

ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)
DISTRICT/JOINT AGREEMENT
Year Ending June 30, 2009

DISTRICT/JOINT AGREEMENT NAME Community Unit School District No. 30	RCDT NUMBER 31-045-3000-26	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER 066-004260	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)		NAME AND ADDRESS OF AUDIT FIRM Baker Tilly Virchow Krause, LLP 1301 West 22nd Street, Suite 400 Oak Brook IL 60523	
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code) 300 Cleveland Avenue Carpentersville IL 60110		E-MAIL ADDRESS steve.murray@bakertilly.com	NAME OF AUDIT SUPERVISOR Steve Murray
		CPA FIRM TELEPHONE NUMBER (630) 990-3131	FAX NUMBER (630) 990-0039

THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE A-133 SINGLE AUDIT REPORT:

- A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to ISBE (either with the audit or under separate cover).
- Financial Statements including footnotes § .310 (a)
- Schedule of Expenditures of Federal Awards including footnotes § .310 (b)
- Independent Auditor's Report § .505
- Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* § .505
- Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 § .505
- Schedule of Findings and Questioned Costs § .505 (d)
- Summary Schedule of Prior Year Audit Findings § .315 (b)
- Corrective Action Plan § .315 (c)

THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:

- Copy of Federal Data Collection Form § .320 (b)



BAKER TILLY

Baker Tilly Virchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389
tel 630 990 3131
fax 630 990 0039
bakertilly.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133 AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Education
Community Unit School District No. 300
300 Cleveland Avenue
Carpentersville, Illinois 60110

Compliance

We have audited the compliance of Community Unit School District No. 300 with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Community Unit School District No. 300's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Community Unit School District No. 300's management. Our responsibility is to express an opinion on Community Unit School District No. 300's compliance based on our audit.

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 *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Community Unit School District No. 300'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. Our audit does not provide a legal determination on Community Unit School District No. 300's compliance with those requirements.

In our opinion, Community Unit School District No. 300 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Community Unit School District No. 300 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Community Unit School District No. 300's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Community Unit School District No. 300's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Community Unit School District No. 300 as of and for the year ended June 30, 2009, which collectively comprise the Community Unit School District No. 300's basic financial statements and have issued our report thereon dated December 2, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Community Unit School District No. 300's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Community Unit School District No. 300's Board of Education, management, the Illinois State Board of Education, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.



Baker Tilly Virchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389
tel 630 990 3131
fax 630 990 0039
bakertilly.com

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 Board of Education
Community Unit School District No. 300
300 Cleveland Avenue
Carpentersville, Illinois 60110

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Unit School District No. 300 as of and for the year ended June 30, 2009, which collectively comprise the Community Unit School District No. 300's basic financial statements and have issued our report thereon dated December 2, 2009. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Community Unit School District No. 300's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Unit School District No. 300's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Community Unit School District No. 300's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the Community Unit School District No. 300's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principals such that there is more than a remote likelihood that a misstatement of the Community Unit School District No. 300's financial statements that is more than inconsequential will not be prevented or detected by the sd's internal control over financial reporting. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be significant deficiency in internal control over financial reporting. This deficiency is item 09-01.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Community Unit School District No. 300's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider item 09-01 to also be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Unit School District No. 300's basic financial statements are free of 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.

We noted certain matters that we have reported to management of Community Unit School District No. 300 in a separate letter dated December 2, 2009.

The Community Unit School District No. 300's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Community Unit School District No. 300's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Community Unit School District No. 300's management, others within the entity, federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Community Unit School District No. 300
31-045-3000-26
A-133 SINGLE AUDIT INFORMATION CHECKLIST

The following checklist is **OPTIONAL**; it is not a required form for completion of A-133 Single Audit information. The purpose of the checklist is to assist in determining if appropriate information has been correctly completed within the Annual Financial Report (AFR). This is not a complete listing of all A-133 requirements, but highlights some of the more common errors found during ISBE reviews.

