

**MILLCREEK TOWNSHIP SCHOOL DISTRICT**

**SINGLE AUDIT REPORT**

**YEAR ENDED JUNE 30, 2023**

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
SINGLE AUDIT REPORT  
YEAR ENDED JUNE 30, 2023

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# Zelenkofske Axlerod LLC

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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  
Millcreek Township School District

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, the business-type activities, each major fund, and the aggregate remaining fund information of MILLCREEK TOWNSHIP SCHOOL DISTRICT, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise MILLCREEK TOWNSHIP SCHOOL DISTRICT's basic financial statements, and have issued our report thereon dated December 28, 2023.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered MILLCREEK TOWNSHIP SCHOOL 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's internal control. Accordingly, we do not express an opinion on the effectiveness of MILLCREEK TOWNSHIP SCHOOL 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.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether MILLCREEK TOWNSHIP SCHOOL 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*.



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To the Members of the Board  
Millcreek Township School District  
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## **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.

*Zelenkofske Axlerod LLC*

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania  
December 28, 2023



# *Zelenkofske Axlerod LLC*

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Members of the Board  
Millcreek Township School District

## **Report on Compliance for Each Major Federal Program**

### **Opinion on Each Major Federal Program**

We have audited MILLCREEK TOWNSHIP SCHOOL DISTRICT's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Compliance Supplement that could have a direct and material effect on each of MILLCREEK TOWNSHIP SCHOOL DISTRICT's major federal programs for the year ended June 30, 2023. MILLCREEK TOWNSHIP 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.

In our opinion, MILLCREEK TOWNSHIP SCHOOL DISTRICT 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, 2023.

### **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 41 issued by the Comptroller General of the United States (Government Auditing Standards); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of MILLCREEK TOWNSHIP SCHOOL DISTRICT 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's federal programs.



# *Zelenkofske Axelrod LLC*

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To the Members of the Board  
Millcreek Township School District  
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## **Auditor's 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 the MILLCREEK TOWNSHIP SCHOOL DISTRICT's 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of MILLCREEK TOWNSHIP SCHOOL DISTRICT's 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 MILLCREEK TOWNSHIP SCHOOL DISTRICT's 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.

## **Report on 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.



# *Zelenkofske Axlerod LLC*

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To the Members of the Board  
Millcreek Township School District  
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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 Uniform Guidance**

We have audited the financial statements of MILLCREEK TOWNSHIP SCHOOL DISTRICT, as of and for the year ended June 30, 2023, and have issued our report thereon dated December 28, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Zelenkofske Axlerod LLC*  
ZELENKOSFKE AXELROD LLC

