

**SINGLE AUDIT REPORT**

**BOARD OF EDUCATION, CITY OF BUFFALO,  
NEW YORK**

**A COMPONENT UNIT OF THE CITY OF BUFFALO, NEW YORK**

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**JUNE 30, 2019**

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK**  
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**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**

**INDEPENDENT AUDITOR'S REPORT**

The President and Members of the  
Board of Education of  
Board of Education, City of Buffalo, New York  
Buffalo, New York

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

We have audited the Board of Education, City of Buffalo, New York (the Board), a component unit of the City of Buffalo, New York, 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, 2019. The Board'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, and contracts applicable to its federal programs.

***Auditor's 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 qualified opinion on compliance for major federal programs. However, our audit does not provide a legal determination of the Board's compliance.

***Basis for Qualified Opinion on CFDA# 84.010 Title I, CFDA# 84.027/84.173 Special Education Cluster, CFDA# 84.377 School Improvement Grant, and CFDA# 84.424 Title IV***

As described in the accompanying Schedule of Findings and Questioned Costs, the Board did not comply with requirements regarding CFDA# 84.010 Title I, CFDA# 84.027/84.173 Special Education Cluster, CFDA# 84.377 School Improvement Grant, and CFDA# 84.424 Title IV, as described in finding number 2019-001 for Allowable Costs. Compliance with such requirements is necessary, in our opinion, for the Board to comply with the requirements applicable to each of the programs.

**Qualified Opinion on CFDA# 84.010 Title I, CFDA# 84.027/84.173 Special Education Cluster, CFDA# 84.377 School Improvement Grant, and CFDA# 84.424 Title IV**

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 CFDA# 84.010 Title I, CFDA# 84.027/84.173 Special Education Cluster, CFDA# 84.377 School Improvement Grant, and CFDA# 84.424 Title IV for the year ended June 30, 2019.

**Other 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 Board'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 type 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 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 Board's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2019-001 to be a significant deficiency.

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 Board'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 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 Board as of and for the year ended June 30, 2019, and have issued our report thereon dated October 21, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 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 financial statements or to the 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 financial statements as whole.

