

Corrective Action Plans and  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2023

**A. FINANCIAL STATEMENT FINDINGS**

None.

**B. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF AGRICULTURE, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, CHILD NUTRITION CLUSTER – FEDERAL ALN 10.555, 10.553, AND 10.582**

**2023-001 Internal Control Over Compliance With Federal Suspension and Debarment Requirements**

**Finding Summary**

2 CFR § 180 requires Independent School District No. 280 (the District) to establish and maintain effective internal control over compliance with requirements applicable to its federal program expenditures, including applicable suspension and debarment requirements. The District did not have sufficient controls in place within the child nutrition cluster federal programs to assure that it was not contracting for goods or services with parties that are suspended or debarred, or whose principals are suspended or debarred from participating in contracts involving the expenditures of federal program funds.

**Corrective Action Plan**

**Actions Planned** – The District will review policies and procedures relating to suspension and debarment for child nutrition cluster federal programs and will ensure that all parties with which it contracts for goods or services are eligible to participate in contracts involving the expenditures of federal program funding.

**Official Responsible** – The District’s Director of Finance, James Gilligan.

**Planned Completion Date** – June 30, 2024.

**Disagreement With or Explanation of Finding** – The District agrees with this finding.

**Plan to Monitor** – The District’s Chief Administrative Officer, Craig Holje, will monitor the implementation of these corrective actions as determined by the Director of Finance to ensure appropriate controls are in place to verify that any vendor with which the District contracts for federal program goods or services exceeding \$25,000 is not listed as suspended or debarred on the federal Excluded Parties List System website.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and  
Summary Schedule of Prior Audit Findings (continued)  
Year Ended June 30, 2023

**C. MINNESOTA LEGAL COMPLIANCE FINDINGS**

**2023-002 Timely Payment of Claims**

**Finding Summary**

Minnesota Statutes § 471.425 requires prompt payment of local government bills within a standard payment period of 35 days from the receipt of goods and services, or the invoice for goods or services, for districts with governing boards that meet at least once a month. If such obligations are not paid within the appropriate time period, districts must pay interest on the unpaid obligations at the rate of 1.5 percent per month or part of a month. One of twenty-five disbursements tested were not paid within the required thirty-five-day period.

**Corrective Action Plan**

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

**Official Responsible** – The District’s Director of Finance, James Gilligan.

**Planned Completion Date** – June 30, 2024.

**Disagreement With or Explanation of Finding** – The District agrees with this finding.

**Plan to Monitor** – The District’s Chief Administrative Officer, Craig Holje, will monitor the implementation of these corrective actions, will assure appropriate internal controls and procedures are updated and in place for future compliance.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and  
Summary Schedule of Prior Audit Findings (continued)  
Year Ended June 30, 2023

**D. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

**2022-001 Timeliness of Cash Reconciliations**

Corrective action has been taken.

**SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF AGRICULTURE, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, CHILD NUTRITION CLUSTER – FEDERAL ALN 10.555, 10.553, AND 10.582; U.S. DEPARTMENT OF THE TREASURY, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, COVID-19 – CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – FEDERAL ALN 21.027; AND U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, COMPREHENSIVE LITERACY DEVELOPMENT – FEDERAL ALN 84.371**

**2022-002 Internal Control Over Compliance With Federal Suspension and Debarment Requirements**

**Repeat Finding** – The District did not establish and maintain effective internal control over compliance with suspension and debarment requirements applicable to its child nutrition cluster federal programs. Based on follow-up testing performed in the current year, the District did not have sufficient controls in place within its child nutrition cluster federal programs to assure that it was not contracting for goods or services with parties that are suspended or debarred, or whose principals are suspended or debarred from participating in contracts involving the expenditures of federal program funds. Corrective action has been taken in the other federal programs indicated in the original finding.

**Actions Planned** – The District will review policies and procedures relating to suspension and debarment applicable to its child nutrition cluster federal programs and will ensure that all parties with which it contracts for goods or services are eligible to participate in contracts involving the expenditures of federal program funding.

**Current Status** – See finding 2023-001 for the current status of this condition.