

---

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, 2019

-130-

Federal Grantor/Pass-Through Grantor/Project Title	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	Grant Period Beginning/Ending Dates	Grant Amount	Total Received for Year	Accrued (Deferred) Revenue July 1, 2018	Revenue Recognized	Expenditures	Accrued (Deferred) Revenue June 30, 2019	Passed Through to Subrecipients
<b>U.S. Department of Education</b>											
<b>Passed-Through the Pennsylvania Department of Education</b>											
Title I - Improving Basic Programs	I	84.010	013-180344	07/12/17 - 09/30/18	\$ 2,524,566	\$ 672,959	\$ 672,959	\$ -	\$ -	\$ -	\$ -
Title I - Improving Basic Programs	I	84.010	013-190344	08/03/18 - 09/30/19	2,445,174	1,742,830	-	2,445,174	2,445,174	702,344	-
Total CFDA #84.010						2,415,789	672,959	2,445,174	2,445,174	702,344	-
Title II - Improving Teacher Quality	I	84.367	020-180344	07/12/17 - 09/30/18	390,009	129,296	129,296	-	-	-	-
Title II - Improving Teacher Quality	I	84.367	020-190344	08/03/18 - 09/30/19	341,999	267,757	-	341,999	341,999	74,242	-
Total CFDA #84.367						397,053	129,296	341,999	341,999	74,242	-
Title III - English Language/Acquisition Grants	I	84.365	010-180344	07/12/17 - 09/30/18	53,860	17,953	17,953	-	-	-	-
Title III - English Language/Acquisition Grants	I	84.365	010-190344	08/03/18 - 09/30/19	52,643	33,842	-	52,643	52,643	18,801	-
Total CFDA #84.365						51,795	17,953	52,643	52,643	18,801	-
Title IV - Student Support and Academic Achievement	I	84.424	144-180344	07/12/17 - 09/30/18	56,595	18,865	18,865	-	-	-	-
Title IV - Student Support and Academic Achievement	I	84.424	144-190344	08/03/18 - 09/30/19	181,214	77,663	-	181,214	181,214	103,551	-
Total CFDA #84.424						96,528	18,865	181,214	181,214	103,551	-
<b>Passed-Through the Colonial Intermediate Unit</b>											
I.D.E.A. - Part B - Section 619	I	84.173	N/A	07/01/17 - 09/30/18	7,480	7,480	7,480	-	-	-	-
I.D.E.A. - Part B - Section 619	I	84.173	N/A	07/01/18 - 09/30/19	7,308	-	-	7,308	7,308	7,308	-
Total CFDA #84.173						7,480	7,480	7,308	7,308	7,308	-
I.D.E.A. - Part B - Section 611	I	84.027	RA-062-18-0-020	07/01/17 - 09/30/18	1,626,594	612,727	612,727	-	-	-	-
I.D.E.A. - Part B - Section 611	I	84.027	RA-062-19-0-020	07/01/18 - 09/30/19	1,615,645	1,021,401	-	1,615,645	1,615,645	594,244	-
<b>Passed-Through the Intermediate Unit 1</b>											
I.D.E.A. - Performance Grant - RENEW	I	84.027	062-18-0-032	09/30/17 - 09/29/18	4,200	4,167	4,167	-	-	-	-
Total CFDA #84.027						1,638,295	616,894	1,615,645	1,615,645	594,244	-
<b>Total U.S. Department of Education</b>						<b>4,606,940</b>	<b>1,463,447</b>	<b>4,643,983</b>	<b>4,643,983</b>	<b>1,500,490</b>	<b>-</b>

