

**BOARD OF EDUCATION OF  
CARROLL COUNTY, MARYLAND**

**REPORT ON SINGLE AUDIT**

**YEAR ENDED JUNE 30, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
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YEAR ENDED JUNE 30, 2024**

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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**

Members  
Board of Education of Carroll County  
Westminster, 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, each major fund, and the aggregate remaining fund information of the Board of Education of Carroll County, Maryland (the Board), a component unit of Carroll County, Maryland as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated September 20, 2024.

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

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

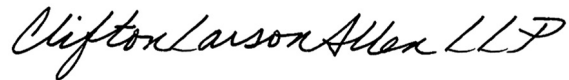
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

As part of obtaining reasonable assurance about whether the Board’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*.

***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  
September 20, 2024



**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**

Members  
Board of Education of Carroll County  
Westminster, Maryland

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

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

We have audited the Board of Education of Carroll County's (the Board) 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 the Board's major federal programs for the year ended June 30, 2024. The Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board 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, 2024.

***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 the Board 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 the Board'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 the Board's 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 the Board'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 the Board'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 the Board'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 the Board'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 the Board'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.

**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 2024-001. Our opinion on the major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Board's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Board's 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 certain 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 2024-001 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 the Board's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The Board's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

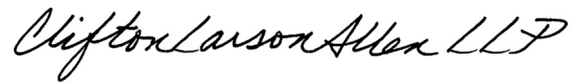
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements. We issued our report thereon dated September 20, 2024, 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, as a whole. 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

