
SINGLE AUDIT

POCONO MOUNTAIN SCHOOL DISTRICT



Our Mission:

***To Prepare All Students for
Tomorrow's Challenges & Opportunities***

POCONO MOUNTAIN SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND CERTAIN STATE GRANTS

Year ended June 30, 2023

-131-

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal ALN Number</u>	<u>Pass- Through Grantor's Number</u>	<u>Grant Period Beginning/ Ending Dates</u>	<u>Grant Amount</u>	<u>Total Received for Year</u>	<u>Accrued (Deferred) Revenue July 1, 2022</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2023</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Education											
Passed-Through the Pennsylvania Department of Education											
Title I - Improving Basic Programs	I	84.010	013-220344	07/26/21 - 09/30/22	\$ 3,472,709	\$ 962,757	\$ 840,956	\$ 121,801	\$ 121,801	\$ -	\$ -
Title I - Improving Basic Programs	I	84.010	013-230344	08/26/22 - 09/30/23	3,407,391	2,677,278	-	3,407,391	3,407,391	730,113	-
Total ALN 84.010						3,640,035	840,956	3,529,192	3,529,192	730,113	-
Title II - Improving Teacher Quality	I	84.367	020-220344	07/26/21 - 09/30/22	416,004	116,279	79,171	37,108	37,108	-	-
Title II - Improving Teacher Quality	I	84.367	020-230344	08/26/22 - 09/30/23	353,327	276,827	-	353,327	353,327	76,500	-
Total ALN 84.367						393,106	79,171	390,435	390,435	76,500	-
Title III - English Language/Acquisition Grants	I	84.365	010-220344	07/26/21 - 09/30/22	61,776	41,440	(523)	41,963	41,963	-	-
Title III - English Language/Acquisition Grants	I	84.365	010-230344	08/26/22 - 09/30/23	66,606	17,947	-	32,546	32,546	14,599	-
Total ALN 84.365						59,387	(523)	74,509	74,509	14,599	-
Title IV - Student Support and Academic Achievement	I	84.424	144-220344	07/26/21 - 09/30/22	188,087	112,897	40,646	72,251	72,251	-	-
Title IV - Student Support and Academic Achievement	I	84.424	144-230344	08/26/22 - 09/30/23	271,037	129,096	-	189,927	189,927	60,831	-
Total ALN 84.424						241,993	40,646	262,178	262,178	60,831	-
COVID-19 Education Stabilization Fund	I	84.425D	200-2100344	03/13/20 - 09/30/23	9,235,868	3,007,027	1,470,194	3,040,346	3,040,346	1,503,513	-
COVID-19 Education Stabilization Fund	I	84.425U	223-2100344	03/13/20 - 09/30/24	18,668,202	11,888,220	4,371,493	7,516,727	7,516,727	-	-
COVID-19 ARP ESSER 7%	I	84.425U	225-210344	03/13/20 - 09/30/24	1,451,971	818,384	287,845	636,137	636,137	105,598	-
COVID-19 ARP ESSER Homeless Children	I	84.425W	181-212347	07/01/20 - 09/30/24	76,539	15,700	-	33,363	33,363	17,663	-
COVID-19 ARP ESSER 2.5%	I	84.425U	224-210344	03/13/20 - 09/30/24	363,023	257,416	34,073	229,944	229,944	6,601	-
Total ALN 84.425						15,986,747	6,163,605	11,456,517	11,456,517	1,633,375	-
Passed-Through the Colonial Intermediate Unit											
I.D.E.A. - Part B - Section 619	I	84.173	N/A	07/01/21 - 06/30/22	6,235	6,235	6,235	-	-	-	-
I.D.E.A. - Part B - Section 619	I	84.173	N/A	07/01/22 - 06/30/23	12,650	-	-	12,650	12,650	12,650	-
Total ALN 84.173						6,235	6,235	12,650	12,650	12,650	-

