

AGENDA

SCHOOL DISTRICT OF NEW GLARUS

BUDGET COMMITTEE MEETING

MONDAY, AUGUST 1, 2022

**HIGH SCHOOL LIBRARY/MEDIA CENTER, ROOM 183 JOIN ZOOM MEETING USING
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3RFRZALLGZZ09 OR BY PHONE USING 1-646-568-7788 MEETING ID 819 6812**

3291 & PASSWORD 155063

1701 2ND STREET

NEW GLARUS, WISCONSIN 53574

6:30 PM

- I. **Call to Order - Travis Zimmerman, Chair**
- II. **2021-22 Budget Adjustments and Fund Balance** **2**

**NOTICE OF CHANGE IN ADOPTED BUDGET
SCHOOL DISTRICT OF NEW GLARUS**

Notice is hereby given, in accordance with the provisions of Wisconsin Statute 65.90(5)(a), that the School Board of New Glarus, on August 1, 2022, adopted the following changes to previously approved budgeted 2021 - 22 amounts. The following presents only adopted budget line items with changes. Unchanged line items are not presented.

GENERAL FUND				
LINE ITEM	ACCOUNT CODE	PREVIOUS APPROVED AMOUNT \$	AMENDED APPROVED AMOUNT \$	CHANGE \$
Anticipated Revenue:				
Mobile Home Tax	213	6,600.00	6,585.12	(14.88)
Other Taxes	219	0.00	3,225.65	3,225.65
Educational Program Resale	263	1,000.00	6,872.50	5,872.50
Non Cap Surplus Property Sales	264	0.00	4,184.01	4,184.01
School Co-Curricular Income	271	28,980.00	33,270.21	4,290.21
Interest on Investments	280	6,000.00	8,131.68	2,131.68
Gifts, fundraising, donations	291	3,500.00	47,326.51	43,826.51
Student Fees	292	3,500.00	22,561.00	19,061.00
Rentals	293	7,560.00	10,445.00	2,885.00
Textbook Revenue	294	29,520.00	32,344.88	2,824.88
Student Fines	297	450.00	86.26	(363.74)
Transit of Aids from WI Districts	317	4,046.00	6,601.93	2,555.93
Co-Curricular Revenue	343	8,000.00	6,806.24	(1,193.76)
Open Enrollment Tuition	345	998,574.00	975,725.00	(22,849.00)
Transportation Aid	612	10,890.00	16,091.00	5,201.00
Library Aid (Common School Fund)	613	37,000.00	41,388.00	4,388.00
State Special Projects	630	8,200.00	6,886.25	(1,313.75)
Per Pupil Aid	691	672,499.00	672,252.00	(247.00)
High Cost Transportation	696	0.00	55,467.12	55,467.12
DPI Special Project Grants	730	166,098.00	247,781.93	81,683.93
Other Revenue Through State	780	0.00	185,462.02	185,462.02
Miscellaneous	990	1,000.00	4,407.00	3,407.00
Total Anticipated Revenue		1,993,417.00	2,393,901.31	400,484.31
Expenditure Appropriations:				
Undifferentiated Curriculum	110000	2,482,983.00	2,240,000.00	(242,983.00)
Regular Curriculum	120000	3,077,092.00	3,195,000.00	117,908.00
Vocational Curriculum - AG	131000	77,334.00	86,000.00	8,666.00
Vocational Curriculum - FACS	135000	69,214.00	78,000.00	8,786.00
Co-Curricular	160000	201,480.00	165,000.00	(36,480.00)
Pupil Services - Counseling	213200	155,223.00	163,000.00	7,777.00
Pupil Services - Psychology	215200	29,840.00	14,000.00	(15,840.00)
Other Pupil Services	219000	11,016.00	50,000.00	38,984.00
Instructional Related Technology	221500	57,141.00	235,000.00	177,859.00
Athletic Supervision/Coordination	223100	46,482.00	62,000.00	15,518.00
School Building Administration	240000	749,133.00	705,000.00	(44,133.00)
Building Operations	250000	1,625,702.00	1,690,000.00	64,298.00
General Contracted Instruction	431000	20,000.00	29,000.00	9,000.00
Other Non-Program Transactions	490000	100.00	5,200.00	5,100.00