Members  
Board of Education of Carroll County

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
December 11, 2024



**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

| Federal Grantor / Pass-Through<br>Grantor / Program or Cluster Title | Assistance<br>Listing Number | Pass-Through Entity<br>Identifying Number | Passed-Through<br>to Subrecipients | Federal<br>Expenditures |
|--|------------------------------|---|------------------------------------|-------------------------|
| <b>U.S. Department of Education</b>                                  |                              |   |                                    |                         |
| Passed through the Maryland State Department of Education:           |                              |   |                                    |                         |
| Title I Grants to Local Educational Agencies                         | 84.010                       | 241296-01                                 | \$ -                               | \$ 2,480,880            |
| Title I Grants to Local Educational Agencies                         | 84.010                       | 231249-01                                 | -                                  | 339,163                 |
| Title I Grants to Local Educational Agencies                         | 84.010                       | 221516-01                                 | -                                  | 3,548                   |
| Title I Grants to Local Educational Agencies                         | 84.010                       | 232026-01                                 | -                                  | 27,693                  |
| Title I Grants to Local Educational Agencies                         | 84.010                       | 231993-01                                 | -                                  | 72,415                  |
| Total Title I Grants to Local Educational Agencies                   |                              |   | -                                  | 2,923,699               |
| Special Education Cluster (IDEA)                                     |                              |   |                                    |                         |
| Special Education Grants to States                                   | 84.027                       | 240877-01                                 | -                                  | 6,171,840               |
| Special Education Grants to States                                   | 84.027                       | 230565-03                                 | -                                  | 402,464                 |
| Special Education Grants to States                                   | 84.027                       | 240877-04                                 | -                                  | 17,808                  |
| Special Education Grants to States                                   | 84.027                       | 241266-01                                 | -                                  | 29,259                  |
| Special Education Grants to States                                   | 84.027                       | 230565-06                                 | -                                  | 67,218                  |
| Special Education Grants to States                                   | 84.027                       | 240877-03                                 | -                                  | 2,500                   |
| Special Education Grants to States                                   | 84.027                       | 221167-01                                 | -                                  | 13,121                  |
| Special Education Grants to States                                   | 84.027                       | 241266-02                                 | -                                  | 10,275                  |
| Special Education Grants to States                                   | 84.027                       | 240877-02                                 | -                                  | 52,143                  |
| Special Education Grants to States                                   | 84.027                       | 241601-01                                 | -                                  | 1,715                   |
| Special Education Grants to States                                   | 84.027                       | 231076-01                                 | -                                  | 46,467                  |
| Special Education Grants to States                                   | 84.027                       | 240887-01                                 | -                                  | 62,459                  |
| Special Education Grants to States                                   | 84.027                       | 231076-02                                 | -                                  | 51,983                  |
| Special Education Grants to States                                   | 84.027                       | 231076-03                                 | -                                  | 26,229                  |
| Total Special Education Grants to States                             |                              |   | -                                  | 6,955,481               |
| Special Education Preschool Grants                                   |                              |   |                                    |                         |
| Special Education Preschool Grants                                   | 84.173                       | 240818-01                                 | -                                  | 185,694                 |
| Special Education Preschool Grants                                   | 84.173                       | 240722-01                                 | -                                  | 3,915                   |
| Special Education Preschool Grants                                   | 84.173                       | 240722-02                                 | -                                  | 2,414                   |
| Total Special Education Preschool Grants                             |                              |   | -                                  | 192,023                 |
| Total Special Education Cluster (IDEA)                               |                              |   | -                                  | 7,147,504               |
| Career and Technical Education -- Basic Grants to States             |                              |   |                                    |                         |
| Career and Technical Education -- Basic Grants to States             | 84.048                       | 240168-01                                 | -                                  | 224,682                 |
| Career and Technical Education -- Basic Grants to States             | 84.048                       | 240146-01                                 | -                                  | 22,881                  |
| Career and Technical Education -- Basic Grants to States             | 84.048                       | 230093-01                                 | -                                  | 5,302                   |
| Total Career and Technical Education -- Basic Grants to States       |                              |   | -                                  | 252,865                 |
| Special Education-Grants for Infants and Families                    |                              |   |                                    |                         |
| Special Education-Grants for Infants and Families                    | 84.181                       | 240792-01                                 | -                                  | 148,654                 |
| Special Education-Grants for Infants and Families                    | 84.181                       | 221758-01                                 | -                                  | 43,568                  |
| Special Education-Grants for Infants and Families                    | 84.181                       | 221758-02                                 | -                                  | 9,143                   |
| Special Education-Grants for Infants and Families                    | 84.181                       | 221222-01                                 | -                                  | 17,383                  |
| Total Special Education-Grants for Infants and Families              |                              |   | -                                  | 218,748                 |
| English Language Acquisition State Grants                            |                              |   |                                    |                         |
| English Language Acquisition State Grants                            | 84.365                       | 241247-02                                 | -                                  | 22,731                  |
| English Language Acquisition State Grants                            | 84.365                       | 241247-01                                 | -                                  | 57,402                  |
| English Language Acquisition State Grants                            | 84.365                       | 230434-01                                 | -                                  | 7,253                   |
| English Language Acquisition State Grants                            | 84.365                       | 241706-01                                 | -                                  | 4,220                   |
| Total English Language Acquisition State Grants                      |                              |   | -                                  | 91,606                  |
| Supporting Effective Instruction State Grants                        |                              |   |                                    |                         |
| Supporting Effective Instruction State Grants                        | 84.367                       | 230709-01                                 | -                                  | 171,553                 |
| Supporting Effective Instruction State Grants                        | 84.367                       | 240294-01                                 | -                                  | 397,517                 |
| Total Supporting Effective Instruction State Grants                  |                              |   | -                                  | 569,070                 |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