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<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal ALN Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period Beginning/Ending Dates</u>	<u>Grant Amount</u>	<u>Total Received for Year</u>	<u>Accrued (Deferred) Revenue July 1, 2022</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2023</u>	<u>Passed Through to Subrecipients</u>
<u>Passed-Through the Colonial Intermediate Unit (cont'd)</u>											
I.D.E.A. - Part B - Section 611	I	84.027	062-220020	07/01/21 - 09/30/22	1,572,960	224,511	224,511	-	-	-	-
I.D.E.A. - Part B - Section 611	I	84.027	062-230020	07/01/22 - 09/30/23	1,509,974	1,245,662	-	1,509,974	1,509,974	264,312	-
COVID-19 - ARP - I.D.E.A. - Part B - Section 611	I	84.027	062-220020	07/01/21 - 09/30/23	455,397	455,397	214,721	240,676	240,676	-	-
<u>Passed-Through the Lancaster-Lebanon IU 13</u>											
I.D.E.A. - Part B - Section 611	I	84.027	062-220033	07/01/21 - 09/30/23	10,000	6,920	6,920	-	-	-	-
Total ALN 84.027						1,932,490	446,152	1,750,650	1,750,650	264,312	-
<u>Passed-Through the Montgomery County IU 23</u>											
State Improvement Grant	I	84.323A	N/A	07/01/21 - 09/30/23	10,000	10,000	-	10,000	10,000	-	-
Total U.S. Department of Education						22,269,993	7,576,242	17,486,131	17,486,131	2,792,380	-
<u>U.S. Department of Health and Human Services</u>											
<u>Passed-Through the Pennsylvania Department of Human Services</u>											
Medical Assistance Program	I	93.778	N/A	07/01/21 - 06/30/22	N/A	44,897	44,897	-	-	-	-
Medical Assistance Program	I	93.778	N/A	07/01/22 - 06/30/23	N/A	14,058	-	39,973	39,973	25,915	-
Total ALN 93.778						58,955	44,897	39,973	39,973	25,915	-
Total U.S. Department of Health and Human Services						58,955	44,897	39,973	39,973	25,915	-
<u>U.S. Department of Agriculture</u>											
<u>Passed-Through the Pennsylvania Department of Education</u>											
State Matching Share - Breakfast	S	N/A	N/A	07/01/21 - 06/30/23	N/A	45,182	5,700	51,960	51,960	12,478	-
State Matching Share - Lunch	S	N/A	N/A	07/01/21 - 06/30/23	N/A	125,119	17,550	111,397	111,397	3,828	-
State Breakfast Initiative	S	N/A	N/A	07/01/22 - 06/30/23	N/A	223,876	-	223,876	223,876	-	-
Total State						394,177	23,250	387,233	387,233	16,306	-
P-EBT Local Admin Funds	I	10.649	N/A	07/01/22 - 06/30/23	N/A	3,135	-	3,135	3,135	-	-
Child Nutrition Discretionary Grants	I	10.579	N/A	07/01/21 - 06/30/22	20,404	20,404	-	20,404	20,404	-	-
Child Nutrition Discretionary Grants	I	10.579	N/A	07/01/22 - 06/30/23	20,825	20,825	-	20,825	20,825	-	-
Total ALN 10.579						41,229	-	41,229	41,229	-	-
School Breakfast Program	I	10.553	N/A	07/01/21 - 06/30/22	N/A	148,477	148,477	-	-	-	-
School Breakfast Program	I	10.553	N/A	07/01/22 - 06/30/23	N/A	811,330	-	849,009	849,009	37,679	-
Total ALN 10.553						959,807	148,477	849,009	849,009	37,679	-

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Passed-Through											
<u>PA Department of Agriculture</u>											
National School Lunch Program	I	10.555	N/A	07/01/21 - 06/30/22	N/A	596,885	596,885	-	-	-	-
National School Lunch Program	I	10.555	N/A	07/01/22 - 06/30/23	N/A	2,602,742	-	2,694,861	2,694,861	92,119	-
After School Snacks	I	10.555	N/A	07/01/21 - 06/30/22	N/A	641	641	-	-	-	-
After School Snacks	I	10.555	N/A	07/01/22 - 06/30/23	N/A	7,098	-	7,194	7,194	96	-
Supply Chain Assistance	I	10.555	N/A	07/01/22 - 06/30/23	N/A	193,471	-	193,471	193,471	-	-
National School Lunch Program	I	10.555	N/A	07/01/22 - 06/30/23	N/A	a) 515,351	b) (42,195)	532,323	c) 532,323	d) (25,223)	-
Total ALN 10.555						3,916,188	555,331	3,427,849	3,427,849	66,992	-
Total U.S. Department of Agriculture						5,314,536	727,058	4,708,455	4,708,455	120,977	-
<u>U.S. Department of Homeland Security</u>											
<u>Passed-Through the Pennsylvania Emergency Management Agency</u>											
COVID-19 Disaster Grant	I	97.036	089-05B16-00	04/01/20 - 09/30/23	523,266	383,577	23,266	430,203	430,203	69,892	-
Total U.S. Department of Homeland Security						383,577	23,266	430,203	430,203	69,892	-
Total Federal Awards and Certain State Grants						\$ 28,027,061	\$ 8,371,463	\$ 22,664,762	\$ 22,664,762	\$ 3,009,164	\$ -
Total Federal Awards						\$ 27,632,884	\$ 8,348,213	\$ 22,277,529	\$ 22,277,529	\$ 2,992,858	\$ -
Total State Awards						394,177	23,250	387,233	387,233	16,306	-
Total Federal Awards and Certain State Grants						\$ 28,027,061	\$ 8,371,463	\$ 22,664,762	\$ 22,664,762	\$ 3,009,164	\$ -
Special Education Cluster (IDEA) (ALN's #84.027 and #84.173)						\$ 1,938,725	\$ 452,387	\$ 1,763,300	\$ 1,763,300	\$ 276,962	\$ -
Child Nutrition Cluster (ALN's #10.553 and #10.555)						\$ 4,875,995	\$ 703,808	\$ 4,276,858	\$ 4,276,858	\$ 104,671	\$ -

