

**ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)**  
**DISTRICT/JOINT AGREEMENT**  
**Year Ending June 30, 2017**

DISTRICT/JOINT AGREEMENT NAME <b>Community Unit School District No. 300</b>	RCDT NUMBER <b>31045300026</b>	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER <b>239-025764</b>	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)  <b>Mr. Fred Heid</b>		NAME AND ADDRESS OF AUDIT FIRM <b>Baker Tilly Virchow Krause, LLP</b> <b>1301 West 22nd Street, Suite 400</b> <b>Oak Brook IL 60523</b>	
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code)  <b>2550 Harnish Drive</b> <b>Algonquin</b> <b>IL 60102</b>		E-MAIL ADDRESS: <b>susannah.baney@bakertilly.com</b>	
		NAME OF AUDIT SUPERVISOR <b>Susannah Baney, CPA</b>	
		CPA FIRM TELEPHONE NUMBER <b>(630) 990-3131</b>	FAX NUMBER <b>(630) 990-0039</b>

**THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE 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 (Title 2 CFR §200.510 (a))
- ☒ Schedule of Expenditures of Federal Awards including footnotes (Title 2 CFR §200.510 (b))
- ☒ Independent Auditor's Report on the Financial Statements (Title 2 CFR §200.515 (a))
- ☒ Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* (Title 2 CFR §200.515 (b))
- ☒ Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance (Title 2 CFR §200.515 (c))
- ☒ Schedule of Findings and Questioned Costs (Title 2 CFR §200.515 (d))
- ☒ Summary Schedule of Prior Audit Findings (Title 2 CFR §200.511 (b))
- ☒ Corrective Action Plan (Title 2 CFR §200.511 (c))

**THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:**

- ☐ A Copy of the Federal Data Collection Form (Title 2 CFR §200.512 (b))
- ☐ A Copy of each Management Letter

**IF THE PAPER COPY OF THE AFR IS NOT THE SAME AS THE ELECTRONIC VERSION, PLEASE NOTIFY  
 LESLIE CLAY AT LCLAY@ISBE.NET.**

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Community Unit School District 300  
Algonquin, Illinois

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 Community Unit School District 300, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Community Unit School District 300's basic financial statements, and have issued our report thereon dated November 15, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Unit School District 300'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Unit School District 300's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Unit School District 300'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 may exist that have not been identified.

To the Board of Directors  
Community Unit School District No. 300

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Unit School District 300'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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Baker Tilly Virchow Krause, LLP*

Oak Brook, Illinois  
November 15, 2017

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Community Unit School District 300  
Algonquin, Illinois

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

We have audited Community Unit School District 300's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Unit School District No. 300's major federal programs for the year ended June 30, 2017. Community Unit School District No. 300's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Community Unit School District No. 300'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 Community Unit School District No. 300's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

To the Board of Education  
Community Unit School District 300

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 Community Unit School District No. 300's compliance.

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

In our opinion, Community Unit School District No. 300 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, 2017.

### **Report on Internal Control Over Compliance**

Management of Community Unit School District No. 300 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 Community Unit School District No. 300'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 an 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 Community Unit School District No. 300'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

### **Purpose of this Report**

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.

To the Board of Education  
Community Unit School District No. 300

### **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 Community Unit School District 300, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Community Unit School District 300's basic financial statements. We issued our report thereon dated November 15, 2017, 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. 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States, Community Unit School District 300's basic financial statements as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated November 29, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The 2016 information included in the schedule of expenditures of federal awards is presented for purposes of additional analysis 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 2016 financial statements. The 2016 information has been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 2016 information included in the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2016 as a whole.

*Baker Tilly Virchow Krause, LLP*

Oak Brook, Illinois  
November 15, 2017



Community Unit School District No. 300  
31045300026  
SINGLE AUDIT INFORMATION CHECKLIST

The following checklist is **OPTIONAL**; it is not a required form for completion of 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 Single Audit requirements, but highlights some of the more common errors found during ISBE reviews.

