

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
REPORT ON SINGLE AUDIT  
YEAR ENDED JUNE 30, 2021**



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**INDEPENDENT AUDITORS' 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**

Members of the Board of Education  
of Anne Arundel County  
Annapolis, Maryland

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 Board of Education of Anne Arundel County (the Board), a component unit of Anne Arundel County, Maryland, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated September 29, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing 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 the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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.

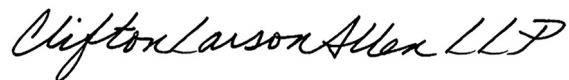
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 the Board’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*.

**Purpose of this Report**

The purpose of this communication 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 Board’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 Board’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 29, 2021



**INDEPENDENT AUDITORS' 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**

Members of the Board of Education  
of Anne Arundel County  
Annapolis, Maryland

**Report on Compliance for Each Major Federal Program**

We have audited the Board of Education of Anne Arundel County's (the Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Board's major federal programs for the year ended June 30, 2021. The Board's major federal programs are identified in the summary of auditors' 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Board'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 the Board'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 the Board's compliance.

**Opinion on Each Major Federal Program**

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

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

The Board's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

Management of the Board 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 Board'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 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 the Board'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 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 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 and therefore, material 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 did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

Members of the Board of Education  
of Anne Arundel County

The Board's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County'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 result 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 aggregate remaining fund information of the Board as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements. We issued our report thereon dated September 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
June 16, 2022

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title/ Grant Name	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Administered Through Maryland State Department of Education:				
Child Nutrition Cluster				
Department of Agriculture - Food Distribution Program:				
Project No.: 2010 Food Distribution	10.555	None provided	N/A	\$ 802,261
Department of Agriculture - Summer Food Service Program				
Project No.: 7052-20 Summer Food Service Program	10.559	None provided	N/A	<u>15,485,272</u>
Total Child Nutrition Cluster				<u>16,287,533</u>
Department of Agriculture - Child and Adult Care Food Program				
Project No.: 7053-20 Child and Adult Care Food Program	10.558	None provided	N/A	8,940,177
Department of Agriculture - State Administrative Expense Funds				
Project No.: 2010 7090 Delivery Service Reimbursement	10.560	None Provided	N/A	<u>42,014</u>
Total U.S. Department of Agriculture				<u>25,269,724</u>
<b>U.S. Department of Defense</b>				
Direct Program:				
Promoting Student Achievement at Schools Impacted by Military Force Structure Changes				
Project No.: 3286 STEM	12.556	HE 1254-17-1-0042	N/A	136,316
Project No.: 3291 DoDEA Grant	12.556	HE 1254-15-1-0041	N/A	<u>14,343</u>
Total Promoting Student Achievement at Schools Impacted by Military Force Structre Changes				<u>150,659</u>
Department of Defense Impact Aid				
	12.558	None provided	N/A	1,142,818
Department of Defense Community Investment				
Project No.: 3185 Meade High School Renovation / Addition	12.600	HQ00051910005	N/A	<u>1,416,049</u>
Total U.S. Department of Defense				2,709,526
<b>U.S. Department of Treasury</b>				
Administered thru Anne Arundel County:				
COVID-19 - Project No.: 3771 CARES - County Government	21.019	None provided	N/A	1,393,346
Administered thru Maryland State Department of Education:				
COVID-19 - Project No.: 3777 Coronavirus Relief - Technology	21.019	201935	N/A	9,433,292
COVID-19 - Project No.: 3778 Coronavirus Relief - Tutoring	21.019	201963	N/A	6,338,178
Administered thru Maryland Department of Housing and Community Development				
COVID-19 - Project No.: 3780 Broadband	21.019	None provided	N/A	<u>58,989</u>
Total Coronavirus Relief Fund				<u>17,223,805</u>
Total U.S. Department of Treasury				17,223,805
<b>U.S. Department of Education</b>				
Administered thru Maryland Department of Labor and Licensing:				
Project No.: 5170 External Diploma	84.002A	POOP1600389	N/A	7,525
Administered thru Maryland State Department of Education:				
Title I, Part A of ESEA - Improving Basic Programs:				
Project No.: 1965 Title I	84.010	191722	N/A	184,951
Project No.: 1981 Title I	84.010	211117-01	N/A	14,479,789
Project No.: 1982 Title I	84.010	200987-01	N/A	995,822
Project No.: 1985 FY 20 CSI Schools Year 1 Intervention Grant	84.010	201765-01	N/A	241,907
Project No.: 1986 FY 20 CSI Schools Year 1 Intervention Grant	84.010	211173-07	N/A	3,360
Project No.: 1989 Title I	84.010	190725-01	N/A	<u>711,474</u>
Total Title I Grants to Local Educational Agencies				<u>16,617,303</u>
Special Education Cluster:				
Project No.: 3474 Special Education, Access, Equity, and Progress	84.027	211014-03	N/A	41,430
Project No.: 3475 PT CCEIS	84.027	210265-03	N/A	752,513
Project No.: 3480 Spec Education, Community Service	84.027	210265-04	N/A	1,151
Project No.: 3481 Spec Ed - Part B 611 - Pass Through Parentally Placed	84.027	200700-02	N/A	62,887
Project No.: 3482 Spec Education- Part B 611 - SE Advisory Committee	84.027	200700-04	N/A	150
Project No.: 3483 Spec Ed - Local Implementation - Access, Equity & Progress	84.027	190303-07	N/A	22,392
Project No.: 3484 Spec Ed - Part B 611 - LIR - Access, Equity, & Progress	84.027	201119-03	N/A	176,050
Project No.: 3487 Special Education - Secondary Transit	84.027	190303-06	N/A	72,967
Project No.: 3488 Pass Through	84.027	190303-01	N/A	11,191