Continued on next page

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal CFDA 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, 2018</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2019</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Health and Human Services</b>											
<b>Passed-Through the Pennsylvania Department of Public Welfare</b>											
Medical Assistance Program	I	93.778	N/A	07/01/17 - 06/30/18	N/A	47,747	47,747	-	-	-	-
Medical Assistance Program	I	93.778	N/A	07/01/18 - 06/30/19	N/A	11,854	-	54,086	54,086	42,232	-
Total CFDA #93.778						59,601	47,747	54,086	54,086	42,232	-
<b>Total U.S. Department of Health and Human Services</b>						59,601	47,747	54,086	54,086	42,232	-
<b>U.S. Department of Agriculture</b>											
<b>Passed-Through the Pennsylvania Department of Education</b>											
State Matching Share - Breakfast	S	N/A	N/A	07/01/17 - 06/30/18	N/A	13,382	13,382	-	-	-	-
State Matching Share - Breakfast	S	N/A	N/A	07/01/18 - 06/30/19	N/A	35,515	-	42,542	42,542	7,027	-
State Matching Share - Lunch	S	N/A	N/A	07/01/17 - 06/30/18	N/A	42,792	42,792	-	-	-	-
State Matching Share - Lunch	S	N/A	N/A	07/01/18 - 06/30/19	N/A	119,587	-	140,736	140,736	21,149	-
Total State						211,276	56,174	183,278	183,278	28,176	-
School Breakfast Program	I	10.553	N/A	07/01/17 - 06/30/18	N/A	241,887	241,887	-	-	-	-
School Breakfast Program	I	10.553	N/A	07/01/18 - 06/30/19	N/A	621,776	-	746,230	746,230	124,454	-
Total CFDA #10.553						863,663	241,887	746,230	746,230	124,454	-
National School Lunch Program	I	10.555	N/A	07/01/17 - 06/30/18	N/A	786,353	786,353	-	-	-	-
National School Lunch Program	I	10.555	N/A	07/01/18 - 06/30/19	N/A	2,138,374	-	2,517,588	2,517,588	379,214	-
After School Snacks	I	10.555	N/A	07/01/17 - 06/30/18	N/A	1,657	1,657	-	-	-	-
After School Snacks	I	10.555	N/A	07/01/18 - 06/30/19	N/A	4,238	-	4,623	4,623	385	-
<b>Passed-Through PA Department of Agriculture</b>											
National School Lunch Program	I	10.555	N/A	07/01/18 - 06/30/19	N/A	a) 431,154	b) (16,610)	428,861	c) 428,861	d) (18,903)	-
Total CFDA #10.555						3,361,776	771,400	2,951,072	2,951,072	360,696	-
<b>Total U.S. Department of Agriculture</b>						4,436,715	1,069,461	3,880,580	3,880,580	513,326	-
<b>Total Federal Awards and Certain State Grants</b>						\$ 9,103,256	\$ 2,580,655	\$ 8,578,649	\$ 8,578,649	\$ 2,056,048	\$ -

Continued on next page

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal CFDA 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, 2018</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2019</u>	<u>Passed Through to Subrecipients</u>
Total Federal Awards						\$ 8,891,980	\$ 2,524,481	\$ 8,395,371	\$ 8,395,371	\$ 2,027,872	\$ -
Total State Awards						<u>211,276</u>	<u>56,174</u>	<u>183,278</u>	<u>183,278</u>	<u>28,176</u>	<u>-</u>
Total Federal Awards and Certain State Grants						<u>\$ 9,103,256</u>	<u>\$ 2,580,655</u>	<u>\$ 8,578,649</u>	<u>\$ 8,578,649</u>	<u>\$ 2,056,048</u>	<u>\$ -</u>
Special Education Cluster (IDEA) (CFDA's #84.027 and #84.173)						<u>\$ 1,645,775</u>	<u>\$ 624,374</u>	<u>\$ 1,622,953</u>	<u>\$ 1,622,953</u>	<u>\$ 601,552</u>	<u>\$ -</u>
Child Nutrition Cluster (CFDA's #10.553 and #10.555)						<u>\$ 4,225,439</u>	<u>\$ 1,013,287</u>	<u>\$ 3,697,302</u>	<u>\$ 3,697,302</u>	<u>\$ 485,150</u>	<u>\$ -</u>

**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, 2019**

---

### **(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 CFDA #10.555 National School Lunch Program and passed through the Pennsylvania Department of Agriculture represent federal surplus food consumed by the District during the 2018 – 2019 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, 2019 was \$800,298.

### **(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, 2019**

---

There were no audit findings for the year ended June 30, 2018.



**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, 2019, 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 December 20, 2019.

***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 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  
December 20, 2019**





**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***

We have audited Pocono Mountain 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 Pocono Mountain School District's major federal programs for the year ended June 30, 2019. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Pocono Mountain 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 Pocono Mountain 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 Pocono Mountain School District's compliance.

***Opinion on Each Major Federal Program***

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, 2019.

### **Report on Internal Control over Compliance**

Management of Pocono Mountain School 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 Pocono Mountain School District'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 Pocono Mountain School 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 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.

**BBD, LLP**

**Philadelphia, Pennsylvania  
December 20, 2019**

# POCONO MOUNTAIN SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2019

---

### 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:
  - Special Education Cluster:
  - I.D.E.A. – Part B, Section 611 – CFDA Number 84.027
  - I.D.E.A. – Part B, Section 619 – CFDA Number 84.173
  
  - Title I Grants to Local Educational Agencies – CFDA Number 84.010
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