Adjustment for collection
Tax collection from other municipality owed
Increase program sales for Ag (plant sale) and FACS (capstone coffee program)
Sale of non capital items - such as computers/cb
Adjustment for athletic admissions
Adjustment for interest
Donations - NG Brewery for welders (majority of the donations)
AP Exam fees/tournament fees
Rental of facilities
Collection of rentals/over due payments
Adjustment for student fines
Adjustment for increase in Carl Perkins funding
Adjustment for decrease in expense
Adjustment for Open Enrollment students
Adjustment to Transportation aid
Adjustment to Library Aid (Common School Fund)
EE grant/Assessments of Reading Readiness
Adjustment for student count

ESSER II, ESSER III and EBIS funding adjustment
Medicaid administrative claim reimb from prior years, DOJ Special Revenue, Get Kids Ahead Initiative
Liquidated damages from resignations

Transfer to cover other budget areas - savings sal/ben/supplies
Adjustment to cover student materials (ESSER/EBIS)
Adjustments for building project expense
Adjustments for building project expense
Transfer to cover other budget areas
Adjustment covers AP exam fees/services/staff benefits
Reallocation of ESSER III funding
ESSER III/Get Kids Ahead Initiative grant
CB/staff computers/hs auditorium upgrades (ESSER II)
MPR backboard replacement/hs gym wall mats
Transfer to cover other budget areas
Transfer to cover other budget areas - savings sal/ben
BYU/Dane County School Consortium Fees
Adjustment covers recoupment in prior years of Medicaid

Total Expenditure Appropriations		8,602,740.00	8,717,200.00	114,460.00
Projected Ending Fund Balance:				
Fund Balance, Nonspendable	935100	247,608.35	233,639.28	(13,969.07)
Fund Balance, Unspent Common School F	936130	9,186.64	7,543.07	(1,643.57)
Fund Balance, Assigned	938000	0.00	175,000.00	175,000.00
Fund Balance, Unassigned	939000	3,375,829.23	3,762,695.48	386,866.25
Projected Ending Fund Balance		3,632,624.22	4,178,877.83	546,253.61

Includes ESSER III and EBIS grant revenue reimbursement

SPECIAL EDUCATION FUND (FUND 27)				
LINE ITEM	ACCOUNT CODE	PREVIOUS APPROVED AMOUNT \$	AMENDED APPROVED AMOUNT \$	CHANGE \$
Anticipated Revenue:				
Operating Transfer	110	1,257,713.00	1,142,678.67	(115,034.33)
State Special Education Aid	611	403,041.00	414,721.00	11,680.00
High Cost Special Education Aid	625	0.00	51,460.00	51,460.00
SE Transition Incentive Grant	697	0.00	3,825.70	3,825.70
Other Revenue Thru State	780	50,000.00	45,322.50	(4,677.50)
Total Anticipated Revenue		1,710,754.00	1,658,007.87	(52,746.13)
Expenditure Appropriations:				
Business Services	250000	37,319.00	45,000.00	7,681.00
Total Expenditure Appropriations		37,319.00	45,000.00	7,681.00
Projected Ending Fund Balance:				
Projected Ending Fund Balance		0.00	0.00	0.00

Reduction in transfer of service due increase in revenue/decrease in expense and decrease of expense - will meet MOE with exceptions
 High Cost Sped aid
 Transition Grant
 Medicaid revenue