GENERAL INFORMATION

1. Signed copies of audit opinion letters have been included with audit package submitted to ISBE.
2. All opinion letters use the most current audit language as mandated in SAS 112 and other pronouncements.
3. All Single Audit forms within the AFR Excel workbook have been completed, where appropriate.
 - For those forms that are not applicable, "N/A" or similar language has been indicated.
4. ALL Federal revenues reported in FRIS Report 0053 (Summary of Payments) are accounted for in the Schedule of Expenditures of Federal Awards (SEFA).
 Programs funded through ARRA are identified separately in SEFA.
5. Federal revenues reported on the AFR reconcile to Federal revenues reported on the SEFA.
 - Verify or reconcile on reconciliation worksheet.
6. The value of COMMODITIES has been included within the AFR on the INDIRECT COSTS page (IND COST INFO 29) on Line 12. It should not be included in the Statement of Revenues Received (REVENUES 9-14) within the AFR Accounts 4210 - 4299. Those accounts are specific cash programs, not non-cash assistance such as COMMODITIES.
7. Complete audit package (Data Collection Form, audit reports, ietc.) has been submitted to the Federal Audit Clearinghouse in Jeffersonville, Indiana.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

8. Programs funded through ARRA (Federal Stimulus funds) are identified separately from "regular" Federal programs.
 Program name includes "ARRA - " prefix.
 Correct ARRA CFDA and ISBE program numbers are listed.
9. All prior year's projects are included and reconciled to final FRIS report amounts.
 - including revenue and expenditure/disbursement amounts.
10. All current year's projects are included and reconciled to most recent FRIS report filed.
 - including revenue and expenditure/disbursement amounts.
11. Differences in reported spending amounts on the SEFA and the final FRIS reports should be detailed and/or documented in a finding, with discrepancies reported as Questioned Costs.
12. Child Nutrition Programs (CNP) are included on the SEFA:
 Project year runs from October 1 to September 30, so projects will cross fiscal year;
 This means that audited year revenues will include funds from both the prior year and current year projects.
13. Each CNP project should be reported on separate line (one line per project year per program).
14. Total CNP Revenue amounts are consistent with grant amounts awarded by ISBE for each program by project year.
15. Total CNP Expenditure amounts are consistent with grant amounts awarded by ISBE for each program by project year.
16. Exceptions should result in a finding with Questioned Costs.
17. The total value of COMMODITIES has been reported on the SEFA (CFDA 10.550).
 - The value is determined from the following, with each item on a separate line:
- * Non-Cash Commodities: Monthly Commodities Bulletin for April (From the Illinois Commodities System accessed through ISBE web site)
 Total commodities = A PAL Allocated + B PAL Allocated + Processing Deductions + Total Bonus Allocated
- * Non-Cash Commodities: Commodities information for non-cash items received through Preferred Meal Systems
 Districts should track separately through year; no specific report available from ISBE
- * Department of Defense Fresh Fruits and Vegetables (District should track through year)
 - The two commodity programs should be reported on separate lines on the SEFA.
- * Amounts verified for Fresh Fruits and Vegetables cash grant program (ISBE code 4240, but list in 4299 and detail information)
 CFDA number: 10.582
18. TOTALS have been calculated for Federal revenue and expenditure amounts.
19. Obligations and Encumbrances are included where appropriate.
20. FINAL STATUS amounts are calculated, where appropriate.
21. Medicaid Fee-for-Service funds and E-Rate reimbursements have not been included on the SEFA.
22. All programs tested (not just Type A programs) are indicated by either an * or (M) on the SEFA.
23. NOTES TO THE SEFA within the AFR Excel workbook (SEFA-2) have been completed.
 Including, but not limited to:
24. Basis of Accounting
25. Name of Entity
26. Type of Financial Statements
27. Subrecipient information (Mark "N/A" if not applicable)
28. ARRA funds are listed separately from "regular" Federal awards

SUMMARY OF AUDITOR RESULTS/FINDINGS/CORRECTIVE ACTION PLAN

28. Audit opinions expressed in opinion letters match opinions reported in Summary.
29. All Summary of Auditor Results questions have been answered.
30. All tested programs are listed.
31. Correct testing threshold has been entered. (OMB A-133, § .520)

Findings have been filled out completely and correctly (if none, mark "N/A").