*Freed Maxick CPAs, P.C.*

Buffalo, New York  
December 12, 2019

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>CHILD NUTRITION CLUSTER</i>				
<i>DIRECT PROGRAM:</i>				
SUMMER FOOD SERVICE PROGRAM	10.559	N/A	\$ -	\$ 1,272,723
<i>PASSED THROUGH STATE BUREAU OF SCHOOL FOOD MANAGEMENT:</i>				
SCHOOL BREAKFAST PROGRAM	10.553	---	-	8,235,325
SCHOOL LUNCH PROGRAM	10.555	---	-	17,323,296
SCHOOL SNACK PROGRAM	10.555	---	-	154,345
USDA DONATED FOODS	10.555	---	-	1,384,884
<i>TOTAL CHILD NUTRITION CLUSTER</i>			<u>-</u>	<u>28,370,573</u>
FRESH FRUITS AND VEGETABLES	10.582	---	-	1,201,905
CHILD AND ADULT CARE FOOD PROGRAM	10.558	---	-	1,255,738
<i>PASSED THROUGH STATE EDUCATION DEPARTMENT:</i>				
<i>SNAP CLUSTER</i>				
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561	TDA01-C00252GG-34100	-	69,742
<i>TOTAL SNAP CLUSTER</i>			<u>-</u>	<u>69,742</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>-</u>	<u>30,897,958</u>
<b>U.S. DEPARTMENT OF DEFENSE</b>				
<i>DIRECT PROGRAM:</i>				
JROTC PROGRAM, 2017-2018	12.357	N/A	-	11,419
JROTC PROGRAM, 2018-2019	12.357	N/A	-	271,444
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			<u>-</u>	<u>282,863</u>
<b>U.S. DEPARTMENT OF LABOR</b>				
<i>DIRECT PROGRAM(S):</i>				
YOUTHBUILD - YOUTH CAREER CONNECT	17.274	N/A	-	84,690
YOUTHBUILD - YOUTH CAREER CONNECT	17.274	N/A	-	169,837
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			<u>-</u>	<u>254,527</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<i>DIRECT PROGRAM(S):</i>				
TITLE I - OUT OF DISTRICT PAYMENT	84.010A	N/A	-	17,302
TITLE I - OUT OF DISTRICT PAYMENT	84.010A	N/A	-	23,511
INDIAN EDUCATION FORMULA GRANT	84.060A	N/A	-	3,292
INDIAN EDUCATION FORMULA GRANT	84.060A	N/A	-	202,962
TURNAROUND SCHOOL LEADERS PROGRAM - 2018	84.377B	N/A	-	32,221
TURNAROUND SCHOOL LEADERS PROGRAM - 2019	84.377B	N/A	-	53,279
SCHOOL CLIMATE TRANSFORMATION USDOE - 2018	84.184G	N/A	-	76,029
SCHOOL CLIMATE TRANSFORMATION USDOE - 2019	84.184G	N/A	-	305,003
CAROL M. WHITE PEP GRANT - 2018	84.215F	N/A	-	409,109
CAROL M. WHITE PEP GRANT - 2019	84.215F	N/A	-	491,890
<i>PASSED THROUGH STATE EDUCATION DEPARTMENT:</i>				
WIA TITLE II - ADULT BASIC	84.002A	2338 18 2003	-	20,360
WIA TITLE II - ADULT BASIC	84.002A	2338 19 3132	-	482,561
WIA LITERACY ZONE - EAST ZONE	84.002A	2338 18 3001	-	1,123
WIA LITERACY ZONE - EAST ZONE	84.002A	2338 19 3224	-	101,686
WIA LITERACY ZONE - WEST	84.002A	2338 18 3003	-	10,926
WIA LITERACY ZONE - WEST	84.002A	2338 19 3225	-	86,530
WIA LITERACY ZONE - NORTH	84.002A	2338 18 3002	-	6,928
WIA LITERACY ZONE - NORTH	84.002A	2338 19 3223	-	79,951
WIA TITLE II-ENGLISH LANGUAGE CIVICS EDUCATION	84.002A	0040 18 2001	-	9,064
WIA TITLE II-ENGLISH LANGUAGE CIVICS EDUCATION	84.002A	0040 19 2096	-	254,650
WIA CORRECTIONS EDUCATION	84.002A	0138 19 2059	-	214,798
TITLE I SCHOOL IMPROVEMENT - SOCIOECONOMIC INTEGRATION	84.010A	0011 18 7012	-	41,266
TITLE I SCHOOL IMPROVEMENT - SOCIOECONOMIC INTEGRATION	84.010A	0011 18 7011	-	30,610
TITLE I - NYSIP - PLC	84.010A	0011 18 7120	-	12,447
TITLE I - NYSIP - PLC	84.010A	0011 19 7120	-	5,121
TITLE I PARTS A & D	84.010A	0021 15 0740	-	10
TITLE I PARTS A & D	84.010A	0021 17 0740	-	157
TITLE I PARTS A & D	84.010A	0021 18 0740	-	1,869,603
TITLE I PARTS A & D	84.010A	0021 19 0740	-	27,814,868
TITLE I SCHOOL IMPROVEMENT - 1003 BASIC	84.010A	0011 19 2002	-	55,602
TITLE I SCHOOL IMPROVEMENT - 1003A	84.010A	0011 18 2002	-	646,444
TITLE I PART D	84.010A	0016 19 0740	-	368,737

See notes to schedule of expenditures of federal awards.