Adjustment to cover transportation exp

DEBT SERVICE (FUND 39)				
LINE ITEM	ACCOUNT CODE	PREVIOUS APPROVED AMOUNT \$	AMENDED APPROVED AMOUNT \$	CHANGE \$
Anticipated Revenue:				
Interest on Investments	280	3,600.00	2,064.07	(1,535.93)
Refund of Disbursement	971	23,604.00	23,603.76	(0.24)
Total Anticipated Revenue		27,204.00	25,667.83	(1,536.17)
Expenditure Appropriations:				
Long-Term Capital Debt	281000	2,878,908.00	2,879,205.00	297.00
Total Expenditure Appropriations		2,878,908.00	2,879,205.00	297.00
Projected Ending Fund Balance:				
Fund Balance, Restricted	936320	143,719.08	513,144.52	369,425.44

adjustement for anticipated interest
 Adjustment for QSCB interest

Adjustment for cash defeasance expense

FOOD SERVICE (FUND 50)				
LINE ITEM	ACCOUNT CODE	PREVIOUS APPROVED AMOUNT \$	AMENDED APPROVED AMOUNT \$	CHANGE \$
Anticipated Revenue:				

Food Sales - Pupil	251	46,428.00	91,651.50	45,223.50
Food Sales - Adult	252	3,500.00	7,468.30	3,968.30
Food Sales - Other	259	5,250.00	62,467.17	57,217.17
Food Service State Aid	617	227.00	26,279.34	26,052.34
Donated Commodities	714	18,624.00	44,447.53	25,823.53
Federal Food Service Aid	717	476,607.00	913,783.49	437,176.49
Total Anticipated Revenue		550,636.00	1,146,097.33	595,461.33
Expenditure Appropriations:				
Business Administration	250000	532,520.00	792,380.00	259,860.00
Total Expenditure Appropriations		532,520.00	792,380.00	259,860.00
Projected Ending Fund Balance:				
Fund Balance, Nonspendable	935100	8,551.91	9,120.65	568.74
Fund Balance, Restricted	936500	182,050.15	565,198.28	383,148.13

catering/vending/ala carte
breakfast/luch aid
increase use of commodities
severe breakfast aid/increase in funding meals for all students

Adjust for cost of food/supplies/personnel

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NEW GLARUS SCHOOL DISTRICT

REPORTS AND SCHEDULES
REQUIRED BY THE UNIFORM GUIDANCE AND
THE STATE SINGLE AUDIT GUIDELINES

For the Year Ended June 30, 2021

NEW GLARUS SCHOOL DISTRICT

**Reports and Schedules
Required by the Uniform Guidance and
the State Single Audit Guidelines**

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For the Year Ended June 30, 2021

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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
New Glarus School District
New Glarus, Wisconsin

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 the New Glarus School District (the “District”), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise New Glarus School District’s basic financial statements, and have issued our report thereon dated November 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items #2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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*.

New Glarus School District's Response to Findings

New Glarus School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. New Glarus School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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.

Johnson Block & Company, Inc.
November 22, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT GUIDELINES

To the Board of Education
New Glarus School District
New Glarus, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited the New Glarus School District (the "District")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2021. The District's major federal and state 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 and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principle, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *State Single Audit Guidelines*. Those standards, the Uniform Guidance, and the *State Single Audit Guidelines* 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 or state program occurred. An audit includes examining, on a test basis, evidence about the 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 and state program. However, our audit does not provide a legal determination on the District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the type of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the District 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District'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 or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 or state 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 or state 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 testing based on requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on the Schedules of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *Wisconsin State Single Audit Guidelines*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Glarus School District, as of the for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 22, 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 schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* and are not a required part of 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 schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Johnson Block & Company, Inc.
July 25, 2022

**NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021**

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Administering Agency Pass-Through Agency Award Description	Federal Assistance Listing Number	Pass-through Entity ID Number	(Accrued Receivable) Deferred Revenue July 1, 2020	Revenues Grantor Reimbursements	Expenditures	Accrued Receivable June 30, 2021
<i>U.S. DEPARTMENT OF AGRICULTURE</i>						
Wisconsin Department of Public Instruction:						
Child Nutrition Cluster:						
Food Distribution - Donated Commodities	10.555	Not Available	\$ -	\$ 39,251	\$ 39,251	\$ -
National School Lunch Program	10.555	2021-233934-DPI-NSL-547	-	267,215	293,066	25,851
COVID-19 - National School Lunch Program	10.555	2020-233934-DPI-NSL-547	(21,204)	21,204	-	-
National School Breakfast Program	10.553	2021-233934-DPI-SB-546	-	134,633	147,961	13,328
COVID-19 - National School Breakfast Program	10.553	2020-233934-DPI-SB-546	(11,211)	11,211	-	-
Total Child Nutrition Cluster			(32,415)	473,514	480,278	39,179
TOTAL U.S. DEPARTMENT OF AGRICULTURE			(32,415)	473,514	480,278	39,179
<i>U.S. DEPARTMENT OF EDUCATION</i>						
Wisconsin Department of Public Instruction:						
Title I - Part A	84.010A	2021-233934-DPI-TIA-141	(5,133)	5,133	24,445	24,445
COVID - 19 Elementary and Secondary School Emergency Relief (ESSER)	84.425D	2021-233934-DPI-ESSERF-160		40,000	40,000	
COVID - 19 Elementary Secondary School Emergency Relief (ESSER) - II	84.425D	2021-233934-DPI-ESSERF-163		100,000	100,000	
Total ESSER Cluster			-	140,000	140,000	-
Title II - Part A	84.367A	2021-233934-DPI-TIIA-365	-	12,192	12,192	-
Title IV - Part A	84.424A	2021-233934-TIV-A-DPI-381	-	-	5,800	5,800
Special Education Cluster:						
IDEA Flow-Through	84.027	2021-233934-DPI-IDEA-FT-341	(44,008)	84,415	150,808	110,401
IDEA CEIS Entitlement	84.027	2020-233934-DPI-IDEA-F-341	(4,366)	4,366	-	-
Preschool Entitlement	84.173	2021-233934-DPI-IDEA-P-347	(27)	3,748	5,432	1,711
Total Special Education Cluster			(48,401)	92,529	156,240	112,112
Oregon School District:						
Carl Perkins Act Formula Allocation	84.048	2021-233934-CTE-400	-	4,036	4,036	-
TOTAL U.S. DEPARTMENT OF EDUCATION			(53,534)	253,890	342,713	142,357
<i>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</i>						
Wisconsin Department of Health Services:						
School Based Services	93.778	Not Available	-	81,445	83,492	2,047
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			-	81,445	83,492	2,047
TOTALS		13	\$ (85,949)	\$ 808,849	\$ 906,483	\$ 183,583

See notes to the schedules of expenditures of awards.

**NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended June 30, 2021**

DRAFT

Administering Agency Pass-Through Agency Award Description	State I.D. Number	Pass-Through Entity ID Number	(Accrued Receivable) Deferred Revenue July 1, 2020	Revenues State Reimbursements	Expenditures Grantor	Accrued Receivable (Deferred Revenue) June 30, 2021
<i>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</i>						
<i>Entitlement Programs</i>						
Special Education and School Age Parents Direct State Payments	255.101	233934-100	\$ -	\$ 403,291	\$ 403,291	\$ -
<i>Cost Reimbursement Programs</i>						
State Lunch	255.102	233934-107	-	5,833	5,833	-
Morning Milk	255.115	233934-109	-	1,183	1,183	-
State Breakfast	255.344	233934-108	-	3,265	3,265	-
Total Cost Reimbursement Programs			-	10,281	10,281	-
<i>Other Aids</i>						
General Equalization	255.201	233934-116	(96,701)	6,435,548	6,440,612	101,765
Common School Fund	255.103	233934-104	-	37,221	37,221	-
Pupil Transportation	255.107	233934-102	-	23,071	23,071	-
High Cost Special Education Aid	255.210	233934-119	-	16,246	16,246	-
Supplemental Per Pupil Aid	255.245	233934-181	-	2,768	2,768	-
High Cost Transportation Aid	255.947	233934-114	-	209,973	209,973	-
Per Pupil Adjustment Aid	255.945	233934-113	-	675,962	675,962	-
Educator Effectiveness Grant	255.940	233934-154	-	6,560	6,560	-
Career and Technical Education Incentive Grants	255.950	233934-152	-	1,595	1,595	-
Assessments of Reading Readiness	255.956	233934-166	-	1,599	1,599	-
Total Other Aids			(96,701)	7,410,543	7,415,607	101,765
TOTAL WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION			(96,701)	7,824,115	7,829,179	101,765
TOTALS			\$ (96,701)	\$ 7,824,115	\$ 7,829,179	\$ 101,765

See notes to the schedules of expenditures of awards

**NEW GLARUS SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021**

DRAFT

Note 1 Reporting Entity

The accompanying schedules of expenditures of Federal and State Awards include the federal and state grant activity of the New Glarus School District.

