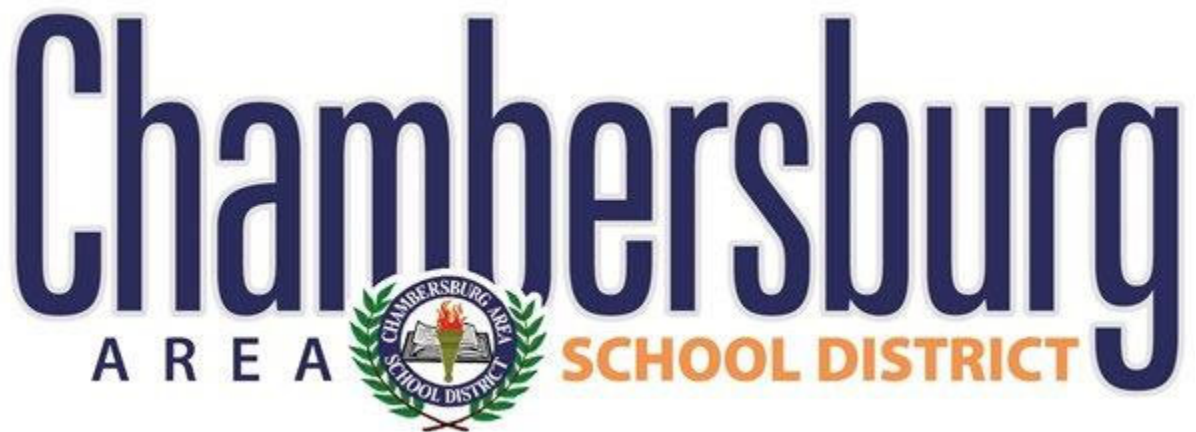


Single Audit
Reporting
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June 30,
2023



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Chambersburg Area School District
Chambersburg, Pennsylvania

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited Chambersburg Area School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Chambersburg Area School District's major federal programs for the year ended June 30, 2023. Chambersburg Area 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, Chambersburg Area School 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, 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; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chambersburg Area 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 Chambersburg Area School District's compliance with the compliance requirements referred to above.

Responsibilities of Management of Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws, statutes, rules, and provisions of contracts or grant agreements applicable to Chambersburg Area School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Chambersburg Area 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 generally accepted auditing standards, *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 Chambersburg Area School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Chambersburg Area School District compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Chambersburg Area 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 Chambersburg Area 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 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 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 the Uniform Guidance

We have audited the financial statements of Chambersburg Area School District as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise Chambersburg Area School District's basic financial statements. We issued our report thereon dated April 30, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming an opinion 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 schedules of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in dark ink that reads "Smith Elliott Kearns + Company, LLC". The signature is written in a cursive, flowing style.

Chambersburg, Pennsylvania

June 13, 2024, except for our report on the

Schedule of Expenditures of Federal Awards for
which the date is April 30, 2024

CHAMBERSBURG AREA SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Grantor Program Title	Source Code	Assistance Listing Number	Pass Through Grantor's Number	Grant Period Beginning/ Ending Date	Program or Award Amount	Total Received for the Year	Receivable (Payable) at July 1, 2022	Revenue Recognized	Expenditures Recognized	Receivable (Payable) at June 30, 2023	Total Passed-Through to Subrecipients
U.S. Department of Education											
Impact Aid	D	84.041	N/A	N/A	N/A	\$ 483,641	\$ -	\$ 483,641	\$ 483,641	\$ -	\$ -
Total direct funds						483,641	-	483,641	483,641	-	-
Passed through Pennsylvania Department of Education											
ESEA Title I	I	84.010	013-22-0076	July 30, 2021 - September 30, 2022	2,844,074	1,519,484	357,040	1,162,444	1,162,444	-	-
ESEA Title I	I	84.010	013-23-0076	July 30, 2022 - September 30, 2023	2,621,470	1,211,411	-	1,667,467	1,667,467	456,056	-
Title I						2,730,895	357,040	2,829,911	2,829,911	456,056	-
ESEA Title II Part A	I	84.367	020-21-0076	July 30, 2020 - September 30, 2022	409,164	-	(33,199)	33,199	33,199	-	-
ESEA Title II Part A	I	84.367	020-22-0076	July 30, 2021 - September 30, 2022	317,106	168,989	163,210	6,031	6,031	252	-
ESEA Title II Part A	I	84.367	020-23-0076	July 30, 2022 - September 30, 2023	310,131	244,510	-	226,622	226,622	(17,888)	-
Title II						413,499	130,011	265,852	265,852	(17,636)	-
ESEA Title III	I	84.365	010-22-0076	July 30, 2021 - September 30, 2022	171,484	47,292	15,488	31,804	31,804	-	-
ESEA Title III	I	84.365	010-23-0076	July 30, 2022 - September 30, 2023	170,499	113,666	-	112,127	112,127	(1,539)	-
Title III						160,958	15,488	143,931	143,931	(1,539)	-
ESEA Title IV	I	84.424	144-22-0076	July 30, 2021 - September 30, 2022	227,610	136,595	(15,357)	176,894	176,894	24,942	-
ESEA Title IV	I	84.424	144-23-0076	July 30, 2022 - September 30, 2023	213,364	56,897	-	-	-	(56,897)	-
Title IV						193,492	(15,357)	176,894	176,894	(31,955)	-
Education Stabilization Fund											
COVID-19 - ARP ESSER Homeless Children and Youth	I	84.425C	181-21-2074	July 1, 2021 - September 30, 2024	93,041	2,386	(7,157)	25,230	25,230	15,687	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund (ESSER II)	I	84.425D	200-21-0076	March 13, 2020 - September 30, 2023	11,176,600	7,017,865	2,287,271	4,712,424	4,712,424	(18,170)	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund (ESSER III)	I	84.425U	223-21-0076	March 13, 2020 - September 30, 2024	22,607,027	6,987,626	1,236,541	10,302,349	10,302,349	4,551,264	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund ARP ESSER 7% Set-Asides	I	84.425U	225-21-0076	March 13, 2020 - September 30, 2024	1,757,074	159,734	(202,051)	238,127	238,127	(123,658)	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund ARP ESSER 2.5% Neglected and Delinquent Institutions	I	84.425	224-21-0076	March 13, 2020 - September 30, 2024	191,516	90,535	-	132,621	132,621	42,086	-
aTSI Governor's Emergency Education Relief Fund (GEER)	I	84.425C	254-20-0076	March 13, 2020 - September 30, 2022	162,878	25,718	15,526	10,192	10,192	-	-
COVID-19 - Governor's Emergency Education Relief Fund (GEER)	I	84.425C	253-20-0076	March 13, 2020 - September 30, 2022	350,050	36,847	(41,188)	78,035	78,035	-	-
Passed through the Commonwealth of Pennsylvania											
COVID-19 School Health and Safety Grant	I	84.425D	S425D200028	March 13, 2020 - September 30, 2022	282,785	10,334	3,146	7,188	7,188	-	-
Total Education Stabilization Fund						\$ 14,331,045	\$ 3,292,088	\$ 15,506,166	\$ 15,506,166	\$ 4,467,209	\$ -