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019 (CONTINUED)**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Federal Expenditures
<i>SPECIAL EDUCATION CLUSTER</i>				
RSE-TASC (REGULAR SPECIAL ED, TECH ASST SPT) - 2018	84.027A	C012213	-	781
RSE-TASC (REGULAR SPECIAL ED, TECH ASST SPT) - 2019	84.027A	C012213	-	385,244
IDEA SECTION 611 - PART B	84.027A	0032 17 0202	-	324
IDEA SECTION 611 - PART B	84.027A	0032 18 0202	-	27,045
IDEA SECTION 611 - PART B	84.027A	0032 19 0202	-	12,700,801
IDEA SECTION 619 - PRE-SCHOOL REGULAR	84.173A	0033 18 0202	-	3,036
IDEA SECTION 619 - PRE-SCHOOL REGULAR	84.173A	0033 19 0202	-	506,310
<i>TOTAL SPECIAL EDUCATION CLUSTER</i>			-	<u>13,623,541</u>
PERKINS VATEA ADULT PROJECT	84.048A	8000 18 9002	-	9,391
PERKINS VATEA ADULT PROJECT	84.048A	8000 19 9002	-	355,045
VATEA BASIC GRANT - PERKINS SECONDARY	84.048A	8000 16 0075	-	(231)
VATEA BASIC GRANT - PERKINS SECONDARY	84.048A	8000 18 0075	-	2,956
VATEA BASIC GRANT - PERKINS SECONDARY	84.048A	8000 19 0075	-	537,227
TITLE III - LEP	84.365A	0293 18 0740	-	236,462
TITLE III - LEP	84.365A	0293 19 0740	-	613,100
TITLE III - IMMIGRANT FUNDS	84.365A	0149 18 0740	-	100,981
TITLE III - IMMIGRANT FUNDS	84.365A	0149 19 0740	-	1,279
TITLE III DISPLACED ELLS	84.365A	0154 18 0740	-	401,112
MATH & SCIENCE PARTNERSHIP	84.366B	0294 19 0305	-	238,113
TITLE II PART A	84.367A	0147 17 0740	-	72
TITLE II PART A	84.367A	0147 18 0740	-	348,209
TITLE II PART A	84.367A	0147 19 0740	-	2,646,458
MODEL PARTNERSHIP-PRINCIPAL PREP	84.367A	0145 19 1005	-	119,223
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 5117	-	27,416
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6102	-	2,273
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6102	-	217,572
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6105	-	(2,757)
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6105	-	226,280
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6104	-	1,326
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6104	-	185,027
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6101	-	20,248
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6101	-	193,194
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6103	-	18,734
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6103	-	236,793
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 6106	-	2,464
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 6106	-	215,655
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7002	-	(7,199)
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7002	-	233,921
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7000	-	4,809
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7000	-	226,991
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7001	-	3,101
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7001	-	220,307
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 4103	-	8,141
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 5115	-	24,107
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 4104	-	20,296
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 4301	-	8,079
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 4101	-	48,480
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 4102	-	21,802
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 5116	-	6,129
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7512	-	6,975
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7512	-	473,188
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7508	-	2,990
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7508	-	451,907
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7507	-	9,415
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7507	-	427,341
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7511	-	3,016
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7511	-	412,129
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7509	-	(11,254)
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7509	-	444,435
SCHOOL IMPROVEMENT GRANT	84.377A	0123 18 7510	-	45,560
SCHOOL IMPROVEMENT GRANT	84.377A	0123 19 7510	-	387,983
TITLE IV - SAFE & HEALTHY STUDENTS	84.424	0196 19 2124	-	565,502
TITLE IV - WELL ROUNDED EDUCATION	84.424	0196 19 1124	-	1,685,588
TITLE IV - ALLOCATION	84.424	0204 19 0740	-	1,014,937
HURRICANE EDUCATION RECOVERY	84.938	0084 19 0740	-	1,229
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			-	<u><b>61,045,108</b></u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>DIRECT PROGRAM:</i>				
TITLE V - SEXUAL RISK AVOIDANCE EDUCATION	93.787	90TS002 01 00	-	10,049
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			-	<u><b>10,049</b></u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ -	<u><b>\$ 92,490,505</b></u>

See notes to schedule of expenditures of federal awards.

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes federal award activity of the Board under programs of the federal government for the year ended June 30, 2019. 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). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Board.

**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. The amounts reported as federal expenditures were obtained from the Board's financial reporting system, which is the source of the Board's basic financial statements. Negative expenditures are the result of program closeouts.

**NOTE 3 - INDIRECT COST RATE**

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



**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2019**

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**I. SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

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

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 Awards***

Internal control over major federal programs:

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

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

CFDA Number(s)

Name of Federal Program or Cluster

84.010

Title I

84.027 / 84.173

Special Education Cluster

84.377

School Improvement

84.424

Title IV

Dollar threshold used to distinguish between Type A and Type B programs:

\$          2,774,715

Auditee qualified as low-risk auditee?

           yes       X       no

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019 (CONTINUED)**

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**II. FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings noted in the current year.

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2019-001 Allowable Costs - Time and Effort**

*CFDA No. 84.010 – Title I  
84.027/ 84.173 – Special Education Cluster  
84.377 – School Improvement Grant  
84.424 – Title IV*

*Year Ended June 30, 2019*

*Passed through the New York State Education Department*

*Federal Agency: U.S. Department of Education*

*Criteria:* The Board is required to establish and adhere to controls that comply with cost principles identified by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart E; Sections 200.430, 200.430(a) and 200.430(i) *Standards for Documentation of Personnel Expenses*. In addition, per the *OMB Compliance Supplement*, the Board is required to maintain time and effort distribution records in accordance with Uniform Guidance.

