

**ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)**  
**DISTRICT/JOINT AGREEMENT**  
**Year Ending June 30, 2012**

DISTRICT/JOINT AGREEMENT NAME <b>Community Unit School District No. 30</b>	RCDT NUMBER <b>31045300026</b>	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER <b>066-004260</b>	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)		NAME AND ADDRESS OF AUDIT FIRM <b>Baker Tilly Virchow Krause, LLP</b> <b>1301 West 22nd Street, Suite 400</b> <b>Oak Brook</b>	
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code)  <b>300 Cleveland Avenue</b>  <b>Carpentersville</b> <b>60110</b>		E-MAIL ADDRESS <b>steve.murray@bakertilly.com</b> NAME OF AUDIT SUPERVISOR <b>Steve Murray</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 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)



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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

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

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, 2012, which collectively comprise the Community Unit School District No. 300's basic financial statements and have issued our report thereon dated November 27, 2012. 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

Management of Community Unit School District No. 300 is responsible for establishing and maintaining effective 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 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses; and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

Board of Education  
Community Unit School District No. 300

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. This material weakness is item 12-1.

#### **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 November 27, 2012.

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 the response.

This report is intended solely for the information and use of the Community Unit School District No. 300's management, the Board of Education, 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.

Oak Brook, Illinois  
November 27, 2012

*Robert Kelly Jackson Krawiec, LLP*



BAKER TILLY

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A  
DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS

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

Compliance

We have audited the compliance of Community Unit School District No. 300 with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. 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 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, 2012. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 12-2.

### **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 the 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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

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 deficiencies, 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. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as 12-2. *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.

### **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, 2012 and have issued our report thereon dated November 27, 2012 which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Community Unit School District No. 300's 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Board of Education  
Community Unit School District No. 300

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

This report is intended solely for the information and use of the Community Unit School District No. 300's management, its Board of Education, others within the entity, the 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.

Oak Brook, Illinois  
November 27, 2012

*Baker Tilly Vinchow Krause, LLP*

Community Unit School District No. 300  
31045300026  
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 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).  
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 total value of non-cash COMMODITIES has been included within the AFR on the INDIRECT COSTS page (IND COST INFO 30) on Line 12. It should not be included in the Statement of Revenues Received (REVENUES 9-14) within the AFR Accounts 4210 - 4299.  
These 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 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 receipt/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 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 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 10.555).  
- 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: <http://www.isbe.net/business.htm>.
  - ☒ \* 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: <http://www.isbe.net/business.htm>
  - ☒ \* 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: <http://www.isbe.net/business.htm>
  - ☒ \* 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-2) have been completed.  
Including, but not limited to:  
  - ☒ 24. Basis of Accounting
  - ☒ 25. Name of Entity
  - ☒ 26. Type of Financial Statement's
  - ☒ 27. Subrecipient Information (Mark "N/A" if not applicable)
  - ☒ \* 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).
- N/A 35. Questioned Costs have been calculated where there are questioned costs.
- N/A 36. Questioned Costs are separated by project year and by program.
- N/A 37. 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



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  
31045300026

RECONCILIATION OF FEDERAL REVENUES

Annual Financial Report to Schedule of Expenditures of Federal Awards

**TOTAL FEDERAL REVENUE IN AFR**

Account Summary 7-8, Line 7	Account 4000	\$ 15,099,035
Flow-through Federal Revenues		
Revenues 9-14, Line 112	Account 2200	-
Value of Commodities		
Indirect Cost Info 30, Line 11		378,163
Less: Medicaid Fee-for-Service		
Revenues 9-14, Line 269	Account 4992	(1,608,237)
<b>AFR TOTAL FEDERAL REVENUES:</b>		<b>\$ 13,868,961</b>

**ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:**

Reason for Adjustment:

Value of Commodities included in Account Summary \$ (378,163)

**ADJUSTED AFR FEDERAL REVENUES** \$ 13,490,798

Total Current Year Federal Revenues Reported on SEFA:  
Federal Revenues Column D \$ 13,490,798

**Adjustments to SEFA Federal Revenues:**

Reason for Adjustment:

