

**ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)  
DISTRICT/JOINT AGREEMENT  
Year Ending June 30, 2017**

DISTRICT/JOINT AGREEMENT NAME <b>School Association for Special Edu</b>	RCDT NUMBER <b>19-022-8030-60</b>	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER <b>066-003910</b>	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)		NAME AND ADDRESS OF AUDIT FIRM <b>Klein Hall CPAs 3957 75th Street Aurora IL 60504</b>	
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code)  <b>2900 Ogden Avenue Lisle, Illinois 60532</b>		E-MAIL ADDRESS: <b>sduenser@kleinhallcpa.com</b>	
		NAME OF AUDIT SUPERVISOR <b>Scott Duenser</b>	
		CPA FIRM TELEPHONE NUMBER <b>630-898-5578</b>	FAX NUMBER <b>630-225-5128</b>

**THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE SINGLE AUDIT REPORT:**

- A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to ISBE (either with the audit or under separate cover).
- Financial Statements including footnotes (Title 2 CFR §200.510 (a))
- Schedule of Expenditures of Federal Awards including footnotes (Title 2 CFR §200.510 (b))
- Independent Auditor's Report on the Financial Statements (Title 2 CFR §200.515 (a))
- Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* (Title 2 CFR §200.515 (b))
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance (Title 2 CFR §200.515 (c))
- Schedule of Findings and Questioned Costs (Title 2 CFR §200.515 (d))
- Summary Schedule of Prior Audit Findings (Title 2 CFR §200.511 (b))
- Corrective Action Plan (Title 2 CFR §200.511 (c))

**THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:**

- A Copy of the Federal Data Collection Form (Title 2 CFR §200.512 (b))
- A Copy of each Management Letter

**IF THE PAPER COPY OF THE AFR IS NOT THE SAME AS THE ELECTRONIC VERSION, PLEASE NOTIFY LESLIE CLAY AT LCLAY@ISBE.NET.**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2017

Federal Grantor Subrecipients Program or Cluster Title	Major (M)	Pass-Through Grantor	CFDA Number (A)	ISBE Project # (1st 8 digits) or Contract # (B)	Receipts/Revenues			Expenditures/Disbursements			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
					Year 7/1/15 to 6/30/16 (C)	Year 7/1/16 to 6/30/17 (D)	Year 7/1/15 to 6/30/16 (E)	Year 7/1/16 to 6/30/17 (F)	Year 7/1/16-6/30/17 Pass-Through to Subrecipients				
Child Nutrition Cluster													
United States Department of Agriculture													
National School Lunch Program		Illinois State Board of Education	10.555	16-4210-00	63,934	11,100	63,934	11,100			75,034	N/A	
National School Lunch Program		Illinois State Board of Education	10.555	17-4210-00		58,587		58,587			58,587	N/A	
School Breakfast Program		Illinois State Board of Education	10.553	16-4220-00	28,569	13,520	28,569	13,520			42,089	N/A	
School Breakfast Program		Illinois State Board of Education	10.553	17-4220-00		31,170						N/A	
Special Milk Program		Illinois State Board of Education	10.556	16-4215-00								N/A	
Special Milk Program		Illinois State Board of Education	10.556	17-4215-00								N/A	
Child and Adult Care		Illinois State Board of Education	10.558	16-4225-00								N/A	
Child and Adult Care		Illinois State Board of Education	10.558	17-4225-00								N/A	
Commodities		Illinois State Board of Education	10.555	16-4999-00	10,012		10,012				10,012	N/A	
Commodities		Illinois State Board of Education	10.555	17-4999-00								N/A	
Fresh Fruits and Vegetables (DoD)		Illinois State Board of Education	10.582	16-4240-00								N/A	
Fresh Fruits and Vegetables (DoD)		Illinois State Board of Education	10.582	17-4240-00								N/A	
Total United States Department of Agriculture					102,515	114,377	102,515	83,207			185,722		
Total Child Nutrition Cluster					102,515	114,377	102,515	83,207			185,722		
Special Education (IDEA) Cluster													
Department of Education													
IDEA - Flow Through	(M)	Illinois State Board of Education	84.027	16-4620-00	9,829,251		9,829,251				9,829,251	10,598,861	
IDEA - Flow Through	(M)	Illinois State Board of Education	84.027	17-4620-00		9,717,866		9,717,866	9,017,283		9,717,866	10,585,700	
IDEA - Flow Through Discretionary	(M)	Illinois State Board of Education	84.027	16-4630-02	108,767		108,767				108,767	115,000	
IDEA - Flow Through Discretionary	(M)	Illinois State Board of Education	84.027	17-4630-02		82,638		80,232			80,232	115,000	
IDEA - Flow Through Discretionary	(M)	Illinois State Board of Education	84.027	16-4630-IS	3,990,912	566,299	3,990,912	566,299			4,557,211	6,500,000	
IDEA - Flow Through Discretionary	(M)	Illinois State Board of Education	84.027	17-4630-IS		2,582,984		2,490,820			2,490,820	5,100,000	
IDEA - Room & Board		Illinois State Board of Education	84.027	16-4625-00								N/A	
IDEA - Room & Board		Illinois State Board of Education	84.027	17-4625-00								N/A	