**GENERAL INFORMATION**

- ☒ 1. **Signed** and **dated** copies of audit opinion letters have been included with audit package submitted to ISBE.
- ☒ 2. All opinion letters use the **most current audit language and formatting** as mandated in SAS 115/SAS 117 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).
- ☒ 5. Federal revenues reported on the AFR reconcile to Federal revenues reported on the SEFA.  
- Verify or reconcile on reconciliation worksheet.
- ☒ 6. The total value of non-cash **COMMODITIES** has been included within the AFR on the **INDIRECT COSTS** page (ICR Computation 30) on Line 11. 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, etc.) has been submitted electronically to the Federal Audit Clearinghouse <https://harvester.census.gov/facweb/Default.aspx>

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

- ☒ 8. All prior year's projects are included and reconciled to final FRIS report amounts.  
- Including receipt/revenue and expenditure/disbursement amounts.
- ☒ 9. All current year's projects are included and reconciled to most recent FRIS report filed.  
- Including receipt/revenue and expenditure/disbursement amounts.
- ☐ 10. Differences in reported spending amounts on the SEFA and the final FRIS reports should be detailed and/or documented in a finding, - discrepancies should be reported as Questioned Costs.
- ☒ 11. The total amount provided to subrecipients from each Federal program is included.
- ☒ 12. Prior-year and Current-year Child Nutrition Programs (CNP) are included on the SEFA (with prior-year program showing total cash received):  
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 a 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 non-cash **COMMODITIES** has been reported on the SEFA (CFDA 10.555).  
- 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  
[Verify Non-Cash Commodities amount on ISBE web site: https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx](https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx)
  - ☒ \* **Non-Cash Commodities**: Commodities information for non-cash items received through **Other Food Services**  
Districts should track separately through year; no specific report available from ISBE  
Verify Non-Cash Commodities amount through Other Food Services on ISBE web site:  
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
  - ☒ \* **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.**  
Verify Non-Cash Commodities amount through DoD Fresh Fruits and Vegetables on ISBE web site:  
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
  - ☒ \* **Amounts verified for Fresh Fruits and Vegetables cash grant program** (ISBE code 4240)  
CFDA number: 10.582
- ☒ 18. **TOTALS** have been calculated for Federal revenue and expenditure amounts (Column totals).
- ☒ 19. Obligations and Encumbrances are included where appropriate.
- ☒ 20. **FINAL STATUS** amounts are calculated, where appropriate.
- ☒ 21. Medicaid Fee-for-Service funds, E-Rate reimbursements and Build America Bond interest subsidies 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 NOTES) have been completed.

Community Unit School District No. 300  
31045300026  
**SINGLE AUDIT INFORMATION CHECKLIST**

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**)
- ☐ \* ARRA funds are listed separately from "regular" Federal awards

**SUMMARY OF AUDITOR'S 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 **and** amounts are listed.
- ☒ 31. Correct testing threshold has been entered. (Title 2 CFR §200.518)

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

- ☒ 32. Financial Statement and/or Federal Award Findings information has been completely filled out for each finding, with finding numbers in correct format.
- ☐ 33. Finding completed for each **Significant Deficiency** and for each **Material Weakness** noted in opinion letters.
- ☐ 34. Separate finding for each Federal program (i.e., don't report same finding for multiple programs on one sheet).
- ☐ 35. 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).
- ☐ 36. Questioned Costs have been calculated where there are questioned costs.
- ☐ 37. Questioned Costs are separated by project year **and** by program (and sub-project, if necessary).
- ☐ 38. Questioned Costs have been calculated for Interest Earned on **Excess Cash on Hand**.  
- Should be based on actual amount of interest earned  
- Questioned Cost amounts are broken out between programs if multiple programs are listed on the finding
- ☐ 39. **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**  
**31045300026**