Pittsburgh, Pennsylvania  
December 28, 2023

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Source Code	Federal AL Number	Pass Through Grantor Number	Grant Period		Accrued/ (Deferred) Revenue at July 1, 2022	Total Received for the Year	Revenue Recognized	Expenditures	Accrued/ (Deferred) Revenue at June 30, 2023	Subrecipient Expenditures
				Beginning	Ending						
<b>U.S. Department of Agriculture</b>											
Passed through Pennsylvania Dept. of Agriculture											
National School Lunch Program - U.S. Donated Commodities	I	10.555	2-01-25-101	7/1/2022	6/30/2023	\$ (865)	\$ 130,104	\$ 130,964	\$ 130,964	\$ (5)	\$ -
<b>Passed through Pennsylvania Dept. of Education</b>											
National School Lunch Program	I	10.555	362	7/1/2022	6/30/2023	-	1,720,426	1,778,344	1,778,344	57,918	-
National School Lunch Program	I	10.555	362	7/1/2022	6/30/2023	477,475	477,475	-	-	-	-
Subtotal						477,475	2,197,901	1,778,344	1,778,344	57,918	-
National School Breakfast Program	I	10.553	365	7/1/2021	6/30/2022	141,467	141,467	-	-	-	-
National School Breakfast Program	I	10.553	365	7/1/2022	6/30/2023	-	558,808	578,938	578,938	20,130	-
Subtotal						141,467	700,275	578,938	578,938	20,130	-
Supply Chain Assistance - (COVID-19)	I	10.555	356	4/11/2022	4/10/2024	(121,913)	163,508	265,665	265,665	(19,756)	-
P-EBT Local Admin Funds	I	10.555	358	7/1/2022	6/30/2023	-	3,135	3,135	3,135	-	-
Subtotal						(121,913)	166,643	268,800	268,800	(19,756)	-
Total Child Nutrition Cluster											
						496,164	3,194,923	2,757,046	2,757,046	58,287	-
Total U.S. Dept. of Agriculture						496,164	3,194,923	2,757,046	2,757,046	58,287	-
<b>U.S. Department of Education</b>											
Passed through Pennsylvania Dept. of Education											
Title I Improving Basic Programs	I	84.010	013-21-0253	7/1/2020	9/30/2021 *	(5,012)	-	5,012	5,012	-	-
Title I Improving Basic Programs	I	84.010	013-22-0253	7/1/2021	9/30/2022 *	298,132	361,278	54,528	54,528	(8,618)	-
Title I Improving Basic Programs	I	84.010	013-23-0253	7/1/2022	9/30/2023 *	-	1,146,563	1,294,669	1,294,669	148,106	-
Subtotal						293,120	1,507,841	1,354,209	1,354,209	139,488	-
Title II Improving Teacher Quality	I	84.367	020-20-0253	7/1/2019	9/30/2020 *	(15,479)	-	15,479	15,479	-	-
Title II Improving Teacher Quality	I	84.367	020-21-0253	7/1/2020	9/30/2021 *	(5,332)	-	5,332	5,332	-	-
Title II Improving Teacher Quality	I	84.367	020-22-0253	7/1/2021	9/30/2022 *	6,698	43,822	29,999	29,999	(7,125)	-
Title II Improving Teacher Quality	I	84.367	020-23-0253	7/1/2022	9/30/2023 *	-	182,843	165,931	165,931	(16,912)	-
Subtotal						(14,113)	226,665	216,741	216,741	(24,037)	-
Title IV Improving Teacher Quality	I	84.424	144-21-0253	7/1/2020	9/30/2021	(409)	-	409	409	-	-
Title IV Improving Teacher Quality	I	84.424	144-22-0253	7/1/2021	9/30/2022	(23,929)	19,035	42,884	42,884	(80)	-
Title IV Improving Teacher Quality	I	84.424	144-23-0253	7/1/2022	9/30/2023	-	80,239	75,405	75,405	(4,834)	-
Subtotal						(24,338)	99,274	118,698	118,698	(4,914)	-
ESSERS I - (COVID-19)	I	84.425D	200-20-0253	3/13/2020	9/30/2022 *	(8,904)	-	8,905	8,905	1	-
ESSERS II - (COVID-19)	I	84.425D	200-21-0253	3/13/2020	9/30/2023 *	1,928,131	3,252,774	1,324,643	1,324,643	-	-
ARP ESSERS - (COVID-19)	I	84.425U	223-21-0253	3/13/2020	9/30/2024 *	2,220,617	5,658,301	3,486,184	3,486,184	48,500	-
ARP ESSER 7% LL - (COVID-19)	I	84.425U	225-21-0253	3/13/2020	9/30/2024 *	119,859	237,975	142,355	142,355	24,239	-
ARP ESSER 7% BA - (COVID-19)	I	84.425U	225-21-0253	3/13/2020	9/30/2024 *	76,152	47,595	-	-	28,557	-
ARP ESSER 7% SS - (COVID-19)	I	84.425U	225-21-0253	3/13/2020	9/30/2024 *	22,105	47,595	-	-	(4,079)	-
ARP ESSER 2.5% - (COVID-19)	I	84.425U	225-21-0253	3/13/2020	9/30/2024 *	(13,932)	222,914	226,184	226,184	(10,662)	-