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2017

Federal Grantor Subrecipients Program or Cluster Title	Major (M)	Pass-Through Grantor	CFDA Number (A)	ISBE Project # (1st 8 digits) or Contract # (B)	Receipts/Revenues			Expenditures/Disbursements			Obligations/ Encumb. (S)	Final Status (E)+(F)+(G) (H)	Budget (I)
					Year 7/1/15 to 6/30/16 (C)	Year 7/1/16 to 6/30/17 (D)	Year 7/1/15 to 6/30/16 (E)	Year 7/1/16 to 6/30/17 (F)	Year 7/1/16-6/30/17 Pass-Through to Subrecipients				
IDEA - Flow Through Pre-School	(M)	Illinois State Board of Education	84.173	16-4600-00	409,073	-	409,073	-	-	-	409,073	445,747	
IDEA - Flow Through Pre-School	(M)	Illinois State Board of Education	84.173	17-4600-00	-	308,612	-	308,612	245,733	-	308,611	384,363	
IDEA - Flow Through Pre-School Discretionary	(M)	Illinois State Board of Education	84.173	16-4605-00	266,250	-	266,250	-	-	-	266,250	309,000	
IDEA - Flow Through Pre-School Discretionary	(M)	Illinois State Board of Education	84.173	17-4605-00	-	200,131	-	197,436	-	-	197,436	309,000	
Total Department of Education					14,604,253	13,459,530	14,604,253	13,361,264	9,263,016	-	27,965,517		
Total Special Education (IDEA) Cluster					14,604,253	13,459,530	14,604,253	13,361,264	9,263,016	-	27,965,517		
Other Programs													
Department of Education													
Title I - Low Income		Illinois State Board of Education	84.010	16-4300-00	-	-	-	-	-	-	-	-	
Title I - Low Income		Illinois State Board of Education	84.010	17-4300-00	-	-	-	-	-	-	-	-	
Title I - Low Income - Delinquent Priv		Illinois State Board of Education	84.010	16-4305-00	-	-	-	-	-	-	-	-	
Title I - Low Income - Delinquent Priv		Illinois State Board of Education	84.010	17-4305-00	-	-	-	-	-	-	-	-	
Title II - Teacher Quality		Illinois State Board of Education	84.367	16-4932-00	-	-	-	-	-	-	-	-	
Title II - Teacher Quality		Illinois State Board of Education	84.367	17-4932-00	-	-	-	-	-	-	-	-	
Title III - Language Instruction Programs		Illinois State Board of Education	84.365	16-4909-00	-	-	-	-	-	-	-	-	
Title III - Language Instruction Programs		Illinois State Board of Education	84.365	17-4909-00	-	-	-	-	-	-	-	-	
Title III - Immigrant Education Program		Illinois State Board of Education	84.365	16-4905-00	-	-	-	-	-	-	-	-	
Title III - Immigrant Education Program		Illinois State Board of Education	84.365	17-4905-00	-	-	-	-	-	-	-	-	
Title IV - 21st Century		Illinois State Board of Education	84.287	16-4421-00	-	-	-	-	-	-	-	-	
Title IV - 21st Century		Illinois State Board of Education	84.287	17-4421-00	-	-	-	-	-	-	-	-	
Special Education Technical Assistance		University of Oregon	84.326	224440F	368,561	-	368,561	-	-	-	368,561	460,000	
Special Education Technical Assistance		University of Oregon	84.326	224440F	-	515,497	-	515,497	-	-	515,497	520,000	
Education Research Project Grant		University of Vermont	84.305	SUB51802	247,168	-	241,656	5,512	-	-	247,168	283,461	
Education Research Project Grant		University of Vermont	84.305	SUB51802	-	295,580	-	295,709	-	-	295,709	331,438	
Preschool Expansion		Illinois State Board of Education	84.419	16-4902-00	96,485	-	96,485	-	-	-	96,485	98,441	
Preschool Expansion		Illinois State Board of Education	84.419	17-4902-00	-	140,589	-	130,270	-	-	43,407	173,677	