See accompanying Notes to the Schedule.



**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title/ Grant Name	Federal Assistance Number	Entity Identifying Number	through to Subrecipients	Federal Expenditures
<b>U.S. Department of Education (Continued)</b>				
Special Education Cluster (Continued):				
Project No.: 3489 Special Education - Secondary Transit	84.027	210265-05	N/A	\$ 20,000
Project No.: 3492 Spec Ed - Part B 611 - Pass Through	84.027	200700-01	N/A	858,538
Project No.: 3494 Spec Ed - Part B 611 - LIR - Early Childhood	84.027	201119-02	N/A	51,779
Project No.: 3496 Spec Ed - Part B 611 - Pass Through	84.027	210265.01	N/A	13,250,100
Project No.: 3498 Spec Ed - Part B 611 - LIR - Early Childhood	84.027	201119-01	N/A	69,088
Project No.: 3588 Special Education Pass Through Private/Parochial	84.027	210265-02	N/A	192,071
Project No.: 3592 Infants & Toddlers	84.027	201826-01	N/A	182,442
Project No.: 3593 Special Education, Early Childhood	84.027	211014-01	N/A	46,293
Project No.: 3594 Infants & Toddlers	84.027	200363	N/A	150,642
Project No.: 3596 Special Education, Early Childhood	84.027	190303-05	N/A	38,855
Project No.: 3599 Spec Ed - Part B 611 - CCEIS	84.027	200700-03	N/A	802,529
Total Grants to States for Education of Children with Disabilities				<u>16,803,068</u>
Project No.: 3495 Preschool	84.173	210414-01	N/A	432,131
Project No.: 3517 Infants & Toddlers	84.173	201866-04	N/A	26,625
Project No.: 3597 Infants & Toddlers	84.173	200461-01	N/A	9,000
Total Special Education Preschool Grants				<u>467,756</u>
Total Special Education Cluster				<u>17,270,824</u>
Vocational Education - Basic Grants to States:				
Project No.: 5080 Career and Technology Perkins Voc Ed.	84.048	210937-01	N/A	692,507
Project No.: 5081 Career and Technology Perkins Voc Ed.	84.048	200668-01	N/A	357,854
Project No.: 5083 Career and Technology PLTW PD	84.048	200601-01	N/A	6,100
Project No.: 5087 CTE Reserve	84.048	210535	N/A	17,304
Total Vocational Education - Basic Grants to States				<u>1,073,765</u>
Special Education - Grants for Infants and Families with Disabilities:				
Project No.: 3590 Infants & Toddlers	84.181	200411-01	N/A	126,677
Project No.: 3590 Infants & Toddlers	84.181	210256-01	N/A	458,201
Total Special Education - Grants for Infants and Families with Disabilities				<u>584,878</u>
McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B:				
Project No.: 2295 Homeless Education	84.196	211474	N/A	33,586
Project No.: 2296 Homeless Education	84.196	201410	N/A	51,161
Total McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B				<u>84,747</u>
Charter Schools				
Project No.: 3984 Charter School	84.282	201710	N/A	14
Funding to Ensure Limited English Proficient Children meet Standards:				
Project No.: 2183 Title III, Language Instruction for LEP	84.365	200753-01	N/A	329,745
Project No.: 2184 Title III, Language Instruction for LEP	84.365A	210376-01	N/A	29,827
Project No.: 2185 Title III, Language Instruction for LEP	84.365	190367-01	N/A	110,567
Project No.: 2192 Title III, Language Instruction for LEP	84.365A	200753-02	N/A	39,512
Project No.: 2196 Title III, Language Instruction for LEP	84.365	190367-02	N/A	37,145
Total Funding to Ensure Limited English Proficient Children meet Standards				<u>546,796</u>
Improving Teacher and Principal Quality:				
Project No.: 0392 Title II, Improving Teacher Quality	84.367	201093-01	N/A	1,025,977
Project No.: 0393 Title II, Improving Teacher Quality	84.367	210782-01	N/A	31,129
Project No.: 0394 Title II, Improving Teacher Quality	84.367	191362-01	N/A	618,879
Total Improving Teacher and Principal Quality				<u>1,675,985</u>
Striving Readers				
Project No.: 6180 Striving Readers	84.371	201202-01	N/A	241,589
Project No.: 6182 Striving Readers	84.371	191078-01	N/A	144,103
Total Striving Readers				<u>385,692</u>