**ADJUSTED SEFA FEDERAL REVENUE:** \$ 13,490,798

**DIFFERENCE:** \$ -

Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2012

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Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>x</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 7/1/10-6/30/11 (C)	Year 7/1/11-6/30/12 (D)	Year 7/1/10-6/30/11 (E)	Year 7/1/11-6/30/12 (F)			
IDEA Flow-Through PY11	84.027A	11-4620-00	5,812,613	44,814	5,857,247	180	0	5,857,427	6,810,045
IDEA Flow-Through PY12	84.027A	12-4620-00	0	4,695,179	0	4,695,179	17,920	4,713,099	4,923,267
Subtotal - 84.027A - IDEA Flow Through			5,812,613	4,739,993	5,857,247	4,695,359	17,920	10,570,526	11,733,312
ARRA-Fed.-Sp. Ed. - Pre-School Flow Through PY11	84.392A	11-4856-00	104,343	937	105,280	0	0	105,280	105,280
Subtotal - 84.392A - ARRA Sp. Ed. Pre-School Flow Through			104,343	937	105,280	0	0	105,280	105,280
ARRA-Fed.-Sp. Ed. - I.D.E.A.-Flow Through PY11	84.391A	11-4857-00	611,707	1,372	613,079	0	0	613,079	613,079
Subtotal - 84.391A - ARRA IDEA Flow Through			611,707	1,372	613,079	0	0	613,079	613,079
IDEA Room & Board PY11	84.027A	11-4625-00	61,729	23,070	61,729	23,070	0	84,799	N/A
IDEA Room & Board PY12	84.027A	12-4625-00	0	29,780	0	29,780	0	29,780	N/A
Subtotal - 84.027A - IDEA Room & Board			61,729	52,850	61,729	52,850	0	114,579	0
Subtotal - IDEA Cluster			6,700,645	4,886,615	6,747,588	4,839,672	17,920	11,605,180	12,872,461
Technology - Enhancing Education - Formula - PY11	84.318X	11-4971-00	16,471	0	16,471	0	0	16,471	16,471
Subtotal - 84.318X - Tech Enhancing Education			16,471	0	16,471	0	0	16,471	16,471
ARRA-Education Jobs Fund Program PY11	84.410A	11-4880-00	1,054,415	0	1,054,415	0	0	1,054,415	N/A
ARRA-Education Jobs Fund Program PY12	84.410A	12-4880-00	0	15,850	0	15,850	0	15,850	N/A
Subtotal - 84.410A - ARRA Ed. Jobs			1,054,415	15,850	1,054,415	15,850	0	1,070,265	0
Northern Kane County Regional Vocational System									
Title II- Carl Perkins Grant - PY11	84.020	11-4745-00	148,433		148,433		0	148,433	156,258
Title II- Carl Perkins Grant - PY12	84.020	12-4745-00	0	145,113	0	145,113	0	145,113	N/A

