

**CORTLAND ENLARGED CITY SCHOOL DISTRICT
CORTLAND, NEW YORK**

SINGLE AUDIT REPORT

For Year Ended June 30, 2021



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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**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
Cortland Enlarged City School District
Cortland, New York

Report on Compliance for Each Major Federal Program

We have audited Cortland Enlarged City School District, New York'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 the District's major federal programs for the year ended June 30, 2021. Cortland Enlarged City School District, New York's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Cortland Enlarged City School District, New York'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 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 Cortland Enlarged City School District, New York's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Cortland Enlarged City School District, New York's compliance.

Opinion on Each Major Federal Program

In our opinion, Cortland Enlarged City School District, New York 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, 2021.

Report on Internal Control Over Compliance

The management of Cortland Enlarged City School District, New York 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 Cortland Enlarged City School District, New York'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 Cortland Enlarged City School District, New York'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.

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

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

We have audited the financial statements of governmental activities, each major fund, and the aggregated remaining fund information of the Cortland Enlarged City School District, New York as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Cortland Enlarged City School District, New York's basic financial statements. We issued our report thereon dated October 14, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
January 4, 2022

CORTLAND ENLARGED CITY SCHOOL DISTRICT, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR YEAR ENDED JUNE 30, 2021

<u>Grantor / Pass - Through Agency</u> <u>Federal Award Cluster / Program</u>	<u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>Grantor</u> <u>Number</u>	<u>Pass-Through</u> <u>Agency</u> <u>Number</u>	<u>Total</u> <u>Expenditures</u>
<u>U.S. Department of Education:</u>				
<u>Indirect Programs:</u>				
<u>Passed Through NYS Education Department -</u>				
<u>Special Education Cluster IDEA -</u>				
Special Education - Grants to States (IDEA, Part B)	84.027	N/A	0032-21-0152	\$ 764,557
Special Education - Preschool Grants (IDEA Preschool)	84.173	N/A	0033-21-0152	39,238
<i>Total Special Education Cluster IDEA</i>				<u>\$ 803,795</u>
<u>Education Stabilization Funds -</u>				
CARES Act - ESSER	84.425D	N/A	5890-21-0560	\$ 671,859 *
CARES Act - GEER	84.425C	N/A	5895-21-0560	120,288 *
<i>Total Education Stabilization Funds</i>				<u>\$ 792,147</u>
Title IIA - Supporting Effective Instruction State Grant	84.367	N/A	0147-20-0560	15,279
Title IIA - Supporting Effective Instruction State Grant	84.367	N/A	0147-21-0560	133,346
Title IV - Student Support and Academic Enrichment	84.424	N/A	0204-20-0560	23,610
Title IV - Student Support and Academic Enrichment	84.424	N/A	0204-21-0560	30,632
Title I - Schools in Need of Improvement	84.010	N/A	0011-21-2046	34,158 *
Title I - Grants to Local Educational Agencies	84.010	N/A	0021-20-0560	92,799 *
Title I - Grants to Local Educational Agencies	84.010	N/A	0021-21-0560	755,617 *
Total U.S. Department of Education				<u><u>\$ 2,681,383</u></u>
<u>U.S. Department of Agriculture:</u>				
<u>Indirect Programs:</u>				
<u>Passed Through NYS Education Department -</u>				
<u>Child Nutrition Cluster -</u>				
National School Lunch Program-Non-Cash Assistance (Commodities)	10.555	N/A	110200010000	\$ 65,152
Summer Food Service Program - COVID	10.559	N/A	110200010000	1,425,027
<i>Total Child Nutrition Cluster</i>				<u>\$ 1,490,179</u>
Total U.S. Department of Agriculture				<u>\$ 1,490,179</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u><u>\$ 4,171,562</u></u>

* Major Programs

CORTLAND ENLARGED CITY SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

June 30, 2021

1. **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of Cortland Enlarged City School District, New York (the District) under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement's, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position.

2. **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the GAAP basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. **Indirect Costs:**

The District has elected to not use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance. Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented.

4. **Matching Costs**

Matching costs, i.e., the District's share of certain program costs, are not included in the reported expenditures.

5. **Non-Monetary Federal Program**

The District is the recipient of a Federal award program that does not result in cash receipts or disbursements, termed a "non-monetary program." During the year ended June 30, 2021, the District reported the fair market value of these food commodities under the National School Lunch Program – Non-Cash Assistance (Commodities) on the accompanying Schedule of Expenditures of Federal Awards. This program is considered part of the District's single audit.

CORTLAND ENLARGED CITY SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

June 30, 2021

I. Summary of the Auditor’s Results

Financial Statements

a) Type of auditor’s report issued	Unmodified
b) Internal control over financial reporting	
1. Material weaknesses identified	No
2. Significant Deficiency(ies) identified	No
c) Noncompliance material to financial statements noted	No

Federal Awards

a) Internal control over major programs	
1. Material weaknesses identified	No
2. Deficiency(ies) in internal controls identified	No
b) Type of auditor’s report issued on compliance for major programs	Unmodified
c) Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)	No
d) Identification of major programs	

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
CFDA #84.010	Title I – Grants to Local Educational Agencies
CFDA #84.010	Title I – Schools in Need of Improvement
Education Stabilization Funds:	
CFDA #84.425D	CARES Act - ESSER
CFDA #84.425C	CARES Act - GEER

e) Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
f) Auditee qualifies as low-risk auditee	No

II. Financial Statement Findings

Current Year Finding –

(#2021-001) Delinquent Annual Financial Report –

Criteria – 2 CFR Section 200.512 requires that the audit report and reporting package must be submitted within the earlier of 30 calendar days after the receipt of the audit report or nine months after the end of the reporting period.

Condition – For the year ended June 30, 2020, the audit report and reporting package was submitted 18 days delinquent to the Federal Clearinghouse.

Cause – Due to turnover in the District’s administration at the time the single audit report was provided to the District the reporting package was not submitted timely.

Effect – The District will not be considered a low-risk auditee for single audit purposes. In addition, for financial information to be beneficial to the users of the financial statements it needs to be timely, when the audit is submitted late, it becomes less relevant.

Recommendation – We recommend the District ensure that the audit report and reporting package are submitted to the Federal Clearinghouse timely, but not any later than the earlier of 30 calendar days after the receipt of the auditor’s report or nine months subsequent to year end.

District’s Response – The District will ensure that all future single audit reports be submitted within the mandatory deadlines after receiving them from our auditors.

Prior Year Finding –

There were no prior year findings.

III. Federal Award Findings and Questioned Costs

There were no current year findings or questioned costs and there were no prior year findings or questioned costs.



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CORTLAND ENLARGED CITY SCHOOL DISTRICT

Corrective Action Plan

June 30, 2021

(#2021-001) Delinquent Annual Financial Report –

For the year ended June 30, 2020, the audit report and reporting package was submitted 18 days delinquent to the Federal Clearinghouse.

Corrective Action Plan

The District will ensure that all future single audit reports be submitted within the mandatory deadlines after receiving them from our auditors