Source Codes

D - Direct Funding

I - Indirect Funding

S - State Share

Footnotes

a) Total amount of commodities received from U.S. Department of Agriculture

b) Beginning inventory at July 1

c) Total amount of commodities used

d) Ending inventory at June 30

POCONO MOUNTAIN SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND CERTAIN STATE GRANTS

June 30, 2023

(1) FEDERAL EXPENDITURES

The Schedule of Expenditures of Federal Awards and Certain State Grants reflects federal expenditures for all individual grants which were active during the fiscal year. Additionally, the Schedule reflects expenditures for certain state grants.

(2) BASIS OF ACCOUNTING

The District uses the modified accrual method of recording transactions except as noted for the accounting of donated commodities in Note 3. Revenues are recorded when measurable and available. Expenditures are recorded when incurred.

(3) NONMONETARY FEDERAL AWARDS – DONATED FOOD

The Commonwealth of Pennsylvania distributes federal surplus food to institutions (schools, hospitals and prisons) and to the needy. Expenditures reported in the Schedule of Expenditures of Federal Awards and Certain State Grants under Assistance Listing 10.555 National School Lunch Program and passed through the Pennsylvania Department of Agriculture represent federal surplus food consumed by the District during the 2022 – 2023 fiscal year.

(4) ACCESS PROGRAM

The ACCESS Program is a medical assistance program that reimburses local educational agencies for direct eligible health-related services provided to enrolled special needs students. Reimbursements are federal source revenues but are classified as fee-for-service and are not considered federal financial assistance. The amount of ACCESS funding recognized for the year ended June 30, 2023 was \$675,593.

(5) INDIRECT COSTS

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

POCONO MOUNTAIN SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended June 30, 2023

There were no audit findings for the year ended June 30, 2022.



**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**

**Board of School Directors
Pocono Mountain School District
Swiftwater, Pennsylvania**

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, the business-type activities, each major fund, and the aggregate remaining fund information of Pocono Mountain School District, Swiftwater, Pennsylvania, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Pocono Mountain School District's basic financial statements, and have issued our report thereon dated January 26, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pocono Mountain School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pocono Mountain School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Pocono Mountain School 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pocono Mountain School 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BBD, LLP

Philadelphia, Pennsylvania
January 26, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

**Board of School Directors
Pocono Mountain School District
Swiftwater, Pennsylvania**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pocono Mountain School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Pocono Mountain School District's major federal programs for the year ended June 30, 2023. Pocono Mountain 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.

In our opinion, Pocono Mountain School District 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, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pocono Mountain School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Pocono Mountain School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Pocono Mountain School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pocono Mountain School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pocono Mountain School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Pocono Mountain School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Pocono Mountain School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Pocono Mountain School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

BBD, LLP

Philadelphia, Pennsylvania
January 26, 2024

POCONO MOUNTAIN SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2023

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Pocono Mountain School District were prepared in accordance with GAAP.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements of the Pocono Mountain School District are reported in the 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.
3. No instances of noncompliance material to the financial statements of the Pocono Mountain School District, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over the major federal award programs are reported in the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the Pocono Mountain School District expresses an unmodified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).
7. The programs tested as a major program were:
 - Education Stabilization Fund – Elementary and Secondary Education – Assistance Listing 84.425
 - Child Nutrition Cluster:
 - School Breakfast Program – ALN 10.553
 - National School Lunch Program – ALN 10.555
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. The Pocono Mountain School District was determined to be a low-risk auditee.

FINDINGS — FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS — MAJOR FEDERAL AWARD PROGRAMS AUDIT

None