**Community Unit School District No. 300**  
**31045300026**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2012**

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Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	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 7/1/10-6/30/11 (C)	Year 7/1/11-6/30/12 (D)	Year 7/1/10-6/30/11 (E)	Year 7/1/11-6/30/12 (F)			
Non-Cash Commodities PY11 (M)	10.555	11-4999-00	248,684	0	248,684	0	0	248,684	N/A
Non-Cash Commodities PY12 (M)	10.555	12-4999-00	0	345,543	0	345,543	0	345,543	N/A
Subtotal - 10.555 - Non-Cash Commodities			248,684	345,543	248,684	345,543	0	594,227	0
Non-Cash Commodities-Department of Defense Fresh Fruits and Vegetables PY11 (M)	10.555	11-4999-00	19,258	0	19,258	0	0	19,258	N/A
Non-Cash Commodities-Department of Defense Fresh Fruits and Vegetables PY12 (M)	10.555	12-4999-00	0	32,620	0	32,620	0	32,620	N/A
Subtotal - 10.555 - Non-Cash Commodities - Dept. of Defense Fresh Fruits and Vegetables			19,258	32,620	19,258	32,620	0	51,878	0
Subtotal - Child Nutrition Cluster			3,453,544	4,417,617	3,453,544	4,417,617	0	7,871,161	0
Child & Adult Care Food Program - PY11	10.558	11-4226-00	134,406	40,587	134,406	40,587	0	174,993	N/A
Child & Adult Care Food Program - PY12	10.558	12-4226-00	0	204,276	0	204,276	0	204,276	N/A
Subtotal - 10.558 - Child & Adult Care Food Program			134,406	244,863	134,406	244,863	0	379,269	0
Subtotal - U.S. Department of Agriculture			3,587,950	4,662,480	3,587,950	4,662,480	0	8,250,430	0
Fresh Fruits and Vegetables PY11	10.582	11-4240-10	10,789	0	10,789	0	0	10,789	N/A
Fresh Fruits and Vegetables PY11	10.582	11-4240-11	66,923	0	66,923	0	0	66,923	N/A
Fresh Fruits and Vegetables PY12	10.582	12-4240-11	0	13,078	0	13,078	0	13,078	N/A
Fresh Fruits and Vegetables PY12	10.582	12-4240-12	0	130,788	0	130,788	0	130,788	N/A
Subtotal - 10.582 - Fresh Fruits and Vegetables			77,712	143,866	77,712	143,866	0	221,578	0
Corporation for National and Community Services									
Illinois State Board of Education									
Learn and Serve America PY 11	94.004	11-4910-00	27,727	0	15,425	12,302	0	27,727	40,500
Learn and Serve America PY 12	94.004	12-4910-00	12,773	0	0	7,748	0	7,748	25,316

**Community Unit School District No. 300**  
**31045300026**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2012**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	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 7/1/10-6/30/11 (C)	Year 7/1/11-6/30/12 (D)	Year 7/1/10-6/30/11 (E)	Year 7/1/11-6/30/12 (F)			
Subtotal - 94.004 - Learn and Serve America			40,500	0	15,425	20,050	0	35,475	65,816
Subtotal - Corporation for National and Community Services			40,500	0	15,425	20,050	0	35,475	65,816
U.S. Department of Homeland Security - FEMA									
State of Illinois - Illinois Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	11-4009-00	136,098	0	136,098	0	0	136,098	N/A
Subtotal - U.S. Department of Homeland Security - FEMA			136,098	0	136,098	0	0	136,098	0
U.S. Department of Health and Human Services									
Illinois Department of Healthcare and Family Service									
Medicaid Matching - Administrative Outreach PY11	93.778	11-4991-00	559,616	0	559,616	0	0	559,616	N/A
Medicaid Matching - Administrative Outreach PY12	93.778	12-4991-00	0	414,641	0	414,641	0	414,641	N/A
Subtotal - 93.778 - Medicaid Matching			559,616	414,641	559,616	414,641	0	974,257	0
Subtotal - U.S. Department of Health and Human Services			559,616	414,641	559,616	414,641	0	974,257	0
Total All Federal Awards			15,923,242	13,490,798	15,392,400	13,409,126	17,920	28,819,446	20,349,727

Community Unit School District No. 300  
31045300026  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ending June 30, 2012

- (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.

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.
- <sup>4</sup> 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

31045300026

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

Year Ending June 30, 2012

**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. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. 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: Subrecipients<sup>6</sup>**

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 Subrecipients
National School Lunch / Charter School (Cambridge Lakes Learning Center)	10.555	36,218

<sup>5</sup> This note is included to meet the Circular A-133 requirement that the schedule include notes that describe the significant accounting policies used in preparing the schedule.

<sup>6</sup>

Circular A-133 requires the schedule of expenditures of federal awards to include, to the extent practical, an identification of the total amount provided to subrecipients, from each federal program. Although this example includes the required subrecipie



**Community Unit School District No. 300**  
**31045300026**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2012**

**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) X YES        None Reported

Type of auditor's report issued on compliance for major programs: Unqualified  
(Unqualified, Qualified, Adverse, Disclaimer<sup>7</sup>)

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

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

CFDA NUMBER(S) <sup>9</sup>	NAME OF FEDERAL PROGRAM or CLUSTER <sup>10</sup>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.010A, 84.389A	Title I Cluster
84.367A	Title II - Teacher Quality

Dollar threshold used to distinguish between Type A and Type B programs: \$402,274.00

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 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."

