

**FRANKLIN SQUARE UNION FREE SCHOOL DISTRICT
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020**

INDEPENDENT AUDITOR'S 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

To the Board of Education
Franklin Square Union Free School District

Report on Compliance for Each Major Federal Program

We have audited Franklin Square Union Free School District'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 Franklin Square Union Free School District's major federal programs for the fiscal year ended June 30, 2020. Franklin Square Union Free School District'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 Franklin Square Union Free School District'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 Franklin Square Union Free School District'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 Franklin Square Union Free School District's compliance.

weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item #2020-001, that we consider to be a significant deficiency.

Franklin Square Union Free School District's response to the internal control over compliance finding identified in our audit is described in their corrective action plan. Franklin Square Union Free School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the governmental activities, each major fund, and the fiduciary funds of Franklin Square Union Free School District as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Franklin Square Union Free School District's basic financial statements. We issued our report thereon dated October 7, 2020, 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.

R. J. Abrams + Co., LLP

Islandia, NY

January 21, 2021

(except for our report on the schedule of expenditures of federal awards, for which the date is October 7, 2020)

**FRANKLIN SQUARE UNION FREE SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Franklin Square Union Free School District under programs of the federal government for the fiscal year ended June 30, 2020. 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 Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Franklin Square Union Free School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Franklin Square Union Free School District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the modified accrual 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. The value of food commodities was calculated using the U.S. Department of Agriculture's Food and Nutrition Service commodity price lists. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. Pass-through entity identifying numbers are presented where available.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Matching costs (Franklin Square Union Free School District's share of certain program costs) are not included in the reported expenditures.

3. INDIRECT COST RATE:

Franklin Square Union Free School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. SUBRECIPIENTS:

No amounts were provided to subrecipients.

5. OTHER DISCLOSURES:

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by Franklin Square Union Free School District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

**FRANKLIN SQUARE UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

PART II FINANCIAL STATEMENT FINDINGS

There are no financial statements findings to be reported.

PART III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING # 2020-001

U.S. Department of Education – Passed-through the NYS Education Department

Special Education Grants to States (IDEA, Part B); CFDA No. 84.027; Project #0032-19-0424 and #0032-20-0424; Grant Period – Fiscal Year Ended June 30, 2020

Special Education Preschool Grants (IDEA Preschool); CFDA No. 84.173; Project #0033-20-0424; Grant Period – Fiscal Year Ended June 30, 2020

Significant Deficiency

Criteria:

According to the OMB Compliance Supplement, IDEA Part B funds received by a school district cannot be used, except under certain limited circumstances, to reduce the level of expenditures for the education of children with disabilities made by the school district from local funds, or a combination of state and local funds, below the level of those expenditures for the preceding fiscal year. To meet this requirement, school districts must meet (1) the eligibility standard using budgeted amounts and (2) the compliance standard using prior year's expenditures.

Condition:

During our audit we noted the District's calculations for compliance and eligibility were not prepared in accordance with NYS guidelines as follows:

1. The District did not apply a percentage of specified special education related state aid to total special education expenditures to each special education category by fund when allocating expenditure categories for compliance and eligibility between state and locally funded amounts.
2. The District utilized revenue accounts to complete the maintenance of effort in addition to expenditures. Per the maintenance of effort calculator instructions, only budgeted and actual expenditures are to be used when completing the compliance and eligibility standards respectively.

However, the auditor noted that the conditions above were due to an error in transferring of information from the Questar worksheet to the maintenance of effort calculator and that the Questar worksheet was properly completed.

Cause:

The District did not have procedures in place for a secondary review of the information before filing with the State.

Effect:

The District's maintenance of effort calculator was submitted to the State with incorrect information, which may affect future compliance with the requirements.

**FRANKLIN SQUARE UNION FREE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

There were no prior year findings or questioned costs.



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FRANKLIN SQUARE UNION FREE SCHOOL DISTRICT
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Assistant Superintendent for Finance & Management
(516) 481-4100 x 3500

Corrective Action Plan 2020
Franklin Square Union Free School District

We received the Single Audit report for the fiscal year ended June 30, 2020 from R.S. Abrams on February 4, 2021. We have implemented the following plans and procedures to address the recommendations we received from R.S. Abrams.

1. Findings & Recommendations

FINDING# 2020-001

U.S. Department of Education- Passed-through the NYS Education Department

Special Education Grants to States (IDEA, Part B); CFDA No. 84.027; Project #0032-19-0424 and #0032-20-0424; Grant Period -Fiscal Year Ended June 30, 2020

Special Education Preschool Grants (IDEA Preschool); CFDA No. 84.173; Project #003-20-0424; Grant Period – Fiscal Year Ended June 30,2020

Significant Deficiency Criteria: According to the OMB Compliance Supplement, IDEA Part B funds received by a school district cannot be used, except under certain limited circumstances, to reduce the level of expenditures for the education of children with disabilities made by the school district from local funds, or a combination of state and local funds, below the level of those expenditures for the preceding fiscal year. To meet this requirement, school districts must meet (1) the eligibility standard using budgeted amounts and (2) the compliance standard using prior year's expenditures. Condition: During our audit we noted the District's calculations for compliance and eligibility were not prepared in accordance with NYS guidelines as follows:

1. The District did not apply a percentage of specified special education related state aid to total special education expenditures to each special education category by fund when allocating expenditure categories for compliance and eligibility between state and locally funded amounts.

2. The District utilized revenue accounts to complete the maintenance of effort in addition to expenditures. Per the maintenance of effort calculator instructions, only budgeted and actual expenditures are to be used when completing the compliance and eligibility standards respectively. However, the auditor noted that the conditions above were due to an error in transferring of information from the Questar worksheet to the maintenance of effort calculator and that the Questar worksheet was properly completed.

Cause: The District did not have procedures in place for a secondary review of the information before filing with the State.

Effect: The District's maintenance of effort calculator was submitted to the State with incorrect information, which may affect future compliance with the requirements. Recommendation: We recommend the District develop a system to review the maintenance of effort calculator with all supporting documentation before submitting it to the State. We also recommend the District officials contact the State to verify procedures to file a revised calculation, if considered necessary

Remediation: The District acknowledges an error in transposing the information from our worksheet to the submittal. The information in our worksheet was correct. We will put into place additional internal controls including additional secondary level review in order to prevent information from being incorrectly transferred to the submittal. This will be implemented by March 2021. The person responsible for oversight of the implementation is Theresa Hennessy, Assistant Superintendent for Finance and Management.