

**MARICOPA COUNTY REGIONAL  
SCHOOL DISTRICT NO. 509**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED JUNE 30, 2021**

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**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509  
SINGLE AUDIT REPORT  
FOR THE 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**

Governing Board of  
Maricopa County Regional School District No. 509

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 Maricopa County Regional School District No. 509 (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 11, 2022.

**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) 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 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 the 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 District's financial statements are free of 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*.

We noted certain other matters that we reported to management of the District in a separate document entitled Uniform System of Financial Records (USFR) Compliance Questionnaire issued at a later date.

## **The District's Responses to Findings**

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

## **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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Dobridge & Company, P.C.".

**Dobridge & Company, P.C.**  
Mesa, Arizona

March 11, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Governing Board of  
Maricopa County Regional School District No. 509

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

We have audited Maricopa County Regional School District No. 509's (District) 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 District's major federal programs for the year ended June 30, 2021. The 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 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 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 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 program. However, our audit does not provide a legal determination of the District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the 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, 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 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 the District's internal control over compliance.

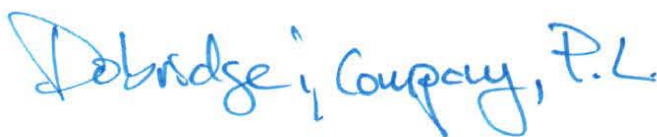
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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.

## **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 District, as of and 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 March 11, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Dobridge & Company, P.C.".

**Dobridge & Company, P.C.**  
Mesa, Arizona

March 11, 2022



**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Grantor's Number</b>	<b>Expenditures and Transfers</b>
<b><u>U.S. Department of Agriculture</u></b>			
Indirect:			
Arizona Department of Education:			
Child Nutrition Cluster:			
School Breakfast Programs	10.553	None	\$ 22,907
National School Lunch Programs (cash assistance)	10.555	None	<u>46,723</u>
<b>Total U.S. Department of Agriculture</b>			<u>69,630</u>
<b><u>U.S. Department of Education</u></b>			
Indirect:			
Arizona Department of Education:			
Title I Grants to Local Educational Agencies	84.010	21FT1TTI-111299-01A	340,750
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	21FLCCCL-111299-02A	174,483
Special Education-Grants to States	84.027	21FESCBG-111299-09A	107,797
COVID - 19 Education Stabilization Fund	84.425	20FESSER-011299-01A	318,090
COVID - 19 Education Stabilization Fund	84.425	21FESSII-111299-01A	<u>240,946</u>
Total COVID - 19 Education Stabilization Fund			559,036
Student Support & Academic Enrichment	84.424	21FT4TIV-111299-01A	12,474
Supporting Effective Instruction State Grant	84.367	21FT1TII-111299-03A	11,092
Maricopa County Education Service Agency:			
Teacher Incentive Fund - REIL-TNG	84.374	None	<u>15,384</u>
<b>Total U.S. Department of Education</b>			<u>1,221,016</u>
<b><u>U.S. Department of The Treasury</u></b>			
Indirect:			
Executive Office of the State of Arizona:			
Enrollment Stabilization Grant	21.019	None	<u>36,307</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 1,326,953</u></u>

See notes accompanying schedule.

**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 1 - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards includes the District's federal grant activity for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2021 *Catalog of Federal Domestic Assistance*.

**NOTE 4 - NON-CASH ASSISTANCE**

Food donations as reported for the Child Nutrition Cluster represents the amount of donated food used during the fiscal year ended June 30, 2021. Commodities are valued at fair value at the time of donation.

**NOTE 5 - E-RATE FUNDING**

The District received \$82,405 of assistance associated with the E-Rate reimbursement program sponsored by the Federal Communications Commission, passed through the Universal Service Administrative Co. - Schools and Libraries Division. This assistance is not considered a federal award in accordance with the Uniform Guidance and, therefore, the related expenditures are not presented in this schedule.

**NOTE 6 - INDIRECT COST RATE**

The District did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

As required by United States Office of Management and Budget Uniform Guidance, 2 CFR 200.15, the following is a summary of the results of the audit of Maricopa County Regional School District No. 509 for the fiscal year ended June 30, 2021.

**Financial Statements**

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness identified?	<u>Yes</u>
Significant deficiency identified that are not considered to be material weakness?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

**Federal Awards**

Internal control over major programs:	
Material weakness identified?	<u>No</u>
Significant deficiency identified that was not considered to be material weakness?	<u>Yes</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>Yes</u>

**Identification of major programs:**

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID - 19 Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**Other Matters:**

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with 2 CFR 200.511(b)?	<u>Yes</u>
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**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2021**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no audit findings identified that were noted as significant deficiencies or material weaknesses that are required to be reported in accordance with 2 CFR 200.516(a).

**MARICOPA COUNTY REGIONAL SCHOOL DISTRICT NO. 509  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2021**

**STATUS OF PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

**2020-001**                      **Financial Reporting**

**FINDING**                      The District did not ensure that sufficient cash was available in cash-controlled funds.

**STATUS**                      Corrected