**RECONCILIATION OF FEDERAL REVENUES**  
**Year Ending June 30, 2017**

**Annual Financial Report to Schedule of Expenditures of Federal Awards**

**TOTAL FEDERAL REVENUE IN AFR**

Account Summary 7-8, Line 7	Account 4000	\$ 16,550,130
Flow-through Federal Revenues		
Revenues 9-14, Line 112	Account 2200	-
Value of Commodities		
Indirect Cost Info 30, Line 11		192,712
Less: Medicaid Fee-for-Service		
Revenues 9-14, Line 271	Account 4992	(1,541,318)
<b>AFR TOTAL FEDERAL REVENUES:</b>		<b>\$ 15,201,524</b>

**ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:**

Reason for Adjustment:

Food commodities already included in account summary \$ (192,712)

**ADJUSTED AFR FEDERAL REVENUES** \$ 15,008,812

Total Current Year Federal Revenues Reported on SEFA:  
Federal Revenues Column D \$ 15,008,812

**Adjustments to SEFA Federal Revenues:**

Reason for Adjustment:

**ADJUSTED SEFA FEDERAL REVENUE:** \$ 15,008,812

**DIFFERENCE:** \$ 0

Community Unit School District No. 300  
31045300026

Federal Grantor/Pass-Through Grantor/ Subrecipients*	CFDA	ISBE Project # (1st 8 digits)	Receipts/Revenues		Expenditure/Disbursements4			Obligations/  Encumb. (G)	Final  Status (H)	Budget  (I)
			Year	Year	Year	Year	Year			
Program or Cluster Title and Major Program Designation	Number <sup>2</sup> (A)	or Contract #3 (B)	7/1/15-6/30/16 (C)	7/1/16-6/30/17 (D)	7/1/15-6/30/16 (E)	7/1/16-6/30/17 (F)	7/1/16-6/30/17 Pass Through to Subrecipients			
U.S. Department of Education Passed Through Illinois State Board of Education (ISBE):										
TITLE I GRANTS TO LOCAL EDUCATION AGENCIES										
Title I - Low Income - FY16	84.010A	16-4300-00	3,357,108	80,662	3,357,108	80,662	0	0	3,437,770	3,760,795
Title I - Low Income - FY17	84.010A	17-4300-00	0	3,070,200	0	2,960,126	0	0	2,960,126	3,300,472
Subtotal - 84.010A - TITLE I GRANTS TO LOCAL EDUCATION AGENCIES			3,357,108	3,150,862	3,357,108	3,040,788	0	0	6,397,896	7,061,267
IMPROVING TEACHER QUALITY STATE GRANTS										
Title II - Teacher Quality - FY16	84.367A	16-4932-00	533,640	0	488,514	45,126	0	0	533,640	634,829
Title II - Teacher Quality - FY17	84.367A	17-4932-00	0	434,418	0	275,456	0	0	275,456	565,970
Subtotal - 84.367A -IMPROVING TEACHER QUALITY STATE GRANTS			533,640	434,418	488,514	320,582	0	0	809,096	1,200,799