*Condition:* The Board's control process to ensure that payroll expenditures are properly allocated to each applicable grant program includes the preparation, maintenance and review of time and effort certifications. During the audit it was noted instances where certifications were not completed and reviewed timely, or, in some cases, were not completed at all.

*Cause:* Insufficient monitoring of this control process to ensure the time and effort certifications were being completed and maintained in order to determine the allocation of time and effort to grant programs was updated in a timely manner.

*Effect:* Multiple instances where time and effort certifications were not prepared timely or were unavailable for audit. Due to the lack of available documentation, we were unable to determine if all payroll expenditures tested under the major federal programs noted above were appropriately charged and allowable in order to be deemed in compliance with the Uniform Guidance. Failure to ensure compliance with the Uniform Guidance could have funding implications in the future.

*Questioned costs:* Questioned costs cannot be reasonably determined.

*Context:* This finding was identified through inquiries of management and audit testing related to allowable cost activities for the major federal programs noted above.

*Recommendation:* We recommend that the Board review and establish written control procedures related their standards of documentation of personnel expenditures to ensure that the Board is in compliance with the requirements of the Uniform Guidance. In particular, we recommend the Board establish monitoring procedures over their time and effort certifications to confirm they are being completed and maintained in a timely manner, and to verify all time and effort is being appropriately charged to the related federal programs.

*Views of Responsible Officials and Planned Corrective Actions:* There are three main areas that the District plans to include in its corrective action plan, each of which will begin immediately, but have different anticipated implementation dates:

- a) Initially, the District will revise and formalize written procedures related to the documentation of personnel expenditures, specifically related to time and effort certification collection, to be in compliance with the Uniform

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019 (CONTINUED)**

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Guidance. A communication will be drafted to remind District staff involved in the process of the importance of their timely compliance, while a more robust monitoring system will be implemented. This will be the responsibility of Keith Robertson, Assistant Superintendent of Budget and Grant Management with implementation to be completed by February 2020.

- b) The District will also examine best practices relative to the duties, responsibilities, and reporting structure for grant managers, who are integral to the process of ensuring personnel and non-personnel expenditures are appropriately charged to their related federal programs. Necessary organizational changes will be implemented after this analysis. This will be the responsibility of Keith Robertson, Assistant Superintendent of Budget and Grant Management with implementation to be completed by August 2020.
- c) Additionally, to improve the efficiency and accuracy of the time and effort collection process, the District will research electronic systems that comply with the Uniform Guidance time and effort collection requirements. This may include incorporating time and effort certifications into an automated time keeping system. This will be the responsibility of Julie Carbone, Financial Controller with implementation to be completed by December 2020.

**BOARD OF EDUCATION, CITY OF BUFFALO, NEW YORK  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**I. FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings noted for the fiscal year ended June 30, 2018.

**II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2018-001 Policy Updates for Uniform Guidance**

*CFDA No. 84.367 – Supporting Effective Instruction – Title II  
84.938 – Hurricane Education Recovery*

*Year Ended June 30, 2018*

*Passed through NYS Department of Education*

*Federal Agency: U.S. Department of Education*

*CFDA No. 10.553/10.555/10.559*

*Year Ended June 30, 2018*

*Passed through NYS Bureau of School Food Management (10.553/10.555 only)*

*Federal Agency: U.S. Department of Agriculture*

*Criteria:* The Board's policies must incorporate federal award activity within the process and procedures followed by the Board in accordance with the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Sections 200.112, 200.317-200.326. Under the Uniform Guidance, the procurement requirements were required to be implemented by January 1, 2018 for federal award recipients.

*Condition:* The Board's code of ethics, conflict of interest and procurement policies were not properly updated to comply with the requirements in the Uniform Guidance.

*Cause:* The control environment related to the requirements of the Uniform Guidance has not be reviewed and incorporated into the Board's control activities through the updating and documentation of the Board's policies noted above.

*Effect:* The Board was not in compliance with the requirements of the Uniform Guidance, Section 200.112, *Conflict of Interest* and Sections 200.317-200.326, *Procurement Standards*. This noncompliance could have resulted in a lack of internal controls over the Board's activities and monitoring related to these areas and could have impacted the related federal funding.

*Questioned costs:* There were no questioned costs noted related to this finding.

*Context:* This finding was identified during inquiries of management in regards to the control environment over the requirements of the Uniform Guidance and through the review of the related policies noted above.

*Status:* There was no reoccurrence of this finding noted in the year ended June 30, 2019.