32. Financial Statement and/or Federal Awards Findings information has been completely filled out for each finding.
32. Finding completed for each Significant Deficiency and for each Material Weakness noted in opinion letters.
33. Separate finding for each Federal program (i.e., don't report same finding for multiple programs on one sheet).
34. Separate finding sheet for each finding on programs (e.g., excess interest earned and unallowable expenditures are two findings and should be reported separately, even if both are on same program).
35. Questioned Costs have been calculated where there are questioned costs.
36. Questioned Costs are separated by fiscal year and by project.
37. Questioned Costs have been calculated for Interest Earned on Excess Cash on Hand.
 - Should be based on actual amount of interest earned
38. A CORRECTIVE ACTION PLAN has been completed for each finding.
 - Including Finding number, action plan details, projected date of completion, name and title of contact person

Community Unit School District No. 300
31-045-3000-26
RECONCILIATION OF FEDERAL REVENUES

Annual Financial Report to Schedule of Expenditures of Federal Awards

TOTAL FEDERAL REVENUE IN AFR

Account Summary 7-8, Line 4	Account 4000	\$ 14,946,441
Flow-through Federal Revenues		
Revenues 9-14, Line 85	Account 2200	
Value of Commodities		
Indirect Cost Info 29, Line 12		193,285
Less: Medicaid Fee-for-Service		
Revenues 9-14, Line 221	Account 4992	(290,175)
AFR TOTAL FEDERAL REVENUES:		<u>\$ 14,849,551</u>

ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:

Reason for Adjustment:

Value of Commodities included in Account Summary	\$ (193,285)
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----

ADJUSTED AFR FEDERAL REVENUES \$ 14,656,266

Total Current Year Federal Revenues Reported on SEFA:		
Federal Revenues	Column D	\$ 14,656,266

Adjustments to SEFA Federal Revenues:

Reason for Adjustment:

-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----

ADJUSTED SEFA FEDERAL REVENUE: \$ 14,656,266

DIFFERENCE: \$

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues Year 7/1/07-6/30/08 (C)	Year 7/1/08-6/30/09 (D)	Expenditure/Disbursements ¹ Year 7/1/07-6/30/08 (E)	Year 7/1/08-6/30/09 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
U.S. Department of Education									
Illinois State Board of Education									
Title I - FY08	84-010A	08-4300-00	1,527,901	0	1,324,605	203,296	0	1,527,901	2,157,303
Title I - FY09	84-010A	09-4300-00	368,271	2,178,072	0	1,615,651	760,138	2,375,789	2,546,343
Title II - FY08 (M)	84-367A	08-4932-00	598,915	0	507,815	91,100	0	598,915	703,530
Title II - FY09 (M)	84-367A	09-4932-00	19,028	674,088	0	634,256	0	634,256	693,116
Title III - LIPLEPS - FY08	84-365A	08-4909-00	446,983	0	348,855	98,127	0	446,983	555,394
Title III - LIPLEPS - FY09	84-365A	09-4909-00	60,890	444,845	0	249,863	0	249,863	505,735
Title III - IEP - FY 08	84-365A	08-4905-00	83,488	0	57,853	25,635	0	83,488	190,890
Title III - IEP - FY 09	84-365A	09-4905-00	43,772	63,630	0	1,315	106,087	107,402	107,402
Title IV - FY08	84-186A	08-4400-00	56,934	0	46,473	10,461	0	56,934	79,606
Title IV - FY09	84-186A	09-4400-00	20,660	51,212	0	56,318	5,312	61,630	72,460
Title V - FY08	84-298A	08-4100-00	28,215	0	27,541	674	0	28,215	32,798
Title V - FY09	84-298A	09-4100-00	3,004	1,579	0	4,583	0	4,583	4,583

¹ (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

² To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

³ When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

⁴ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

⁵ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues Year 7/1/07-6/30/08 (C)	Year 7/1/08-6/30/09 (D)	Expenditure/Disbursements ⁴ Year 7/1/07-6/30/08 (E)	Year 7/1/08-6/30/09 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
U.S. Department of Education									
Illinois State Board of Education									
IDEA Pre-School FY08	84.173A	08-4600-00	85,247	0	85,247	0	0	85,247	124,745
IDEA Pre-School FY09	84.173A	09-4600-00	28,364	99,372		122,158	0	122,158	127,736
IDEA Flow-Through FY08	84.027A	08-4620-00	3,140,406	0	3,140,406	0	0	3,140,406	4,008,006
IDEA Flow-Through FY09	84.027A	09-4620-00	516,214	3,185,827		2,997,537	0	2,997,537	4,513,081
IDEA Room & Board FY08	84.027A	08-4625-00	56,887	153,404	56,887	153,404	0	210,291	N/A
IDEA Room & Board FY09	84.027A	09-4625-00		148,514		148,514	0	148,514	N/A
ARRA-General State Aid - Sec. 18-8 FY08 (M)	84.394A	09-4850-00		4,201,314	0	4,201,314	0	4,201,314	N/A
Technology - Enhancing Education - Formula - FY08	84.318X	08-4971-00	27,425	3,956	12,448	18,933	0	31,381	31,381
Technology - Enhancing Education - Formula - FY09	84.318X	09-4971-00		17,824	0	10,428	7,396	17,824	17,824