| Federal Grantor / Pass-Through<br>Grantor / Program or Cluster Title  | Assistance<br>Listing Number | Pass-Through Entity<br>Identifying Number | Passed-Through<br>to Subrecipients | Federal<br>Expenditures |
|---|------------------------------|---|------------------------------------|-------------------------|
| <b>U.S. Department of Education (continued)</b>   |                              |   |                                    |                         |
| Student Support and Academic Enrichment Program   | 84.424                       | 231208-01                                 | \$ -                               | \$ 59,135               |
| Student Support and Academic Enrichment Program   | 84.424                       | 221530-01                                 | -                                  | 19,527                  |
| Student Support and Academic Enrichment Program   | 84.424                       | 240578-01                                 | -                                  | 114,976                 |
| Total Student Support and Academic Enrichment Program   |                              |   | -                                  | 193,638                 |
| Education Stabilization Fund  |                              |   |                                    |                         |
| COVID-19 - Governor's Emergency Education Relief Fund   | 84.425C                      | 202125-01                                 | -                                  | 117,036                 |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 211948-01                                 | -                                  | 2,957,160               |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-05                                 | -                                  | 682,935                 |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-01                                 | -                                  | 97,032                  |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-02                                 | -                                  | 16,442                  |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-03                                 | -                                  | 776,397                 |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-04                                 | -                                  | 62,308                  |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425U                      | 221876-06                                 | -                                  | 134,032                 |
| Total COVID-19 - American Rescue Plan-Elementary and Secondary<br>School Emergency Relief (ARP ESSER)                           |                              |   | -                                  | 4,726,306               |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief - Homeless Children and Youth (ARP-HCY)     | 84.425W                      | 221570-01                                 | -                                  | 2,561                   |
| COVID-19 - American Rescue Plan-Elementary and Secondary School<br>Emergency Relief (ARP ESSER)                                 | 84.425W                      | 221792-01                                 | -                                  | 57,088                  |
| Total COVID-19 - American Rescue Plan-Elementary and Secondary<br>School Emergency Relief Homeless Children and Youth (ARP-HCY) |                              |   | -                                  | 59,649                  |
| Total Education Stabilization Fund  |                              |   | -                                  | 4,902,991               |
| Total U.S. Department of Education  |                              |   | -                                  | 16,300,121              |
| <b>U.S. Department of Agriculture</b>   |                              |   |                                    |                         |
| Passed through the Maryland State Department of Education   |                              |   |                                    |                         |
| Child Nutrition Cluster   |                              |   |                                    |                         |
| School Breakfast Program  | 10.553                       | Not Available                             | -                                  | 1,194,644               |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 3,723,066               |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 975                     |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 853,544                 |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 189,346                 |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 399,186                 |
| National School Lunch Program   | 10.555                       | Not Available                             | -                                  | 151,089                 |
| Total National School Lunch Program   |                              |   | -                                  | 5,317,206               |
| Summer Food Service Program for Children  | 10.559                       | Not Available                             | -                                  | 48,919                  |
| Total Child Nutrition Cluster   |                              |   | -                                  | 6,560,769               |
| Child and Adult Care Food Program   | 10.558                       | Not Available                             | -                                  | 11,981                  |
| Pandemic EBT Administrative Costs   | 10.560                       | Not Available                             | -                                  | 3,256                   |
| Total U.S. Department of Agriculture  |                              |   | -                                  | 6,576,006               |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

| <u>Federal Grantor / Pass-Through<br/>Grantor / Program or Cluster Title</u> | <u>Assistance<br/>Listing Number</u> | <u>Pass-Through Entity<br/>Identifying Number</u> | <u>Passed-Through<br/>to Subrecipients</u> | <u>Federal<br/>Expenditures</u> |
|--|--------------------------------------|---|--|---------------------------------|
| <b>U.S. Department of the Treasury</b>                                       |                                      |   |  |                                 |
| Passed through the Maryland State Department of Education:                   |                                      |   |  |                                 |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds                 | 21.027                               | 211841-01   | \$ -                                       | \$ 23,664                       |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds                 | 21.027                               | 211928-01   | -  | 148,231                         |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds                 | 21.027                               | Not Available                                     | -  | 1,598,942                       |
| Total Coronavirus State and Local Fiscal Recovery Funds                      |                                      |   | -  | 1,770,837                       |
| Total U.S. Department of the Treasury  |                                      |   | -  | 1,770,837                       |
| <b>U.S. Department of Health and Human Services</b>                          |                                      |   |  |                                 |
| Passed through the Maryland State Department of Education:                   |                                      |   |  |                                 |
| Child Care and Development Block Grant                                       | 93.575                               | 241496-01   | -  | 25,000                          |
| Total Child Care and Development Block Grant Cluster                         |                                      |   | -  | 25,000                          |
| Passed through the Carroll County Health Department:                         |                                      |   |  |                                 |
| Maternal, Infant and Early Childhood Homevisiting Grant                      | 93.870                               | Not Available                                     |  | 44,500                          |
| Total U.S. Department of Health and Human Services                           |                                      |   | -  | 69,500                          |
| <b>Total Expenditures of Federal Awards</b>                                  |                                      |   | <b>\$ -</b>                                | <b>\$ 24,716,464</b>            |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Board under programs of the federal government for the year ended June 30, 2024. 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 Board, it is not intended to and does not present the financial position, change in net assets or cash flows of the Board.