See accompanying Notes to the Schedule.

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title/ Grant Name	Federal Assistance Number	Entity Identifying Number	through to Subrecipients	Federal Expenditures
<b>U.S. Department of Education (Continued)</b>				
Student Support and Academic Enrichment Program:				
Project No.: 3287 Title IV	84.424	201562-01	N/A	\$ 712,030
Project No.: 3288 Title IV	84.424	211383-01	N/A	485,497
Project No.: 3289 Title IV	84.424	191285	N/A	298,669
Total Disability Innovation Fund				<u>1,496,196</u>
Education Stabilization Fund				
COVID-19 - Project No.: 3772 ESSER - Reopening of Schools	84.425D	202111-01	N/A	278,807
COVID-19 - Project No.: 3773 GEER - AACPS Microschool - Innovative	84.425D	202046-01	N/A	6,018
COVID-19 - Project No.: 3774 GEER - Monach	84.425C	202013-01	N/A	518
COVID-19 - Project No.: 3779 CARES/GEER	84.425C	202012-01	N/A	56,082
COVID-19 - Project No.: 3781 Elem & Secondary Sch Emergency Fund	84.425C	201877-01	N/A	712,080
COVID-19 - Project No.: 3287 Title IV	84.425D	201562-01	N/A	7,093,295
Total Education Stabilization Fund				<u>8,146,800</u>
CCDF Cluster				
Project No.: 1772 Judy Center	93.575	201097	N/A	7,753
Total CCDF Cluster				<u>7,753</u>
Direct Program				
Unrestricted Federal Revenue, Title VIII of ESEA - Impact Aid	84.041	---	N/A	2,533,777
Total U.S. Department of Education				<u>50,432,055</u>
<b>U.S. Department of Health and Human Services</b>				
Direct Program				
Head Start Cluster				
Project No.: 1795 Head Start	93.600	03CH010431-01-00	N/A	202,958
Total Head Start Cluster				<u>202,958</u>
Total U.S. Department of Health and Human Services				202,958
<b>U.S. Department of Homeland Security</b>				
Administered through Maryland Emergency Management Administration				
COVID-19 - Disaster Grant - Public Assistance	97.036	PW117	N/A	1,928,304
Total U.S. Department of Homeland Security				1,928,304
Total Federal Awards				<u>\$ 97,766,372</u>

See accompanying Notes to the Schedule.

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

**NOTE 1 SINGLE AUDIT REPORTING ENTITY**

The accompanying schedule of expenditures of federal awards (the "Schedule or SEFA") includes the federal award activity of the Board of Education of Anne Arundel County under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**NOTE 2 BASIS OF ACCOUNTING**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of ALN (Assistance Listing Number) 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, 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.

**NOTE 3 RELATION TO BASIC FINANCIAL STATEMENTS AND FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying SEFA agree with amounts reported in the Board's basic financial statements and the related federal financial reports submitted by the Board.