CHAMBERSBURG AREA SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Grantor Program Title	Source Code	Listing Number	Grantor's Number	Beginning/Ending Date	Program or Award Amount	Received for the Year	(Payable) at July 1, 2022	Revenue Recognized	Expenditures Recognized	(Payable) at June 30, 2023	Passed-Through to Subrecipients
Passed through Lincoln Intermediate Unit											
I.D.E.A.	I	84.027	N/A	July 1, 2022 - June 30, 2023	1,870,820	\$ 1,870,820	\$ -	\$ 1,870,820	\$ 1,870,820	\$ -	\$ -
I.D.E.A. - 619	I	84.173	N/A	July 1, 2022 - June 30, 2023	22,842	22,842	-	22,842	22,842	-	-
Total Lincoln Intermediate Unit						<u>1,893,662</u>	<u>-</u>	<u>1,893,662</u>	<u>1,893,662</u>	<u>-</u>	<u>-</u>
Special Education Grants to States											
Passed through Montgomery County Intermediate Unit 23											
PaTTAN	I	84.323A	N/A	July 1, 2022 - June 30, 2023	10,000	10,000	-	2,007	2,007	(7,993)	-
Total Montgomery County Intermediate Unit 23						<u>10,000</u>	<u>-</u>	<u>2,007</u>	<u>2,007</u>	<u>(7,993)</u>	<u>-</u>
Total Special Education Cluster						<u>1,903,662</u>	<u>-</u>	<u>1,895,669</u>	<u>1,895,669</u>	<u>(7,993)</u>	<u>-</u>
Total U.S. Department of Education						<u>19,733,551</u>	<u>3,779,270</u>	<u>20,818,423</u>	<u>20,818,423</u>	<u>4,864,142</u>	<u>-</u>
Federal Communications Commission											
Passed through Universal Service Administrative Company											
Emergency Connectivity Fund	I	32.009	ECF202107296	July 1, 2021 - June 30, 2023	427,434	348,431	338,955	59,395	59,395	49,919	-
Total Federal Communications Commission											
U.S. Department of Agriculture											
Child Nutrition Cluster											
Passed through Pennsylvania Department of Education											
COVID-19 School Breakfast Program	I	10.553	N/A	July 1, 2021 - June 30, 2022	N/A	260,115	260,115	-	-	-	-
School Breakfast Program	I	10.553	N/A	July 1, 2022 - June 30, 2023	N/A	1,094,941	-	1,114,843	1,114,843	19,902	-
COVID-19 After School Snack	I	10.559	N/A	July 1, 2021 - June 30, 2022	N/A	5,862	5,862	-	-	-	-
After School Snack	I	10.559	N/A	July 1, 2022 - June 30, 2023	N/A	29,907	-	30,207	30,207	300	-
COVID-19 National School Lunch Program	I	10.555	N/A	July 1, 2021 - June 30, 2022	N/A	1,140,748	1,140,748	-	-	-	-
National School Lunch Program	I	10.555	N/A	July 1, 2022 - June 30, 2023	N/A	3,835,811	-	3,891,523	3,891,523	55,712	-
COVID-19 Supply Chain Assistance	I	10.555	N/A	July 1, 2022 - June 30, 2023	N/A	254,628	-	254,628	254,628	-	-
COVID-19 Summer Food	I	10.559	N/A	July 1, 2021 - June 30, 2022	N/A	25,797	25,797	-	-	-	-
COVID-19 School Breakfast Program	I	10.559	N/A	July 1, 2021 - June 30, 2022	N/A	10,107	10,107	-	-	-	-
COVID-19 After School Snack	I	10.559	N/A	July 1, 2021 - June 30, 2022	N/A	137	137	-	-	-	-
After School Snack	I	10.559	N/A	July 1, 2022 - June 30, 2023	N/A	114	-	114	114	-	-
Passed through the Pennsylvania Department of Agriculture											
National School Lunch Program (commodities)	I (B)	10.555	N/A	July 1, 2022 - June 30, 2023	N/A	365,663	-	365,663	365,663	-	-
Total National School Lunch Program						<u>7,023,830</u>	<u>1,442,766</u>	<u>5,656,978</u>	<u>5,656,978</u>	<u>75,914</u>	<u>-</u>
Total Child Nutrition Cluster						<u>7,023,830</u>	<u>1,442,766</u>	<u>5,656,978</u>	<u>5,656,978</u>	<u>75,914</u>	<u>-</u>
COVID-19 P-EBT Local Admin Funds	I	10.649	N/A	July 1, 2022 - June 30, 2023	N/A	3,135	-	3,135	3,135	-	-
Total U.S. Department of Agriculture						<u>7,026,965</u>	<u>1,442,766</u>	<u>5,660,113</u>	<u>5,660,113</u>	<u>75,914</u>	<u>-</u>
U.S. Department of Public Welfare											
Passed through Pennsylvania Department of Welfare											
Medical Assistance	I	93.778	N/A	July 1, 2021 - June 30, 2022	N/A	20,309	20,309	-	-	-	-
Medical Assistance	I	93.778	N/A	July 1, 2022 - June 30, 2023	N/A	47,829	-	68,380	68,380	20,551	-
Medical Assistance						<u>68,138</u>	<u>20,309</u>	<u>68,380</u>	<u>68,380</u>	<u>20,551</u>	<u>-</u>
Total U.S. Department of Public Welfare						<u>68,138</u>	<u>20,309</u>	<u>68,380</u>	<u>68,380</u>	<u>20,551</u>	<u>-</u>
Total Expenditures of Federal Awards						<u>\$ 27,660,726</u>	<u>\$ 5,581,300</u>	<u>\$ 27,089,952</u>	<u>\$ 27,089,952</u>	<u>\$ 5,010,526</u>	<u>\$ -</u>