ENGLISH LANGUAGE ACQUISITION STATE GRANTS										
Title III - Immigrant Education Program - FY17	84.365A	17-4905-00	0	1,285	0	1,285	0	0	1,285	19,465
Title III - LIPLEPS - FY16	84.365A	16-4909-00	411,231	0	411,231	0	0	0	411,231	414,183
Title III - LIPLEPS - FY17	84.365A	17-4909-00	0	344,632	0	322,776	0	0	322,776	352,063
Other Federal Programs - Title III - Bilingual Ed Excellence Grant - FY16	84.365A	16-4998-EI	3,500	4,585	3,500	4,585	0	0	8,085	8,955
Other Federal Programs - Title III - Sheltered Instruction - FY16	84.365A	16-4998-SI	6,000	0	4,200	0	0	0	4,200	6,600
Subtotal - 84.365A - ENGLISH LANGUAGE ACQUISITION STATE GRANTS			420,731	350,502	418,931	328,646	0	0	747,577	801,266
SPECIAL EDUCATION CLUSTER (IDEA)										
SPECIAL EDUCATION PRESCHOOL GRANTS										
Fed.-Sp.Ed. - Pre-School Flow Through FY16 (M)	84.173	16-4600-00	111,380	0	111,380	0	0	0	111,380	129,479
Fed.-Sp.Ed. - Pre-School Flow Through FY17 (M)	84.173	17-4600-00	0	69,660	0	71,947	0	0	71,947	125,223
Subtotal - 84.173A - SPECIAL EDUCATION PRESCHOOL GRANTS			111,380	69,660	111,380	71,947	0	0	183,327	254,702
SPECIAL EDUCATION GRANTS TO STATES										
IDEA Flow-Through FY16 (M)	84.027	16-4620-00	4,132,177	0	4,132,177	0	0	0	4,132,177	4,423,275
IDEA Flow-Through FY17 (M)	84.027	17-4620-00	0	3,135,327	0	2,927,200	0	0	2,927,200	4,518,249
IDEA Room & Board FY16 (M)	84.027	16-4625-00	292,854	111,218	292,854	111,218	0	0	404,072	N/A
IDEA Room & Board FY17 (M)	84.027	17-4625-00	0	284,014	0	284,014	0	0	284,014	N/A
IDEA Room & Board FY16 (M)	84.027	16-4625-XC	0	132,606	0	132,606	0	0	132,606	N/A
Subtotal - 84.027A - SPECIAL EDUCATION GRANTS TO STATES			4,425,031	3,663,165	4,425,031	3,455,038	0	0	7,059,377	8,941,524
Subtotal - SPECIAL EDUCATION CLUSTER (IDEA)			4,536,411	3,732,825	4,536,411	3,526,985	0	0	7,242,704	9,196,226
PRESCHOOL DEVELOPMENT GRANTS										
Preschool Expansion Grant - FY16	84.419B	16-4902-PE	776,534	0	776,534	0	0	0	776,534	776,534
Preschool Expansion Grant - FY17	84.419B	17-4902-PE	0	776,534	0	776,534	0	0	776,534	776,534
Subtotal - 84.419B - PRESCHOOL DEVELOPMENT GRANTS			776,534	776,534	776,534	776,534	0	0	1,553,068	1,553,068
U.S. Department of Education Passed Through Northern Kane County Regional Vocation System										

Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2017

Federal Grantor/Pass-Through Grantor/ Subrecipients*	CFDA  Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits)  or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>			Obligations/  Encumb. (G)	Final  Status (H)	Budget  (I)
			Year 7/1/15-6/30/16 (C)	Year 7/1/16-6/30/17 (D)	Year 7/1/15-6/30/16 (E)	Year 7/1/16-6/30/17 (F)	Year 7/1/16-6/30/17  Pass Through to Subrecipients			
<b>CAREER AND TECHNICAL EDUCATION BASIC GRANTS TO STATES</b>										
Title II- Carl Perkins Grant - FY16	84.048	16-4745-00	215,799	0	215,799	0	0	0	215,799	N/A
Title II- Carl Perkins Grant - FY17	84.048	17-4745-00	0	163,121	0	163,121	0	0	163,121	N/A
<b>Subtotal - 84.048 - CAREER AND TECHNICAL EDUCATION BASIC GRANTS TO STATES</b>			<b>215,799</b>	<b>163,121</b>	<b>215,799</b>	<b>163,121</b>	<b>0</b>	<b>0</b>	<b>378,920</b>	<b>0</b>
<b>U.S. Department of Education Passed Through Illinois Department of Human Services</b>										
<b>REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES</b>										
Secondary Transition Experience Program- FY16	84.126	16-4950-00	13,474	0	13,474	0	0	0	13,474	N/A
Secondary Transition Experience Program- FY17	84.126	17-4950-00	0	28,114	0	28,114	0	0	28,114	N/A
<b>Subtotal - 84.126 - REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES</b>			<b>13,474</b>	<b>28,114</b>	<b>13,474</b>	<b>28,114</b>	<b>0</b>	<b>0</b>	<b>41,588</b>	<b>0</b>
<b>U.S. Department of Agriculture Passed Through Illinois State Board of Education</b>										
<b>CHILD NUTRITION CLUSTER</b>										
<b>NATIONAL SCHOOL LUNCH PROGRAM</b>										
National School Lunch Program - FY16 (M)	10.555	16-4210-00	3,040,163	743,964	3,040,163	743,964	0	0	3,784,127	N/A
National School Lunch Program - FY17 (M)	10.555	17-4210-00	0	3,121,904	0	3,121,904	0	0	3,121,904	N/A
National School Lunch Program - Transfer to Charter School FY16 (M)	10.555	16-4210-00	54,136	0	54,136	0	0	0	54,136	N/A
National School Lunch Program - Transfer to Charter School FY17 (M)	10.555	17-4210-00	0	60,590	0	60,590	0	0	60,590	N/A
Non-Cash Commodities FY16 (M)	10.555	16-4999-00	361,621	0	361,621	0	0	0	361,621	N/A
Non-Cash Commodities FY17 (M)	10.555	17-4999-00	0	7,196	0	7,196	0	0	7,196	N/A
<b>U.S. Department of Defense Passed Through the Illinois State Board of Education</b>										
<b>NATIONAL SCHOOL LUNCH PROGRAM</b>										
Non-Cash Commodities-Department of Defense Fresh Fruits and Vegetables FY16 (M)	10.555	16-4999-00	98,296	0	98,296	0	0	0	98,296	N/A
Non-Cash Commodities-Department of Defense Fresh Fruits and Vegetables FY17 (M)	10.555	17-4999-00	0	185,516	0	185,516	0	0	185,516	N/A
<b>Subtotal - 10.555 - NATIONAL SCHOOL LUNCH PROGRAM</b>			<b>3,554,216</b>	<b>4,119,170</b>	<b>3,554,216</b>	<b>4,119,170</b>	<b>0</b>	<b>0</b>	<b>7,673,386</b>	
<b>U.S. Department of Agriculture Passed Through Illinois State Board of Education</b>										
<b>SCHOOL BREAKFAST PROGRAM</b>										
School Breakfast Program - FY16 (M)	10.553	16-4220-00	1,062,028	220,466	1,062,028	220,466	0	0	1,282,494	N/A
School Breakfast Program - FY17 (M)	10.553	17-4220-00	0	1,029,287	0	1,029,287	0	0	1,029,287	N/A
<b>Subtotal - 10.553 - SCHOOL BREAKFAST PROGRAM</b>			<b>1,062,028</b>	<b>1,249,753</b>	<b>1,062,028</b>	<b>1,249,753</b>	<b>0</b>	<b>0</b>	<b>2,311,781</b>	

Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2017

Federal Grantor/Pass-Through Grantor/ Subrecipients*	CFDA  Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits)  or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>			Obligations/  Encumb. (G)	Final  Status (H)	Budget  (I)
			Year  7/1/15-6/30/16 (C)	Year  7/1/16-6/30/17 (D)	Year  7/1/15-6/30/16 (E)	Year  7/1/16-6/30/17 (F)	Year 7/1/16-6/30/17  Pass Through to Subrecipients			
<b>SUMMER FOOD SERVICE PROGRAM FOR CHILDREN</b>										
Summer Food Service Program - FY16 (M)	10.559	16-4225-00	92,684	0	92,684	0	0	0	92,684	N/A
Summer Food Service Program - FY17 (M)	10.559	17-4225-00	0	95,984	0	95,984	0	0	95,984	N/A
<b>Subtotal - 10.559 - SUMMER FOOD SERVICE PROGRAM FOR CHILDREN</b>			92,684	95,984	92,684	95,984	0	0	188,668	
<b>Subtotal - CHILD NUTRITION CLUSTER</b>			4,708,928	5,464,907	4,708,928	5,464,907	0	0	10,173,835	
<b>CHILD AND ADULT CARE FOOD PROGRAM</b>										
Child & Adult Care Food Program - FY16	10.558	16-4226-00	333,387	65,588	333,387	65,588	0	0	398,975	N/A
Child & Adult Care Food Program - FY17	10.558	17-4226-00	0	279,590	0	279,590	0	0	279,590	N/A
<b>Subtotal - 10.558 - CHILD AND ADULT CARE FOOD PROGRAM</b>			333,387	345,178	333,387	345,178	0	0	678,565	0
<b>FRESH FRUIT AND VEGETABLE PROGRAM</b>										
Fresh Fruits and Vegetables	10.582	16-4240-15	3,054	0	3,054	0	0	0	3,054	N/A
Fresh Fruits and Vegetables	10.582	16-4240-16	14,372	0	14,372	0	0	0	14,372	N/A
Fresh Fruits and Vegetables	10.582	17-4240-16	0	9,537	0	9,537	0	0	9,537	N/A
Fresh Fruits and Vegetables	10.582	17-4240-17	0	37,443	0	37,443	0	0	37,443	N/A
<b>Subtotal - 10.582 - FRESH FRUIT AND VEGETABLE PROGRAM</b>			17,426	46,980	17,426	46,980	0	0	64,406	0
<b>U.S. Department of Health and Human Services Passed Through the Illinois Department of Healthcare and Family Services:</b>										
<b>MEDICAID CLUSTER</b>										
<b>MEDICAL ASSISTANCE PROGRAM</b>										
Medicaid Matching - Administrative Outreach FY16	93.778	16-4991-00	479,549	0	479,549	0	0	0	479,549	N/A
Medicaid Matching - Administrative Outreach FY17	93.778	17-4991-00	0	515,371	0	515,371	0	0	515,371	N/A
<b>Subtotal - 93.778 - MEDICAL ASSISTANCE PROGRAM</b>			479,549	515,371	479,549	515,371	0	0	994,920	
<b>Subtotal - MEDICAID CLUSTER</b>			479,549	515,371	479,549	515,371	0	0	994,920	
<b>Total All Federal Awards</b>			15,392,987	15,008,812	15,346,061	14,557,206	0	0	29,082,575	19,812,626

## Community Unit School District No. 300

31045300026

## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

Year Ending June 30, 2017

**Note 1: Basis of Presentation<sup>5</sup>**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Community Unit School District No. 300 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2: Indirect Facilities & Administration costs<sup>6</sup>**

Auditee elected to use 10% de minimis cost rate? \_\_\_\_\_ YES \_\_\_\_\_ ☒ NO

**Note 3: Subrecipients**

Of the federal expenditures presented in the schedule, Community Unit School District No. 300 provided federal awards to subrecipients as follows:

Program Title/Subrecipient Name	Federal CFDA Number	Amount Provided to Subrecipient
None		

**Note 4: Non-Cash Assistance**

The following amounts were expended in the form of non-cash assistance by Community Unit School District No. 300 and **should be** included in the Schedule of Expenditures of Federal Awards:

NON-CASH COMMODITIES (CFDA 10.555)\*\*: \$192,712  
 OTHER NON-CASH ASSISTANCE \$0 Total Non-Cash **\$192,712**

**Note 5: Other Information**

Insurance coverage in effect paid with Federal funds during the fiscal year:

Property \$0  
 Auto \$0  
 General Liability \$0  
 Workers Compensation \$0  
 Loans/Loan Guarantees Outstanding at June 30: \$0  
 District had Federal grants requiring matching expenditures No  
 (Yes/No)

\*\* The amount reported here should match the value reported for non-cash Commodities on the Indirect Cost Rate Computation page.