Total expenditures per the SEFA reconciles to the Board's basic financial statements as follows:

**Revenues per the Statements of Revenue, Expenditures  
and Changes in Fund Balance**

Federal - Food Service	\$ 25,548,532
Federal - General Fund	71,099,355
Federal - Capital Projects	1,416,049
Federal - Other Funds	<u>7,525</u>
Total per Basic Financial Statements	<u>98,071,461</u>

**Less:**

FY21 Medicaid	(305,089)
Total Expenditures per SEFA	<u><u>\$ 97,766,372</u></u>

**NOTE 4 INDIRECT COST RATE**

The Board has not elected to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

***Section I – Summary of Auditors’ Results***

**Financial Statements**

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes        X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes        X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes        X   no

**Federal Grant Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ yes        X   no
- Significant deficiency(ies) identified?   X   yes      \_\_\_\_\_ none reported

Type of auditors’ 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)?   X   yes      \_\_\_\_\_ no

**Identification of major programs:**

<b><u>AL Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
84.010	Title I
21.019	COVID-19 – Coronavirus Relief Funds
84.425C/84.425D	COVID-19 – Education Stabilization Fund
97.036	COVID-19 – Disaster Grant – Public Assistance

Dollar threshold used to distinguish between type A and type B programs: \$2,932,991

Auditee qualified as low-risk auditee?   X   yes      \_\_\_\_\_ no

ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021

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***Section II – Financial Statement Findings***

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None

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**Reference Number:** 2021-001  
**Prior Year Finding:** No  
**Federal Agency:** U.S. Department Homeland Security, Federal Emergency Management Agency (FEMA)  
**Federal Program:** COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)  
**Assistance Listing Number:** 97.036  
**Pass-Through Entity Name:** Maryland Emergency Management Agency  
**Pass-Through Award Number and Year:** 4491-DR-MD PW #117 (2020)  
**Compliance Requirement:** Reporting  
**Type of Finding:** Significant Deficiency in Internal Control Over Compliance, Other Matters

**Criteria or specific requirement:**

*Compliance:* Reports for federal awards must include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with governing requirements.

*Control:* Per 2 CFR Section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition/Context:**

The Board incorrectly reported expenses for one invoice. When uploading documents to the FEMA grant management portal, it incorrectly uploaded a price quotation instead of the final invoice. The price quotation was \$359.69 more than the invoice which resulted in an over-reporting of expenditures for the program.

**Questioned costs:**

\$359.69, amount reimbursed in excess of the amount expended.

**Cause:**

Controls were not operating effectively to ensure that reporting support was accurate and in accordance with Federal requirements.

**ANNE ARUNDEL COUNTY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

**Effect:**

Expenditures reported for the program were overstated, resulting in a reimbursement for more than actual expenditures incurred.

**Recommendation:**

We recommend the Board review and enhance internal controls and procedures to ensure that supporting documentation reported to FEMA is accurate and that only paid invoices are submitted for reimbursement.

**Views of responsible officials:**

There is no disagreement with the audit finding. The over-request of \$359.69 in federal funds by AACPS was due to a single incorrect invoice above the contract amount regarding one vendor. During the payment process, the incorrect pricing was noted by the Accounts Payable department and a corrected invoice was requested. However, in the time it took to get a corrected invoice from the vendor, the original incorrect invoice was included in the reimbursement request to FEMA by the Risk Management Office. Subsequently, only the full outstanding balance to the vendor was paid at the corrected amount.

Though this oversight reflects an over-reimbursement, AACPS incurred additional expenses well above the requested amount - all related to the COVID-19 pandemic. Though the over-reimbursement occurred, controls have been put in place to avoid a repeat of this oversight. This includes verification of the paid amount by Accounts Payable before requesting reimbursement and validation of the submission by the Accounting Office.



**ANNE ARUNDEL BOARD OF EDUCATION  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2021**

Anne Arundel Board of Education respectfully submits the following corrective action plan for the year ended June 30, 2021.

Audit period: July 1, 2020 – June 30, 2021

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**SIGNIFICANT DEFICIENCY**

2021-001 COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Recommendation: We recommend the Board review and enhance internal controls and procedures to ensure that supporting documentation reported to FEMA is accurate and that only paid invoices are submitted for reimbursement.

There is no disagreement with the audit finding. The over-request of \$359.69 in federal funds by AACPS was due to a single incorrect invoice above the contract amount regarding one vendor. During the payment process, the incorrect pricing was noted by the Accounts Payable department and a corrected invoice was requested. However, in the time it took to get a corrected invoice from the vendor, the original incorrect invoice was included in the reimbursement request to FEMA by the Risk Management Office. Subsequently, only the full outstanding balance to the vendor was paid at the corrected amount.

Though this oversight reflects an over-reimbursement, AACPS incurred additional expenses well above the requested amount - all related to the COVID-19 pandemic. Though the over-reimbursement occurred, controls have been put in place to avoid a repeat of this oversight. This includes verification of the paid amount by Accounts Payable before requesting reimbursement and validation of the submission by the Accounting Office.

The contact person(s) responsible for corrective action: Krishna Bappanad, (410) 222-5202.

Planned completion date for corrective action plan: 07/01/2022.