

FAYETTE COUNTY BOARD OF EDUCATION

SINGLE AUDIT REPORT

FOR THE YEAR ENDED

JUNE 30, 2019

FAYETTE COUNTY BOARD OF EDUCATION

SINGLE AUDIT REPORT FOR THE YEAR ENDED JUNE 30, 2019

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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**

**Superintendent and Members of the
Fayette County Board of Education
Fayetteville, Georgia**

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 **Fayette County Board of Education** (the "School System") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated December 19, 2019.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School System'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*.

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 *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is fluid and cursive, with "Mauldin" and "& Jenkins" connected by a flourish, and "LLC" written in a smaller, more formal script at the end.

Macon, Georgia
December 19, 2019



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

**Superintendent and Members of the
Fayette County Board of Education
Fayetteville, Georgia**

Report on Compliance for Each Major Federal Program

We have audited the **Fayette County Board of Education's** (the "School System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School System's major federal programs for the year ended June 30, 2019. The School System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School System's major federal programs based on our audit of the types of compliance requirements referred to above. 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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School System's compliance.

Opinion on Each Major Federal Program

In our opinion, the School System 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, 2019.

Report on Internal Control Over Compliance

Management of the School System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program, 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School System's 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 that is less severe than a material weakness, 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control of compliance is solely to describe the scope of our testing of internal control over compliance and the results of 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 School System as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements. We issued our report thereon dated December 19, 2019, 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 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 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 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 black ink that reads "Mauldin & Jenkins, LLC". The signature is fluid and cursive, with "Mauldin & Jenkins" on top and "LLC" on the bottom right.

Macon, Georgia
December 19, 2019

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-through ID Number | Total Expenditures |
|--|---------------------------|---------------------------|-----------------------|
| U.S. DEPARTMENT OF AGRICULTURE: | | | |
| Passed through Georgia Department of Education: | | | |
| Child Nutrition Cluster: | | | |
| School Breakfast Program | 10.553 | 18185GA324N1099 | \$ 388,149 |
| National School Lunch Program | 10.555 | 18185GA324N1100 | <u>3,007,299</u> |
| Total Child Nutrition Cluster | | | 3,395,448 |
| School Lunch Equipment | 10.579 | 175GA350N8103 | <u>31,824</u> |
| Total U.S. Department of Agriculture | | | <u>3,427,272</u> |
| U.S. DEPARTMENT OF DEFENSE: | | | |
| Junior R.O.T.C. | Unknown | N/A | <u>133,004</u> |
| Total U.S. Department of Defense | | | <u>133,004</u> |
| U.S. DEPARTMENT OF EDUCATION: | | | |
| Passed through Georgia Department of Education: | | | |
| Title I, Part A | 84.010 | S010A170010 | 360,810 |
| Title I, Part A | 84.010 | S010A180010 | <u>1,344,044</u> |
| Total Title I, Part A | | | 1,704,854 |
| Title II, Part A-Supporting Effective Instruction State Grants | 84.367 | S367A170001 | 108,605 |
| Title II, Part A-Supporting Effective Instruction State Grants | 84.367 | S367A180001 | <u>180,387</u> |
| Total Title II, Part A-Supporting Effective Instruction State Grants | | | <u>288,992</u> |
| Title III - Limited English Proficient | 84.365 | S365A170010 | 17,113 |
| Title III - Limited English Proficient | 84.365 | S365A180010 | <u>84,685</u> |
| Total Title III - Limited English Proficient | | | <u>101,798</u> |
| Vocational Education - Basic Grants to States to States | 84.048 | V048A170010 | <u>5,509</u> |
| Vocational Education - Basic Grants to States to States | 84.048 | V048A180010 | <u>114,030</u> |
| Total Title II, Part A-Supporting Effective Instruction State Grants | | | <u>119,539</u> |
| Title IV, Part A-Student Support and Academic Enrichment | 84.424 | S424A170011 | 37,499 |
| Title IV, Part A-Student Support and Academic Enrichment | 84.424 | S424A180011 | <u>48,740</u> |
| Total Title II, Part A-Supporting Effective Instruction State Grants | | | <u>86,239</u> |
| Special Education Cluster | | | |
| Title VI-B Flowthrough | 84.027 | H027A180073 | 2,928,717 |
| Title VI-B Flowthrough | 84.027 | H027A170073 | <u>608,807</u> |
| High Cost Fund Pool | 84.027 | H027A180073 | 67,188 |
| Title VI-B Preschool Incentive | 84.173 | H173A170081 | 984 |
| Title VI-B Preschool Incentive | 84.173 | H173A180081 | <u>70,190</u> |
| Total Special Education Cluster | | | <u>3,675,886</u> |
| Total U.S. Department of Education | | | <u>5,977,308</u> |
| Total Expenditures of Federal Awards | | | \$ 9,537,584 |

FAYETTE COUNTY BOARD OF EDUCATION

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Fayette County Board of Education ("the School System") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

NOTE 2. DE MINIMIS COST RATE

The School System elected not to use the ten percent de minimis cost rate for the year ended June 30, 2019.

NOTE 3. NON-CASH AWARDS

The School System received non-cash awards under the National School Lunch Program, CFDA 10.555, in the amount of \$508,969 for the year ended June 30, 2019.

NOTE 4. SUBRECIPIENTS

The School System did not pass through any funds to subrecipients during the year ended June 30, 2019.

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2019

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies 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 weaknesses identified? Yes No

Significant deficiencies 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 Uniform Guidance? Yes No

Identification of major programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|---|
| 10.553 | U.S. Department of Agriculture <u>School Nutrition Cluster</u> |
| 10.555 | School Breakfast Program National School Lunch Program |

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

Auditee qualified as low-risk auditee? Yes No

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2019

B. FINDINGS: FINANCIAL STATEMENT AUDIT

None reported.

C. FINDINGS AND QUESTIONED COSTS: MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported.

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 2019

None reported.