Note 2 Basis of Presentation

The accounting records for the grant programs are maintained on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the financial statements.

Note 3 Special Education and School Age Parents Program

2020-2021 eligible costs under the State Special Education Program are \$1,400,817.

Note 4 Food Distribution

Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and disbursed (\$39,251).

Note 5 Medical Assistance

Expenditures presented for the Medicaid SBS Benefit represent only the federal funds for the program that the District receives from DHS. District records should be consulted to determine the total amount expended for this program.

Note 6 Subrecipients

No amounts were passed through to subrecipients.

Note 7 De Minimis Cost Rate

The District does not use an indirect cost rate.

**NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021**

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Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

* Material weakness identified? No

* Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

* Material weakness identified? No

* Significant deficiency(ies) identified? None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

CFDA Number
10.553, 10.555

Name of Program or Cluster
Child Nutrition Cluster

Dollar threshold for distinguishing Types A and B programs: \$750,000

Auditee qualified as low-risk auditee? No

NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

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Section I - Summary of Auditor's Results (Continued)

State Awards

Type of auditor's report issued on compliance for major programs: Unmodified

Internal control over major programs:

* Material weakness identified? No

* Significant deficiencies identified? None Reported

Any audit findings disclosed that are required to be reported in accordance with the *Wisconsin Public School District Audit Manual*? No

Identification of major state programs:

<u>ID Number</u>	<u>Name of State Program or Cluster</u>
255.201	Equalization Aid
255.101	Special Education and School Age Parents

Dollar threshold for distinguishing Types A and B programs: \$250,000

Section II – Financial Statement Findings

Finding #2021-001 – Segregation of Duties (This was a 2020 Finding)

Condition: The responsibility for the District's bookkeeping and accounting functions is assumed by a limited number of individuals.

Criteria: Good internal control necessitates a separation of duties regarding the handling and recording of cash receipts and cash disbursements.

Cause: The District has determined that hiring additional staff to perform separate accounting duties would be too costly.

Effect: Because of the lack of segregation of duties, individuals could mishandle receipts and disbursements.

Recommendation: The District should be aware of the need for separation of duties and provide for as much separation of duties as is feasible in the circumstances.

District's Response: Management of the District is aware of this deficiency and will continue to look for opportunities to strengthen this area. Segregation of duties is enhanced whenever possible and the Board of Education and management assumes an active roll through monthly review of receipts and disbursements and monthly financial reports. In addition, the Board and management will continue to rely on its direct knowledge of daily operations and direct contact with employees to better control and safeguard assets.

NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

DRAFT

Section III – Federal and State Awards Findings and Questioned Costs

None

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee’s ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the State Single Audit Guidelines:

Department of Health Services	No
Department of Public Instruction	Yes
Department of Administration	N/A
Department of Justice	No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

4. Name and signature of partner

Tara Bast, CPA

5. Date of report: July 25, 2022

NEW GLARUS SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

DRAFT

Finding #2020-001 - This is still a finding. See #2021-001

Finding #2020-002 – Preparation of Financial Statements in Accordance with GAAP (This was a 2019 Finding)

Condition: District staff does not prepare the financial statements and accompanying notes. The District has designated individuals responsible for reviewing and accepting the financial statements and related notes.

Criteria: Internal controls over preparation of the financial statements, including footnote disclosures, should be in place to provide reasonable assurance that a misstatement in the financial statements would be prevented or detected.

Cause: The District does not prepare the financial statements and related notes.