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2017

Federal Grantor Subrecipients Program or Cluster Title	Major (M)	Pass-Through Grantor	CFDA Number (A)	ISBE Project # (1st 8 digits) or Contract # (B)	Receipts/Revenues			Expenditures/Disbursements			Obligations/ Encumb. (G)	Final Status (E)-(F)-(G) (H)	Budget (I)
					Year 7/1/15 to 6/30/16 (C)	Year 7/1/16 to 6/30/17 (D)	Year 7/1/15 to 6/30/16 (E)	Year 7/1/16 to 6/30/17 (F)	Year 7/1/16-6/30/17 Pass-Through to Subrecipients				
DORS STEP		Illinois Department of Human Services	84.126	46CUD03216	15,000		15,000				15,000	15,000	
DORS STEP		Illinois Department of Human Services	84.126	48CUD00189	75,000	75,000	75,000	75,000			150,000	75,000	
DORS STEP		Illinois Department of Human Services	84.126	46CUD00190	185,544	185,544	185,544	185,544			371,088	185,544	
Total Department of Education					987,758	1,212,210	982,246	1,207,532		43,407	2,233,185		
Department of Justice													
Criminal Justice Project Grant		University of South Carolina	16.560	16-3071	12,985	43,762	12,985	43,762			56,747	56,699	
Criminal Justice Project Grant		University of South Carolina	16.560	16-3076		33,084		33,084			33,084	63,157	
Total Department of Justice					12,985	76,846	12,985	76,846			89,831		
Department of Health and Human Services													
Medical Assistance Program		Illinois Department of Healthcare and Family Services	93.778	16-4991-00	278,653		278,653				278,653	N/A	
Medical Assistance Program		Illinois Department of Healthcare and Family Services	93.778	17-4991-00		228,318		228,318			228,318	N/A	
Developmental Disabilities		Illinois Council on Developmental Disabilities	93.630	16-1094	30,831		30,831				30,831	158,475	
Developmental Disabilities		Illinois Council on Developmental Disabilities	93.630	17-1094		60,559		60,559			60,559	158,475	
Illinois Awareness		Illinois State Board of Education	93.243	16-4999-AW	131,124	88,200	131,124	88,200			219,324	268,000	
Illinois Awareness		Illinois State Board of Education	93.243	17-4999-AW	440,608	162,509	440,608	147,092			147,092	268,000	
Total Department of Health and Human Services					1,441,351	1,828,642	1,435,839	1,808,547		43,407	3,287,793		
Total Other Programs					16,148,119	15,401,549	16,142,607	15,253,018	9,263,016	43,407	31,439,032		
<b>TOTAL FEDERAL AWARDS</b>													

(M) Program was audited as a major program as defined by §200.518. The accompanying notes are an integral part of this schedule

**School Association for Special Education in DuPage County  
19-022-8030-60**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)  
Year Ending June 30, 2017**

**Note 1: Basis of Presentation<sup>5</sup>**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the School Association for Special Education in DuPage County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2: Indirect Facilities & Administration costs<sup>6</sup>**

Auditee elected to use 10% de minimis cost rate? \_\_\_\_\_ YES \_\_\_\_\_ X NO

**Note 3: Subrecipients**

Of the federal expenditures presented in the schedule, SASSED provided federal awards to subrecipients as follows:

Program Title/Subrecipient Name	Federal CFDA Number	Amount Provided to Subrecipient
See note 8		

**Note 4: Non-Cash Assistance**

The following amounts were expended in the form of non-cash assistance by SASSED and should be included in the Schedule of Expenditures of Federal Awards:

NON-CASH COMMODITIES (CFDA 10.555)**:	\$0	
OTHER NON-CASH ASSISTANCE	\$0	
		Total Non-Cash <span style="border: 1px solid black; padding: 2px;">\$0</span>

**Note 5: Other Information**

Insurance coverage in effect paid with Federal funds during the fiscal year:

Property	\$0
Auto	\$0
General Liability	\$0
Workers Compensation	\$0
Loans/Loan Guarantees Outstanding at June 30:	\$0
District had Federal grants requiring matching expenditures	No
	(Yes/No)

\*\* The amount reported here should match the value reported for non-cash Commodities on the Indirect Cost Rate Computation page.

