to States	84.027	22126803	-	103,982
Special Education Grants to States	84.027	22124401	-	26,221
Special Education Grants to States	84.027	22124402	-	794
Total IDEA Special Education Grants to States			-	4,179,239

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Education				
Federal Programs Administered Through				
Maryland State Department of Education (Continued)				
<u>Preschool</u>				
Special Education Preschool Grants	84.173	22037001	\$ -	\$ 69,969
Special Education Preschool Grants	84.173	22045701	-	7,000
Special Education Preschool Grants	84.173	22045702	-	4,151
Special Education Preschool Grants	84.173	22037002	-	1,122
Total Special Education Preschool Grants			-	82,242
Total Special Education Cluster			-	4,261,481
<u>Infants and Toddlers</u>				
Special Education Grants for Infants and Families	84.181	21025901	-	59,274
Special Education Grants for Infants and Families	84.181	22013601	-	68,551
Total Special Education Preschool and Infants and Families			-	127,824
<u>Dept of Rehabilitation Services</u>				
Summer Youth Employment - DORS	84.126	21171301	-	14,576
<u>Title II A Improving Teacher Quality:</u>				
Improving Teacher Quality State Grants	84.367	22104601	-	109,677
Improving Teacher Quality State Grants	84.367	21078001	-	84,053
Improving Teacher Quality State Grants	84.367	20106601	-	36,323
Total Improving Teacher Quality			-	230,053
<u>English Language Acquisition</u>				
English Language Acquisition Grants	84.365	22067601	-	3,958
English Language Acquisition Grants	84.365	20074901	-	3,604
English Language Acquisition Grants	84.365	21047801	-	15,372
English Language Acquisition Grants	84.365	20074902	-	4,441
Total English Language Acquisition Grants			-	27,375
<u>Safe & Drug Free Schools & Communities Act</u>				
Title IV (SAES)	84.424	22152501	-	28,317
Title IV (SAES)	84.424	21138001	-	41,755
Title IV (SAES)	84.424	20156001	-	45,917
Title IV (SAES)	84.424	22086201	-	10,000
Total Safe & Drug Free Schools & Communities Act			-	125,989
<u>Stewart B McKinney Homeless Assistance</u>				
Education for the Homeless	84.196	22157401	-	6,122
Education for the Homeless	84.196	21131201	-	23,812
Education for the Homeless	84.196	20154401	-	10
Total Stewart B McKinney Homeless Assistance			-	29,944
<u>Striving Readers Comprehensive Literacy</u>				
Striving Readers Comprehensive Literacy YR3	84.371	20125401	-	53,921
Total Striving Readers Comprehensive Literacy			-	53,921
<u>COVID-19 Education Stabilization Fund (ESF)</u>				
COVID-19 ESF I	84.425D	20178901	-	81,359
COVID-19 ESF II	84.425D	20213601	-	2,034,772
COVID-19 ESF - Reopening Schools Incentive Grant	84.425D	20205701	-	1,825
COVID-19 ESF III	84.425D	21195001	-	302,741
Total COVID-19 ESF			-	2,420,697
Total U.S. Department of Education			-	8,944,540

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Treasury				
Federal Programs Administered Through Maryland State Department of Education				
<u>COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLRF)</u>				
COVID-19 Trauma and Behavioral Health I	21.027	21176201	\$ -	\$ 84,808
COVID-19 Trauma and Behavioral Health II	21.027	21189901	-	87,325
COVID-19 Summer School Grant I	21.027	21181601	-	184,563
COVID-19 Summer School Grant II	21.027	21187301	-	81,331
COVID-19 American Rescue Plan - School Reopening Grant	21.027	21177401	-	104,226
COVID-19 Transitional Supplemental Instruction	21.027	21188801	-	236,130
Total Coronavirus State and Local Fiscal Recovery Funds (CSLRF)			-	778,382
Total U.S. Department of Treasury				
			-	778,382
FEDERAL FUNDS RECEIVED THROUGH NON-MSDE:				
SEED Grant - STEAM Ecosystem Expansion Demonstration - YR 1 of 5	84.351	NA	-	122,813
U.S. Department of Agriculture				
Federal Programs Administered Through Maryland State Department of Education				
Child Nutrition Cluster:				
Food Distribution-USDA Commodities	10.555	N/A	-	476,360
Summer Food Program - Lunch	10.555	N/A	-	5,688,880
Summer Food Program - Breakfast	10.553	N/A	-	1,596,541
Summer Food Program	10.559	N/A	-	154,081
Total Child Nutrition Cluster			-	7,915,862
Total U.S. Department of Agriculture				
			-	7,915,862
TOTAL FEDERAL AWARDS			\$ -	\$ 19,936,412

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CALVERT COUNTY PUBLIC SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of Calvert County Public Schools (CCPS) for the year ended June 30, 2022.