<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, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:<sup>11</sup> 12-1 2. THIS FINDING IS: ☐ New ☒ Repeat from Prior Year?  
Year originally reported? 2010

3. Criteria or specific requirement

The District is required to maintain an internal control structure over external financial reporting.

4. Condition

Material audit entries were required for the financial statements to be properly stated in all material respects.

5. Context<sup>12</sup>

During the course of our audit it was necessary to make material adjustments to the financial statements.

6. Effect

Management was unaware of material errors to their financial statements.

7. Cause

This finding was caused by weaknesses of certain internal controls over the external financial reporting process.

8. Recommendation

We recommend that management evaluate their internal controls over financial reporting and develop controls to prevent and detect material misstatements in the financial records. Management might consider seeking additional training in this area.

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

See Corrective Action Plan

**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 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.

<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 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  
31045300026  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2012

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup> 12-2 2. THIS FINDING IS: ☒ New ☐ Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

3. Federal Program Name and Year: Child Nutrition Cluster

4. Project No.: N/A 5. CFDA No.: 10.553, 10.555, 10.559, 10.582

6. Passed Through: Illinois State Board of Education

7. Federal Agency: Department of Agriculture

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

The District is required to review and approve the Free and Reduced Lunch applications and determine eligibility based on the income documentation provided on the applications.

9. Condition<sup>15</sup>

For one of the forty students included in our testing sample, the District miscalculated income on an application and improperly classified a student as 'free' when, in fact, their application reflected income that would classify the student as 'reduced.'

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

Per request of passed through agency, disclosed immaterial questioned costs. The total daily excess reimbursement of \$0.70 (lunch of \$0.40 plus breakfast of \$0.30) multiplied by the number of school days in the year (175) equals \$122.5 in questioned costs.

11. Context<sup>17</sup>

During eligibility testing of the Child Nutrition Cluster, noted one student was misclassified as 'free' instead of 'reduced.'

12. Effect

The District was potentially including the student's meals in the reimbursement forms to be reimbursed as the 'free' rate instead of the 'reduced rate.' The District could have received a higher rate of reimbursement than what they qualified for.

13. Cause

The cause of the condition was an error in calculation. The District did not include all applicable income in determining the student's classification.

14. Recommendation

The District should continue to have the secondary review performed on applications to ensure all students who apply are properly classified.

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

See Corrective Action Plan

**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.

<sup>16</sup> Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.

<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, 2012

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> <sup>20</sup>
11-2	The number of FTE's was incorrectly reported by the District in the required quarterly ARRA reports.	The District resubmitted their ARRA report to reflect the correct number of FTE's.

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

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

<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, 2012**

**Corrective Action Plan**

Finding No                      12-1

**Condition:**

Material audit entries were required for the financial statements to be properly stated.

**Plan:**

Management will evaluate their internal controls over financial reporting and improve controls to prevent and detect material misstatements in the financial records. Management will seek additional training on this area as necessary.

Anticipated Date of Completion.

6/30/2013

Name of Contact Person:                      MeriAnn Besonen

Management Response.                      Management will continue to evaluate their internal controls over financial reporting and improve controls to prevent and detect material misstatements in the financial records. Management will also continue to seek additional training as necessary.

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

Community Unit School District No. 300  
31045300026  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS<sup>21</sup>  
Year Ending June 30, 2012

Corrective Action Plan

Finding No.: 12-2

Condition:

The District miscalculated income on an application and improperly classified a student as 'free' when, in fact, their application reflected income that would classify the student as 'reduced.'

Plan:

Management will review their controls in place over the verification of free and reduced Lunch Applications as they are processed by the District. Management will ensure that all employees performing the verification are trained and aware of procedures and areas of likely miscalculations.

Anticipated Date of Completion:

6/30/2013

Name of Contact Person: MeriAnn Besonen

Management Response: Management will continue to address areas of likely miscalculations to ensure all income is properly identified on each application.

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