<sup>5</sup> This note is included to meet the Uniform Guidance requirement that the schedule include notes that describe the significant accounting policies used in preparing the schedule. (§200.510 (b)(6))

<sup>6</sup> The Uniform Guidance requires the Schedule of Expenditures of Federal Awards to note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs. §200.510 (b)(6)

**SCHOOL ASSOCIATION FOR SPECIAL EDUCATION IN DUPAGE COUNTY**

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2017

**NOTE 6 - OVERSIGHT AGENCY**

SASED's federal oversight agency is the U.S. Department of Education.

**NOTE 7 - FEDERAL EXPENDITURES**

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants that were active during the fiscal year.

**NOTE 8 - SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, SASED provides federal awards to subrecipients as follows:

<b>PROGRAM TITLE/SUBRECIPIENT NAME</b>	<b>FEDERAL CFDA NUMBER</b>	<b>AMOUNT PROVIDED TO SUBRECIPIENTS</b>
I.D.E.A. Preschool:	84.173A	
Keeneyville School Dist. 20		\$ 12,804
Benjamin School Dist. 25		6,600
West Chicago School Dist. 33		38,006
Winfield School Dist. 34		2,014
Villa Park Elementary Dist. 45		31,541
Salt Creek Dist. 48		5,173
Downers Grove Grade School Dist. 58		35,191
Maercker School School Dist. 60		9,560
Cass School Dist. 63		4,755
Center Cass School Dist. 66		7,469
Woodridge School Dist. 68		29,113
Community Cons. School Dist. 180		8,473
Westmont C.U.S.D. 201		19,030
Lisle C.U.S.D. 202		13,205
Elmhurst Unit School Dist. 205		22,799
<b>TOTAL</b>		<b>\$ 245,733</b>

<b>PROGRAM TITLE/SUBRECIPIENT NAME</b>	<b>FEDERAL CFDA NUMBER</b>	<b>AMOUNT PROVIDED TO SUBRECIPIENTS</b>
I.D.E.A. Flow Through:	84.027A	
Keeneyville School Dist. 20		\$ 323,866
Benjamin School Dist. 25		126,686
West Chicago School Dist. 33		850,671
Winfield School Dist. 34		75,577
Villa Park Elementary Dist. 45		755,361
Salt Creek Dist. 48		173,000
Downers Grove Grade School Dist. 58		1,045,937
Maercker School School Dist. 60		244,211
Cass School Dist. 63		140,085
Center Cass School Dist. 66		196,867
Woodridge School Dist. 68		614,290
DuPage High School Dist. 88		815,436
Community High School Dist. 94		447,753
Community High School Dist. 99		840,311
Community Cons. School Dist. 180		145,451
Westmont C.U.S.D. 201		288,648
Lisle C.U.S.D. 202		484,759
Elmhurst Unit School Dist. 205		1,448,374
<b>TOTAL</b>		<b>\$ 9,017,283</b>

**School Association for Special Education in DuPage County**  
**19-022-8030-60**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2017**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified  
 (Unmodified, Qualified, Adverse, Disclaimer)

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

- Material weakness(es) identified?        YES   X   None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)?        YES   X   None Reported
- Noncompliance material to the financial statements noted?        YES   X   NO

**FEDERAL AWARDS**

**INTERNAL CONTROL OVER MAJOR PROGRAMS:**

- Material weakness(es) identified?        YES   X   None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)?        YES   X   None Reported

Type of auditor's report issued on compliance for major programs: Unmodified  
 (Unmodified, Qualified, Adverse, Disclaimer<sup>7</sup>)

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)?        YES   X   NO

**IDENTIFICATION OF MAJOR PROGRAMS:<sup>8</sup>**

CFDA NUMBER(S) <sup>9</sup>	NAME OF FEDERAL PROGRAM or CLUSTER <sup>10</sup>	AMOUNT OF FEDERAL PROGRAM
84.027, 84.173	Special Education (IDEA) Cluster	13,361,264
	<b>Total Amount Tested as Major</b>	<b>\$13,361,264</b>

Total Federal Expenditures for 7/1/16-6/30/17 \$15,253,018

% tested as Major 87.60%

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.00

Auditee qualified as low-risk auditee?   X   YES        NO

<sup>7</sup> If the audit report for one or more major programs is other than unmodified, indicate the type of report issued for each program. Example: "Unmodified for all major programs except for [name of program], which was modified and [name of program], which was a disclaimer."