Basis of Accounting

Expenditures reported on the schedule of expenditures of federal awards (the Schedule) are reported on the 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 Number 21.027-Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), which follows criteria determined by the Department of Treasury Final Rule for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 RELATION TO FINANCIAL STATEMENTS AND FEDERAL FINANCIAL REPORTS

The following schedule reconciles the amounts per the financial statements to the amounts per the schedule of expenditures of federal awards for the year ended June 30, 2022:

Revenue:	
Federal Revenue - General Fund	\$ 12,377,469
Federal Revenue - Food Services	<u>7,906,767</u>
Total	20,284,236
Less:	
Medicaid Reimbursement	(100,978)
US Navy ROTC Revenue	(250,000)
Miscellaneous Adjustment	<u>3,154</u>
Total	<u>(347,824)</u>
Total per Schedule of Expenditures of Federal Awards	<u><u>\$ 19,936,412</u></u>

NOTE 3 INDIRECT COSTS

CCPS did not elect to use the 10% de minimis cost rate for indirect costs.

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major federal programs:

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

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

- 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(s)

Name of Federal Program or Cluster

21.027

COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)

10.553/10.555/10.559

Child Nutrition Cluster

84.425D

COVID-19 Education Stabilization Fund (ESF or ESSER)

Dollar threshold used to determine Type A programs: \$750,000

Auditee qualify as low-risk auditee? x yes _____ no

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2022-001

Federal Agency: U.S. Department of Treasury and U.S. Department of Agriculture

Federal Program Name: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) and Child Nutrition Cluster (CNC)

Assistance Listing Number: 21.027 and 10,553, 555 559

Federal Award ID Number (FAIN) and Year: S425D2000005, 2021- 2024 (CLFRF), and 2022 (CNC)

Pass-Through Agency: Maryland State Department of Education

Pass-Through Number(s): 21176201, 21189901, 21181601, 21187301, 21177401, 21188801, 21184001(CSLFRF) and CNC: none

Award Period: March 3, 2021, through - December 31, 2024 (CSLFRF) and July 1, 2021, through June 30, 2022 (CNC)

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

**CALVERT COUNTY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award 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. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: During our testing, we noted the schools did not maintain documentation to support vendor’s suspension and debarment status. The school’s procurement procedures and annual procurement updates advise employees to verify the vendor’s suspension and debarment status, but evidence of the review is not maintained. CLA was not able to determine if the vendor was not suspended or debarred prior to contracting with the schools. We were able to confirm that the vendor was not identified as suspended or debarred via SAMs.gov during the audit.

Questioned costs: None

Context: During our testing, two of the five CNC vendors and four of the four CSLFRF vendors did not have documentation of their suspension or debarment status prior to the school’s contracting with the vendor.

Cause: The client was aware of the requirement and ensured communication of the requirement was provided to the schools’ employees but did not maintain documentation of the review.

Effect: The schools did not have adequate monitoring controls to provide evidence of compliance with the requirement.

Repeat Finding: No

Recommendation: We recommend that the schools develop internal controls and procedures to ensure that documentation of vendor’s suspension and debarment status is maintained in accordance with the required retention policy.

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

December 21, 2022

Maryland State Department of Education:

Calvert County Public Schools respectfully submits the following corrective action plan for the fiscal year ended June 30, 2022.

FINDINGS—MAJOR FEDERAL PROGRAMS
2022-001 Suspension and Debarment

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL, OTHER MATTERS

Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), ALN 21.027
Child Nutrition Cluster (CNC), ALN 10.553, 10.555, 10.559

Auditor's Recommendation: We recommend that the schools develop internal controls and procedures to ensure that documentation of vendor's suspension and debarment status is maintained in accordance with the required retention policy.

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

Action planned/taken in response to finding: When issuing contracts in excess of \$25,000 for goods or services, a school district employee will do one or both of the following:

- A. Add suspension and debarment language to the applicable vendor contract.
- B. (1) Check the federal government's suspension and debarment website to determine if the vendor has been suspended or debarred, (2) take a screen shot that shows "not found" or similar language to support that the vendor is not suspended or debarred, (3) save a copy of a screen shot to document completion of this check, and (4) retain the screen shots for the school district auditors. When using this option (instead of Option A above), staff will ensure that the date of the screen shot will be before or on the date on which the vendor contract is fully executed.

Name(s) of the contact person(s) responsible for corrective action: Sheldon Taylor

Planned completion date for corrective action plan: June 30, 2023

If the Maryland State Department of Education has any questions regarding this plan, please call Scott Johnson at 443-550-8200.