<sup>5</sup> This note is included to meet the Uniform Guidance requirement that the schedule include notes that describe the significant accounting policies used in preparing the schedule. (§200.510 (b)(6))

<sup>6</sup> The Uniform Guidance requires the Schedule of Expenditures of Federal Awards to note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs. §200.510 (b)(6)



**Community Unit School District No. 300**  
**31045300026**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2017**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

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

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

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

**FEDERAL AWARDS**

**INTERNAL CONTROL OVER MAJOR PROGRAMS:**

- Material weakness(es) identified? YES X None Reported
- 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: Unmodified  
(Unmodified, Qualified, Adverse, Disclaimer<sup>7</sup>)

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)? YES X NO

**IDENTIFICATION OF MAJOR PROGRAMS:<sup>8</sup>**

CFDA NUMBER(S) <sup>9</sup>	NAME OF FEDERAL PROGRAM or CLUSTER <sup>10</sup>	AMOUNT OF FEDERAL PROGRAM
10.553, 10.555, 10.559	CHILD NUTRTION CLUSTER	5,464,907
84.027, 84.173	SPECIAL EDUCATION CLUSTER (IDEA)	3,526,985
	<b>Total Amount Tested as Major</b>	<b>\$8,991,892</b>

**Total Federal Expenditures for 7/1/16-6/30/17**

**\$14,557,206**

% tested as Major

**61.77%**

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.00

Auditee qualified as low-risk auditee? YES X NO

<sup>7</sup> If the audit report for one or more major programs is other than unmodified, indicate the type of report issued for each program.  
Example: "Unmodified for all major programs except for [name of program], which was modified and [name of program], which was a disclaimer."

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

<sup>9</sup> When the CFDA number is not available, include other identifying number, if applicable.

<sup>10</sup> 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**  
**31045300026**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2017**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

1. FINDING NUMBER:<sup>11</sup>      2017- N/A      2. THIS FINDING IS:      ☐ New      ☐ Repeat from Prior Year?  
Year originally reported? \_\_\_\_\_

3. Criteria or specific requirement

4. Condition

5. Context<sup>12</sup>

6. Effect

7. Cause

8. Recommendation

9. Management's response<sup>13</sup>

**For ISBE Review**

Date: \_\_\_\_\_ Resolution Criteria Code Number \_\_\_\_\_  
Initials: \_\_\_\_\_ Disposition of Questioned Costs Code Letter \_\_\_\_\_

<sup>11</sup> A suggested format for assigning reference numbers is to use the 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 2017 would be assigned a reference number of 2017-001, 2017-002, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

<sup>12</sup> 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.

<sup>13</sup> See §200.521 *Management decision* for additional guidance on reporting management's response.

Community Unit School District No. 300  
31045300026  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2017

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

1. FINDING NUMBER:<sup>14</sup> **2017- 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. Condition<sup>15</sup> \_\_\_\_\_

10. Questioned Costs<sup>16</sup> \_\_\_\_\_

11. Context<sup>17</sup> \_\_\_\_\_

12. Effect \_\_\_\_\_

13. Cause \_\_\_\_\_

14. Recommendation \_\_\_\_\_

15. Management's response<sup>18</sup> \_\_\_\_\_

**For ISBE Review**

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

<sup>14</sup> See footnote 11.

<sup>15</sup> Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

<sup>16</sup> Identify questioned costs as required by §200.516 (a)(3 - 4).

<sup>17</sup> See footnote 12.

<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

**Community Unit School District No. 300**  
**31045300026**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>**  
**Year Ending June 30, 2017**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status<sup>20</sup></u>
2016-001	During testing of targeted students, 16 students did not qualify as eligible. After inquiry of the District, it was discovered that the District erroneously targeted 16 of the 40 students selected for testing.	All requests from targeted schools have to include a list of students being served by the activity. The list is reviewed regularly to make sure all students are targeted students.

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

<sup>19</sup> Explanation of this schedule - §200.511 (b)

<sup>20</sup> 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**  
**31045300026**  
**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS<sup>21</sup>**  
**Year Ending June 30, 2017**

Corrective Action Plan

Finding No.: **2017- N/A**

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person: [Name and Title of person responsible for implementation]

Management Response: [If applicable, an explanation giving specific reasons if the district officials do not agree with the finding and believe that corrective action is unnecessary.]

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<sup>21</sup> Must address **each** audit finding - §200.511 ( c)