Subtotal						4,344,028	9,467,154	5,209,682	5,209,682	86,556	-
<b>PA Commission on Crime and Delinquency</b>											
PCCD 2nd Round	I	84.425D	N/A	3/13/2020	9/30/2022 *	-	1,187	1,187	1,187	-	-
2023 PCCD Grants - Mental	I	84.425U	N/A	8/1/2022	7/31/2024 *	-	-	83,495	83,495	83,495	-
2023 PCCD Grants - Physical	I	84.425U	N/A	8/1/2022	7/31/2024 *	-	-	195,463	195,463	195,463	-
Subtotal						-	1,187	280,145	280,145	278,958	-
Passed through Northwest Tri- County IU											
IDEA Section 619	I	84.173	IU	7/1/2021	6/30/2022	7,973	7,973	-	-	-	-
IDEA Section 619	I	84.173	IU	7/1/2022	6/30/2023	-	-	13,050	13,050	13,050	13,050
IDEA Section 611	I	84.027	IU	7/1/2021	6/30/2022	52,304	52,304	-	-	-	-
IDEA Section 611	I	84.027	IU	7/1/2022	6/30/2023	-	972,510	1,389,300	1,389,300	416,790	1,389,300
IDEA ARP	I	84.027	IU	7/1/2022	9/30/2023	264,333	264,333	-	-	-	-
Subtotal - Special Education Cluster						324,610	1,297,120	1,402,350	1,402,350	429,840	1,402,350
Total U.S. Department of Education						4,923,307	12,599,241	8,581,825	8,581,825	905,891	1,402,350
<b>U.S. Department of Treasury</b>											
Passed through Erie County Department of Health											
Coronavirus Relief Funds	I	21.019	EC DOH	8/1/2022	6/30/2023	-	75,000	75,000	75,000	-	-
Coronavirus Relief Funds	I	21.019	EC DOH	8/1/2022	7/31/2023	-	42,000	42,000	42,000	-	-
Total U.S. Department of Treasury						-	117,000	117,000	117,000	-	-
U.S. Department of Justice											
COPS Grants	I	16.71	N/A	10/1/2021	9/30/2024	-	-	454,857	454,857	454,857	-
Total U.S. Department of Justice						-	-	454,857	454,857	454,857	-
<b>U.S. Department of Health and Human Services</b>											
Passed through Pennsylvania Dept. of Education											
Medical Assistance - Admin.	I	93.778	N/A	7/1/2021	6/30/2022	25,770	25,770	-	-	-	-
Medical Assistance - Admin.	I	93.778	N/A	7/1/2022	6/30/2023	-	16,711	36,382	36,382	19,671	-
Subtotal						25,770	42,481	36,382	36,382	19,671	-
Total Federal Assistance						\$ 5,445,241	\$ 15,953,645	\$ 11,947,110	\$ 11,947,110	\$ 1,438,706	\$ 1,402,350

\* - Denotes tested as a major program

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: REPORTING ENTITY

The Millcreek Township School District (the "School District") is the reporting entity for financial reporting purposes as defined in Note 1 to the School District's financial statements.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards has been prepared on the basis of accounting practices prescribed or permitted by the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems, issued by the Pennsylvania Department of Education. These practices, as they apply to the School District, are in conformity with U.S. generally accepted accounting principles. The District did not use the 10% de minimis indirect cost rate.

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditor's Results:

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified not considered to be material weaknesses?  
 yes  none reported

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified not considered to be material weaknesses?  
 yes  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  
2 CFR 200.516(a)  yes  no

Identification of major programs:

<u>Federal AL Number(s)</u>	<u>Name of Program or Cluster</u>
84.367	Supporting Effective Instruction State Grants
84.010	Title I Grants to Local Educational Agencies
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023

Section II – Findings Relating to the Financial Statements Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

No matters were reported

Section III – Federal Awards Findings and Questioned costs.

No matters were reported.

MILLCREEK TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023

Status of Prior Audit Findings

No matters were reported.