POUDRE SCHOOL DISTRICT

Single Audit Report

2024

For the fiscal year ended June 30, 2024

Fort Collins, Colorado

Single Audit Report

For the Fiscal Year Ended June 30, 2024

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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*

Board of Education
Poudre School District
Fort Collins, Colorado

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 discretely presented component units, each major fund, and the aggregate remaining fund information of Poudre School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Poudre School District's basic financial statements, and have issued our report thereon dated November 20, 2024. Our report includes a reference to other auditors who audited the financial statements of Liberty Common School, Fort Collins Montessori School, and Compass Community Collaborative School as described in our report on Poudre School District's financial statements. The financial statements of Fort Collins Montessori School, Compass Community Collaborative School, Ridgeview Classical Schools, Liberty Common School, and Mountain Sage Community School, discretely presented component units, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Fort Collins Montessori School, Compass Community Collaborative School, Ridgeview Classical Schools, Liberty Common School, and Mountain Sage Community School.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Poudre 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 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 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 20, 2024

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

Board of Education
Poudre School District
Fort Collins, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Poudre School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Poudre School District's major federal programs for the year ended June 30, 2024. Poudre School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Poudre School District complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Poudre School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of Poudre School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Poudre School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Poudre School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Poudre School District's basic financial statements. We have issued our report thereon, dated November 20, 2024, 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 basic 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 20, 2024

POUDRE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:
   - Material weakness(es) identified? ______ yes __x__ no
   - Significant deficiency(ies) identified? ______ yes __x__ none reported

3. Noncompliance material to financial statements noted? ______ yes __x__ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? ______ yes __x__ no
   - Significant deficiency(ies) identified? ______ yes __x__ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ______ yes __x__ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.555, 10.553, 10.559	Child Nutrition Cluster
93.600	Head Start

Dollar threshold used to distinguish between Type A and Type B programs: $ 913,045

Auditee qualified as low-risk auditee? __x__ yes ______ no

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Poudre School District
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program-Title	Assistance Listing Number	Grantor's Number	Pass Through Grant Number	Expenditures	Total Expenditures
U.S. Department of Education					
Direct Program:					
School Safely National Activities	84.184	S184X230157	7185		$ 675,363
State of Colorado-Department of Education:					
Title I Grants to Local Educational Agencies	84.010	N/A	4010	$ 3,899,287	
Title I Grants to Local Educational Agencies	84.010	N/A	6010	10,569	
Subtotal					3,909,856
Special Education Cluster:					
Special Education Grants to States	84.027	N/A	4027	5,725,863	
Special Education Preschool Grants	84.173	N/A	4173	162,347	
Subtotal - Special Education Cluster					5,888,210
Education for Homeless Children and Youth	84.196	N/A	5196		74,952
Charter Schools	84.282	N/A	5282		496,420
Twenty-First Century Community Learning Centers	84.287	N/A	7287	133,247	
Twenty-First Century Community Learning Centers	84.287	N/A	8287	159,299	
Subtotal					292,546
English Language Acquisition State Grants	84.365	N/A	4365	154,750	
English Language Acquisition State Grants	84.365	N/A	7365	3,660	
Subtotal					158,410
Supporting Effective Instruction State Grants	84.367	N/A	4367		818,840
Student Support and Academic Enrichment Program	84.424	N/A	4424	210,419	
Stronger Connections Grant Program	84.424	N/A	4451	4,382	
Subtotal					214,801
Education Stabilization Fund	84.425D	N/A	4430	1,206	
Education Stabilization Fund	84.425U	N/A	4414	606,984	
Education Stabilization Fund	84.425U	N/A	4418	52,579	
Education Stabilization Fund	84.425U	N/A	4434	54,872	
Education Stabilization Fund	84.425U	N/A	4436	596,643	
Education Stabilization Fund	84.425U	N/A	4438	79,290	
Education Stabilization Fund	84.425U	N/A	9414	1,897,601	
Education Stabilization Fund	84.425W	N/A	8426	49,258	
Education Stabilization Fund	84.425V	N/A	6429	150,491	
Subtotal					3,488,924
Colorado Community College System:					
Career and Technical Education - Basic Grants to States	84.048	N/A	4048		197,583
TOTAL U.S. DEPARTMENT OF EDUCATION					16,215,905
U.S. Department of Health and Human Services					
***Head Start Cluster:**					
Direct Program:					
Head Start	93.600	08CH011826	N/A		5,844,541
State of Colorado-Department of Education:					
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	7243	375,522	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	7323	248	
School Nurse Workforce Grant	93.354	N/A	7354	25,384	
Subtotal					401,154
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					6,245,695

(continued)

Refer to Notes to Schedule of Expenditures of Federal Awards

*Major programs

Poudre School District
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(continued)

Federal Grantor/Pass-Through Grantor/Program-Title	Assistance Listing Number	Grantor's Number	Pass Through Grant Number	Expenditures	Total Expenditures
U.S. Department of Treasury					
State of Colorado-Department of Education:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	6127	69,669	
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	9019	105,020	
Subtotal					174,689
City of Fort Collins					
Coronavirus Relief Fund	21.027	SLFRP0415	7128		9,131
TOTAL U.S. DEPARTMENT OF TREASURY					183,820
U.S. Department of Agriculture					
***Child Nutrition Cluster:**					
State of Colorado-Department of Human Services					
Non-Cash Assistance (Commodities):					
National School Lunch Program	10.555	N/A	4555	853,192	
Colorado Department of Education					
Cash Assistance:					
School Breakfast Program	10.553	N/A	4553	1,354,452	
National School Lunch Program	10.555	N/A	4555	4,580,613	
Supply Chain Assistance	10.555	N/A	6555	820,109	
Summer Food Service Program for Children	10.559	N/A	4559	98,918	
Subtotal - Child Nutrition Cluster					7,707,284
Forest Service Schools and Road Cluster:					
Larimer County:					
Schools and Roads - Grants to States	10.665	N/A	7665	82,135	
Subtotal - Forest Service Schools and Road Cluster					82,135
TOTAL U.S. DEPARTMENT OF AGRICULTURE					7,789,419
TOTAL FEDERAL ASSISTANCE					$ 30,434,839

Refer to Notes to Schedule of Expenditures of Federal Awards

*Major programs

POUDRE SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the Poudre School District's Federal grant activity for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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 District, it is not intended to and does not present the financial position or changes in net position of the District.

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 for all awards except for Assistance Listing 21.027, which follows criteria determined by the Department of Treasury for allowability of costs.

NOTE 3: ASSISTANCE LISTING NUMBER

The Assistance Listing numbers were obtained from the Federal or pass-through grantor or the Assistance Listings.

NOTE 4: 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.

NOTE 5: NONCASH PROGRAMS

Commodities donated to the District by the U.S. Department of Agriculture (USDA) are valued based on the USDA's Donated Commodity Price List and by values provided by the USDA. The commodities are recognized as revenue and expenses when received, totaling $853,192.

NOTE 6: SUBRECIPIENTS

The District did not have subrecipients of federal awards for the year ended June 30, 2024.