CHAMBERSBURG AREA SCHOOL DISTRICT
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

NOTE 1 REFERENCES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

- (D) Direct Funding
- (I) Indirect Funding
- (B) Based on USDA valuation

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The schedule of expenditures of federal awards is presented using the accrual basis of accounting, which conform to generally accepted governmental accounting principles. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Revenues designated for payment of specific School District expenditures are recognized when the related expenditures are incurred. Any excess of revenues or expenditures at the fiscal year end is recorded as accounts payable or a receivable, respectively.

Indirect Cost Rate

The School District has elected to not use the 10% de minimis indirect cost rate for its federal programs.

CHAMBERSBURG AREA SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
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 deficiencies identified? ☐ 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 deficiencies identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for the major programs:

Unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516?

☐ Yes ☒ No

Identification of the major programs:

Assistance Listing Number(s)	Name of Federal Program
84.010	Title I
84.425	Education Stabilization Fund
	Child Nutrition Cluster:
10.553	School Breakfast Program
10.555	School Lunch Program
10.559	After School Snack Program

Dollar threshold used to distinguish between type A and type B programs

\$ 812,699

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

CHAMBERSBURG AREA SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2023

Section II - Financial Statement Findings

A. Significant Deficiencies or Material Weaknesses in Internal Control

None noted

B. Compliance Findings

There were no compliance findings related to the financial statement audit required to be reported.

Section III - Federal Award Findings and Questioned Costs

A. Significant Deficiencies or Material Weaknesses in Internal Control over Compliance and Compliance

None noted

B. Compliance Findings

There were no compliance findings related to the major federal awards as required to be reported in accordance with the Uniform Guidance by 2 CFR Section 200.516.



Business Office
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Summary Schedule of Prior Audit Findings Year Ended June 30, 2023

Findings related to financial statements:

None

Findings related to federal awards:

Finding 2022-001

Condition: The School District contracted the purchase of mobile routers, modems, and antennas in which the vendors were not verified to not be suspended or debarred from receiving federal funds. During testing, it was found that applicable vendors were not listed as suspended or debarred.

Status: The School District has created a process to verify that all federal awards are reviewed and vendors are verified to not be suspended or debarred from receiving federal funds. No additional findings were reported in the current year.