(M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

⁴ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/07-6/30/08 (C)	Year 7/1/08-6/30/09 (D)	Year 7/1/07-6/30/08 (E)	Year 7/1/08-6/30/09 (F)			
Northern Kane County Regional Vocational System									
Title II- Carl Perkins Grant - FY08	84.020	08-4745-00	146,058	0	146,058	0	146,058	N/A	
Title II- Carl Perkins Grant - FY09	84.020	09-4745-00	0	143,878	0	143,878	143,878	N/A	
Illinois Department of Human Services									
Secondary Transition Experience Program- FY08	84.126	08-4950-00	10,150	0	10,150	0	10,150	N/A	
Secondary Transition Experience Program- FY09	84.126	09-4950-00	0	10,910	0	10,910	10,910	N/A	
Subtotal - U.S. Department of Education			7,270,812	11,378,425	5,764,339	10,798,355	878,933	17,441,627	16,481,933

* (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

- 1 To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
- 2 When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
- 3 When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.
- 4 Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/07-6/30/08 (C)	Year 7/1/08-6/30/09 (D)	Year 7/1/07-6/30/08 (E)	Year 7/1/08-6/30/09 (F)			
U.S. Department of Agriculture									
Illinois State Board of Education									
National School Lunch Program - FY08 (M)	10.555	08-4210-00	1,675,231	263,337	1,675,231	263,337	0	1,938,568	N/A
National School Lunch Program - FY09 (M)	10.555	09-4210-00	0	1,932,989	0	1,932,989	0	1,932,989	N/A
National School Lunch Program - Transfer to Charter School FY08 (M)	10.555	08-4210-00	13,484	871	13,484	871	0	14,155	N/A
National School Lunch Program - Transfer to Charter School FY09 (M)	10.555	09-4210-00	0	16,497	0	16,497	0	16,497	N/A
School Breakfast Program - FY08 (M)	10.553	08-4220-00	587,043	85,912	587,043	85,912	0	672,955	N/A
School Breakfast Program - FY09 (M)	10.553	09-4220-00	0	605,711	0	605,711	0	605,711	N/A
Milk Program- FY08 (M)	10.556	08-4215-00	15,234	668	15,234	668	0	15,902	N/A
Milk Program- FY09 (M)	10.556	09-4215-00	0	7,426	0	7,426	0	7,426	N/A
USDA Commodity/ Salvage FY08	10.565	08-4999-00	187,064	0	187,064	0	0	167,064	N/A
USDA Commodity/ Salvage FY09	10.565	09-4999-00	0	193,285	0	193,285	0	193,285	N/A
Subtotal - U.S. Department of Agriculture			2,458,056	3,106,496	2,458,056	3,106,496	0	5,564,552	

¹ (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

² To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

³ When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

⁴ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

⁵ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues Year 7/1/07-6/30/08 (C)	Year 7/1/08-6/30/09 (D)	Expenditure/Disbursements ⁴ Year 7/1/07-6/30/08 (E)	Year 7/1/08-6/30/09 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
Corporation for National and Community Services									
Through Illinois State Board of Education									
Learn and Serve America FY 08	94.004	08-4910-11	16,000	0	11,889	4,111	0	16,000	16,000
Learn and Serve America FY 09	94.004	09-4910-11	0	16,000	0	5,607	10,393	16,000	16,000
Subtotal - Corporation for National and Community Services			16,000	16,000	11,889	9,718	10,393	32,000	32,000
U.S. Department of Health and Human Services									
Through the Department of Public Aid									
Medicaid Matching - Administrative Outreach FY08	93.778	08-4991-00	122,398	36,559	122,398	36,559	0	158,957	N/A
Medicaid Matching - Administrative Outreach FY09	93.778	09-4991-00	0	118,786	0	118,786	0	118,786	N/A
Subtotal - U.S. Department of Health and Human Services			122,398	155,345	122,398	155,345	0	277,743	N/A
Total All Federal Awards			9,867,266	14,656,266	8,356,652	14,069,914	885,326	23,315,922	16,513,933

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.
⁴ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2009

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unqualified
 (Unqualified, Qualified, Adverse, Disclaimer)