**Basis of Accounting**

The accompanying schedule of expenditures of federal awards has been prepared using the modified accrual basis of accounting. This basis of accounting is fully described in Note 1 to the Board's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. 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, 2024:

**REVENUE**

**BALANCE PER FINANCIAL STATEMENTS**

|  |                      |
|--|----------------------|
| Total Federal Revenues                               | \$ 25,199,247        |
| Medical Assistance Revenue                           | <u>(482,783)</u>     |
| Total Per Schedule of Expenditures of Federal Awards | <u>\$ 24,716,464</u> |

**NOTE 3 INDIRECT COST RATE**

The Board has not elected to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

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**Section I – Summary of Auditors’ Results**

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**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 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**

| <b>Assistance Listing Number(s)</b>                                      | <b>Name of Federal Program or Cluster</b>                                   |
|--|---|
| 10.553/10.555/10.559<br>21.027   | Child Nutrition Cluster<br>COVID-19 – State and Local Fiscal Recovery Funds |
| Dollar threshold used to distinguish between Type A and Type B programs: | <u>\$750,000</u>  |
| Auditee qualified as low-risk auditee?                                   | <u>  X  </u> yes      _____ no  |

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section II – Financial Statement Findings***

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

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2024-001**

|  |   |
|--|---|
| <b>Federal Agency:</b>                               | U.S. Department of Agriculture  |
| <b>Federal Program Name:</b>                         | Child Nutrition Cluster   |
| <b>Assistance Listing Number:</b>                    | 10.553/10.555/10.559  |
| <b>Federal Award Identification Number and Year:</b> | Not Provided  |
| <b>Pass-Through Agency:</b>                          | Maryland State Department of Education                                    |
| <b>Pass-Through Number:</b>                          | Not Available   |
| <b>Award Period:</b>                                 | 7/1/2023 – 6/30/2024  |
| <b>Type of Finding:</b>                              | Significant Deficiency in Internal Control over Compliance, Other Matters |

**Criteria or Specific Requirement:**

*Control:* According to the Carroll County Board of Education's procurement policy, any contract valued at over \$25,000 must obtain board approval. This ensures compliance with internal controls and procurement regulations as specified in their policy manual and 2 CFR section 200.303(a), which requires non-Federal entities to establish and maintain effective internal control over Federal awards.

**Condition/Context:**

For one of seven vendors selected for testing, the Carroll County Board of Education failed to obtain board approval for a contract valued at over \$25,000, as required by their procurement policy.

**Questioned Costs:**

None Noted.

**Cause:**

The Board did not adhere to its established procedures for obtaining necessary approvals for this contract exceeding \$25,000 because the initial purchase was intended to be below the approval threshold. However, the total value of the contract was not fully considered.

**BOARD OF EDUCATION OF CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**Effect:**

Failure to comply with the board approval requirement may result in unauthorized procurement activities and potential mismanagement of federal funds.

**Repeat Finding:** No

**Recommendation:**

We recommend that the Carroll County Board of Education enhance its internal control procedures to ensure adherence to its procurement policy. This includes establishing a clear and consistently enforced process whereby all contracts over \$25,000 are submitted for board approval prior to execution.

**Views of responsible officials:**

There is no disagreement with the finding.



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# Carroll County Public Schools

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125 N. Court Street | Westminster, MD 21157

410-751-3000  
MD RELAY 711  
410-751-3030 FAX

For assistance in other languages: 410-386-1699  
Para Español Llamar: 410-386-1699

Building the Future  
Cynthia McCabe, Ed.D.  
Superintendent

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## CAROLL COUNTY BOARD OF EDUCATION CORRECTIVE ACTION PLAN YEAR ENDED JUNE 30, 2024

The Carroll County Board of Education respectfully submits the following corrective action plan for the year ended June 30, 2024.

Audit period: July 1, 2023 – June 30, 2024

**Finding Number:** 2024-001  
**Prior Year Finding:** No  
**Federal Agency:** US Department of Education  
**Federal Program:** Child Nutrition Cluster  
**Assistance Listing Number:** 10.553, 10.55  
**Pass-Through Entity:** Maryland State Department of Education  
**Pass-Through Award Number and Period:** N/A (7/01/23 – 6/30/24)

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

### Recommendation

We recommend that the Carroll County Board of Education enhance its internal control procedures to ensure adherence to its procurement policy. This includes establishing a clear and consistently enforced process whereby all contracts over \$25,000 are submitted for board approval prior to execution.

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

**Action taken in response to finding:** Food Services will review annual contracts in July to determine if the total contract value of any new contracts exceeds \$25,000. Such contracts will be monitored and submitted to the BOE for approval as required.

**Name(s) of the contact person(s) responsible for corrective action:** Karen Sarno, Supervisor of Food Services

**Planned completion date for corrective action plan:** For immediate implementation and ongoing.





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