<sup>8</sup> Major programs should generally be reported in the same order as they appear on the SEFA.

<sup>9</sup> When the CFDA number is not available, include other identifying number, if applicable.

<sup>10</sup> The name of the federal program or cluster should be the same as that listed in the SEFA. For clusters, auditors are only required to list

the name of the cluster.



**School Association for Special Education in DuPage County  
19-022-8030-60  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2017**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

1. FINDING NUMBER:<sup>11</sup>     **2017- None**     2. THIS FINDING IS:      New      Repeat from Prior Year?  
Year originally reported? \_\_\_\_\_

3. Criteria or specific requirement \_\_\_\_\_

4. Condition \_\_\_\_\_

5. Context<sup>12</sup> \_\_\_\_\_

6. Effect \_\_\_\_\_

7. Cause \_\_\_\_\_

8. Recommendation \_\_\_\_\_

9. Management's response<sup>13</sup> \_\_\_\_\_

**For ISBE Review**

Date:	_____	Resolution Criteria Code Number	_____
Initials:	_____	Disposition of Questioned Costs Code Letter	_____

<sup>11</sup> A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2017 would be assigned a reference number of 2017-001, 2017-002, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).  
<sup>12</sup> Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.  
<sup>13</sup> See §200.521 *Management decision* for additional guidance on reporting management's response.

School Association for Special Education in DuPage County  
19-022-8030-60  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2017

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup> 2017- None 2. THIS FINDING IS:  New  Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

3. Federal Program Name and Year: \_\_\_\_\_

4. Project No.: \_\_\_\_\_ 5. CFDA No.: \_\_\_\_\_

6. Passed Through: \_\_\_\_\_

7. Federal Agency: \_\_\_\_\_

8. Criteria or specific requirement (including statutory, regulatory, or other citation) \_\_\_\_\_

9. Condition<sup>15</sup> \_\_\_\_\_

10. Questioned Costs<sup>16</sup> \_\_\_\_\_

11. Context<sup>17</sup> \_\_\_\_\_

12. Effect \_\_\_\_\_

13. Cause \_\_\_\_\_

14. Recommendation \_\_\_\_\_

15. Management's response<sup>18</sup> \_\_\_\_\_

<b>For ISBE Review</b>	
Date: _____	Resolution Criteria Code Number _____
Initials: _____	Disposition of Questioned Costs Code Letter _____

<sup>14</sup> See footnote 11.

<sup>15</sup> Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

<sup>16</sup> Identify questioned costs as required by §200.516 (a)(3 - 4).

<sup>17</sup> See footnote 12.

<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

**School Association for Special Education in DuPage County**

**19-022-8030-60**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>**

**Year Ending June 30, 2017**

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> <sup>20</sup>
None		

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When possible, all prior findings should be on the same page

<sup>19</sup> Explanation of this schedule - §200.511 (b)

<sup>20</sup> Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

**School Association for Special Education in DuPage County**  
**19-022-8030-60**  
**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS<sup>21</sup>**  
**Year Ending June 30, 2017**

**Corrective Action Plan**

Finding No.: **2017-** \_\_\_\_\_

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person: [Name and Title of person responsible for implementation]

Management Response: [If applicable, an explanation giving specific reasons if the district officials do not agree with the finding and believe that corrective action is unnecessary.]

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<sup>21</sup> Must address each audit finding - §200.511 ( c)



3957 75<sup>th</sup> Street, Aurora, IL 60504  
Phone 630.898.5578 | Fax 630.225.5128  
KleinHallcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Control  
School Association for Special Education in DuPage County  
Lisle, Illinois

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

We have audited the School Association for Special Education in DuPage County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Association for Special Education in DuPage County's major federal programs for the year ended June 30, 2017. School Association for Special Education in DuPage County'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School Association for Special Education in DuPage County'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 School Association for Special Education in DuPage County'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 School Association for Special Education in DuPage County's compliance.

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

In our opinion, the School Association for Special Education in DuPage County 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, 2017.

**Report on Internal Control over Compliance**

Management of the School Association for Special Education in DuPage County 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 School Association for Special Education in DuPage County'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 School Association for Special Education in DuPage County'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.

#### **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 School Association for Special Education in DuPage County as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Association for Special Education in DuPage County's basic financial statements. We issued our report thereon dated November 20, 2017, 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.

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.



Klein Hall CPAs  
Aurora, Illinois  
November 21, 2017