Effect: Because District staff relies on the auditor to assist with the preparation of the financial statements, the District's system of internal control may not prevent, detect, or correct misstatements in the financial statements.

Recommendation: The auditor will work with the District to make personnel more knowledgeable about its responsibility for the financial statements.

District's Response: The auditors prepare the financial statements but we review them and accept the statements prior to them being issued. We prepare financial reports that are reviewed by management and the Board of Education on a monthly basis. Any concerns or questions are addressed throughout the year.

Current Status: There were no material adjustments that were considered to raise the issue to the level of a deficiency. This is no longer considered a finding.

DRAFT

CORRECTIVE ACTION PLAN
July 25, 2022

Single Audit Clearing House,

New Glarus School District respectfully submits the following corrective action plan for the year ended June 30, 2021.

Name and address of independent public accounting firm: Johnson Block & Company, Inc. 9701 Brader Way, Suite 202, Middleton, WI 53562

Audit Period: July 1, 2020 to June 30, 2021

The auditor's findings and our responses from the June 30, 2021 schedule of findings and questions costs are discussed below.

Finding #2021-001 – Segregation of Duties

Condition: The responsibility for the District's bookkeeping and accounting functions is assumed by a limited number of individuals.

Criteria: Good internal control necessitates a separation of duties regarding the handling and recording of cash receipts and cash disbursements.

Cause: The District has determined that hiring additional staff to perform separate accounting duties would be too costly.

Effect: Because of the lack of segregation of duties, individuals could mishandle receipts and disbursements.

Recommendation: The District should be aware of the need for separation of duties and provide for as much separation of duties as is feasible in the circumstances.

Response: Management of the District is aware of this deficiency and will continue to look for opportunities to strengthen this area. Segregation of duties is enhanced whenever possible and the Board of Education and management assumes an active roll through monthly review of receipts and disbursements and monthly financial reports. In addition, the Board and management will continue to rely on its direct knowledge of daily operations and direct contact with employees to better control and safeguard assets.

Contact Person: Tammy Marty

Anticipated Completion Date: Not applicable

Very truly yours,

Tammy Marty
Business Manager
1701 2nd Street
New Glarus, WI 53574

July 25, 2022

Johnson Block & Company, Inc.
9701 Brader Way, Suite 202
Middleton, Wisconsin 53562

In connection with your audit of the financial statements of New Glarus School District as of June 30, 2021, and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of New Glarus School District and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles, you were previously provided with a representation letter dated November 22, 2021. No information has come to our attention that would cause us to believe that any of those previous representations should be modified.

We have accepted the final revisions to our schedules of expenditures of federal and State of Wisconsin awards. With respect to state awards programs, you are authorized to submit the single audit report to any required agencies.

We have evaluated and classified any subsequent events as recognized or unrecognized through the date of this letter. No events, including instances of noncompliance, have occurred subsequent to June 30, 2021 and through the date of this letter that would require adjustments to or disclosure in the schedules of awards or the schedule of findings and questioned costs.

Signature: _____ Signature: _____

Title: _____ Title: _____

IV. Adjourn

PURSUANT TO APPLICABLE LAW, NOTICE IS HEREBY GIVEN THAT A QUORUM OR A MAJORITY OF THE NEW GLARUS SCHOOL DISTRICT BOARD MEMBERS MAY ATTEND THIS MEETING. INFORMATION PRESENTED AT THIS MEETING MAY HELP FORM THE RATIONALE BEHIND FUTURE ACTIONS THAT MAY BE TAKEN BY THE NEW GLARUS SCHOOL DISTRICT BOARD.

UPON REQUEST TO THE DISTRICT OFFICE, SUBMITTED TWENTY-FOUR (24) HOURS IN ADVANCE, THE DISTRICT SHALL MAKE REASONABLE ACCOMMODATIONS INCLUDING THE PROVISION OF INFORMATIONAL MATERIAL IN AN ALTERNATIVE FORMAT FOR A DISABLED PERSON TO BE ABLE TO ATTEND THIS MEETING.