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- Material weakness(es) identified? X YES NO
- Significant Deficiency(s) identified that are not considered to be material weakness(es) YES X None Reported
- Noncompliance material to financial statements noted? YES X NO

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

- Material weakness(es) identified? YES X NO
- Significant Deficiency(s) identified that are not considered to be material weakness(es) YES X None Reported

Type of auditor's report issued on compliance for major programs: Unqualified
 (Unqualified, Qualified, Adverse, Disclaimer⁷)

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, § .510(a)? YES X NO

IDENTIFICATION OF MAJOR PROGRAMS:⁸

CFDA NUMBER(S) ⁹	NAME OF FEDERAL PROGRAM or CLUSTER ¹⁰
84.367A	Title II - Teacher Quality
10.555, 10.553, 10.556	Child Nutrition Cluster
84.394A	ARRA - GSA

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000.00

Auditee qualified as low-risk auditee? YES X NO

⁷ If the audit report for one or more major programs is other than unqualified, indicate the type of report issued for each program. Example: "Unqualified for all major programs except for [name of program], which was qualified and [name of program], which was a disclaimer."

⁸ Major programs should generally be reported in the same order as they appear on the SEFA.

⁹ When the CFDA number is not available, include other identifying number, if applicable.

¹⁰ The name of the federal program or cluster should be the same as that listed in the SEFA. For clusters, auditors are only required to list the name of the cluster.

Community Unit School District No. 300
31-045-3000-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹ 09-01 2. THIS FINDING IS: New Repeat from Prior Year?
 Year originally reported? 2007

3. Criteria or specific requirement
 The District must have functioning internal controls over external financial reporting.

4. Condition
 The District relies upon the auditor for this expertise for financial statement and cash to accrual conversion. It was also necessary to make adjustments to the District prepared SEFA.

5. Context¹²
 It was determined that management did not have the expertise necessary to develop materially correct external financial statements.

6. Effect
 Management may not be able to detect material errors and omissions to its financial statements.

7. Cause
 This finding was caused by a lack of internal controls over the financial reporting process.

8. Recommendation
 We recommend that management receive training in financial reporting that would allow them to be able to correctly prepare their own financial statements.

9. Management's response¹³
 See Corrective Action Plan

For ISBE Review	
Date: _____	Resolution Criteria Code Number: _____
Initials: _____	Disposition of Questioned Costs Code Letter: _____

¹¹ A suggested format for assigning reference numbers is to use the last two digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2003 would be assigned a reference number of 02-01, 02-02, etc.
¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.
¹³ See paragraphs 5.18 through 5.20 and 7.38 through 7.42 of Government Auditing Standards for additional guidance on reporting management's response.

Community Unit School District No. 300
 31-045-3000-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ending June 30, 2009

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ N/A 2. THIS FINDING IS: New Repeat from Prior year?
 Year originally reported? _____

3. Federal Program Name and Year: _____

4. Project No.: _____ 5. CFDA No.: _____

6. Passed Through: _____

7. Federal Agency: _____

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

9. Condition¹⁵

10. Questioned Costs¹⁶

11. Context¹⁷

12. Effect

13. Cause

14. Recommendation

15. Management's response¹⁸

For ISBE Review	
Date: _____	Resolution Criteria Code Number: _____
Initials: _____	Disposition of Questioned Costs Code Letter: _____

¹⁴ See footnote 11.
¹⁵ Include facts that support the deficiency identified on the audit finding.
¹⁶ Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.
¹⁷ See footnote 12.
¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

Community Unit School District No. 300
31-045-3000-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2009

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> ²⁰
NONE		

When possible, all prior findings should be on the same page

¹⁹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

Community Unit School District No. 300
31-045-3000-26
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS²¹
Year Ending June 30, 2009

Corrective Action Plan

Finding No.: 09-01

Condition:

The District does not have functioning internal controls over external financial reporting, but instead relies upon the auditor for financial statement preparation and cash to accrual conversion. It was also necessary to make adjustments to the District prepared SEFA.

Plan:

The district feels that it would be too expensive to be able to comply with this issue at this time, however, the district will continue to monitor this issue.

Anticipated Date of Completion:

N/A

Name of Contact Person: MeriAnn Besonen

Management Response: The expense to have the District complete the financials is too costly, however, on staff the district employees a CPA as the Director of Finance and an Internal Auditor who can both read and understand the financials.

²¹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.