

***WATERVLIET CITY SCHOOL DISTRICT***

***SINGLE AUDIT REPORTS***

***JUNE 30, 2023***



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## **TABLE OF CONTENTS**

	<b><u>Page</u></b>
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 <i>Government Auditing Standards</i>	1-2
Independent Auditors' Report On Compliance For Each Major Federal Program And Report On Internal Control Over Compliance In Accordance With The Uniform Guidance	3-6
Schedule Of Expenditures Of Federal Awards	7
Notes To Schedule Of Expenditures Of Federal Awards	8-9
Schedule Of Findings And Questioned Costs	10-11
Schedule Of Prior Audit Findings	12



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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***

To The Board Of Education  
Watervliet City School District  
Watervliet, New York

We have audited, in accordance with 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 and each major fund of the Watervliet City School District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Watervliet City School District's basic financial statements, and have issued our report thereon dated October 16, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Watervliet City School District's internal control over financial reporting (internal control) as a basis for designing 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 a 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.

***Report on Internal Control over Financial Reporting (Continued)***

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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the 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 District'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.

*Teal Becker & Charamonte CPAs PC*

Albany, New York  
October 16, 2023



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**Independent Auditors' Report  
On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance**

To The Board Of Education  
Watervliet City School District  
Watervliet, New York

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

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

We have audited the Watervliet City School District's (the District) 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 the District's major federal programs for the year ended June 30, 2023. The 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, the 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, 2023.

***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 (*Government Auditing Standards*); 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 the 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 the 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 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 the 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 the 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 the 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 the 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 the 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 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 and each major fund of the District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 16, 2023, 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 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.

*Paul Becker & Charamonte CPAs PC*

Albany, New York  
October 16, 2023



**WATERVLIET CITY SCHOOL DISTRICT**

Schedule Of Expenditures Of Federal Awards

For The Year Ended June 30, 2023

<b>Federal Grantor/Pass-Through</b>	<b>Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Number</b>	<b>Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>				
<b>Passed-Through NYS Education Department:</b>				
Child Nutrition Cluster:				
Non-Cash Assistance (food distribution)				
	National School Lunch Program	10.555	-	\$ 42,303
	Non-Cash Assistance subtotal			42,303
Cash Assistance:				
	School Breakfast Program	10.553	-	284,539
	National School Lunch Program	10.555	-	847,207
	Summer Food Service for Children	10.559	-	74,565
	Fresh Fruits and Vegetables	10.582	-	51,506
	Cash Assistance subtotal			1,257,817
	Total Child Nutrition Cluster			1,300,120
	Total Passed-Through NYS Education Department			1,300,120
	<b>Total U.S. Department of Agriculture</b>			<b>1,300,120</b>
<b><u>U.S. Department of Education</u></b>				
<b>Passed-Through NYS Education Department:</b>				
Education Stabilization Fund (ESF):				
	Governor's Emergency Education Relief (GEER) Fund II	84.425C	5896-21-0065	3,969
	Elementary and Secondary School Emergency Relief (ESSER) Fund II	84.425D	5891-21-0065	776,266
	ARP - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-0065	651,259
	ARP - SLR Learning Loss	84.425U	5884-21-0065	475,428
	ARP - Summer Enrichment	84.425U	5882-21-0065	30,672
	ARP - SLR Comprehensive After School	84.425U	5883-21-0065	86,977
	ARP - Homeless II	84.425W	5218-21-0065	6,475
	ARP - Elementary and Secondary School Emergency Relief Homeless Children and Youth	84.425W	5212-21-3117	1,148
	Total Education Stabilization Fund			2,032,194
ESEA Title I, Basic Grant:				
	ESEA Title I, Basic Grant	84.010A	0021-23-0065	506,413
	ESEA Title I, School Improvement Grant	84.010A	0011-22-3152	44,510
	ESEA Title I, School Improvement Grant	84.010A	0011-23-3152	12,276
	Total ESEA Title I, Basic Grant			563,199
Special Education Cluster (IDEA):				
	IDEA Part B, Section 611	84.027A	0032-23-0032	416,582
	IDEA Part B, Section 619, Preschool	84.173A	0033-23-0032	22,624
	ARP - IDEA Part B, Section 611	84.027X	5532-22-0032	29,691
	ARP - IDEA Part B, Section 619, Preschool	84.173X	5533-22-0032	4,629
	Total Special Education Cluster (IDEA)			473,526
	Title IIA, Supporting Effective Instruction	84.367A	0147-23-0065	61,934
	Title IIIA, English Language Acquisition Grants	84.365A	0293-22-0065	6,356
	Title IIIA, English Language Acquisition Grants	84.365A	0293-23-0065	4,869
	Title IIIA, Immigrant Education	84.365A	0149-23-0065	16,181
	ESEA Title IV Part A	84.424A	0204-22-0065	25,167
	ESEA Title IV Part A	84.424A	0204-23-0065	22,835
	Total Passed-Through NYS Education Department			3,206,261
	Impact Aid (Title VII of ESEA)	84.041A		5,107
	<b>Total U.S. Department of Education</b>			<b>3,211,368</b>
	<b>Total Federal Awards Expended</b>			<b>\$ 4,511,488</b>

# **WATERVLIET CITY SCHOOL DISTRICT**

## **Notes To Schedule Of Expenditures Of Federal Awards**

For The Year Ended June 30, 2023

### **Note 1: Summary Of Certain Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of federal award programs administered by the Watervliet City School District (the District), which is described in Note 1 to the District's accompanying financial statements using the modified accrual basis of accounting. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The District's policy is not to charge federal award programs with indirect costs.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

The basis of accounting varies by federal program, consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

### **Note 2: Subrecipients**

No amounts were provided to subrecipients.

### **Note 3: Other Disclosures**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

# **WATERVLIET CITY SCHOOL DISTRICT**

## **Notes To Schedule Of Expenditures Of Federal Awards**

**For The Year Ended June 30, 2023**

### **Note 4: Non-Cash Assistance**

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted \$42,303 of commodities under the National School Lunch Program (Assistance Listing Number 10.555).

**WATERVLIT CITY SCHOOL DISTRICT**

**Schedule Of Findings And Questioned Costs**

June 30, 2023

**Section I: Summary of Auditors' Results**

***Financial Statements***

Type of auditors' opinion(s) issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

\_\_\_\_\_ Yes   X   No

\_\_\_\_\_ 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?
- Significant deficiency(ies) identified?

\_\_\_\_\_ Yes   X   No

\_\_\_\_\_ Yes   X   None Reported

Type of auditors' 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)?

\_\_\_\_\_ Yes   X   No

Identification of major federal programs:

Assistance  
Listing  
Numbers

Name of Federal Program or Cluster

Education Stabilization Fund (ESF):

Governor's Emergency Education Relief (GEER) Fund II	84.425C
Elementary and Secondary School Emergency Relief (ESSER) Fund II	84.425D
ARP - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U
ARP - SLR Learning Loss	84.425U
ARP - Summer Enrichment	84.425U
ARP - SLR Comprehensive After School	84.425U
ARP - Homeless II	84.425W
ARP - Elementary and Secondary School Emergency Relief Homeless Children and Youth	84.425W

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

\$ 750,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ Yes   X   No

**WATERVLIET CITY SCHOOL DISTRICT**

**Schedule Of Findings And Questioned Costs**

June 30, 2023

**Section II: Financial Statement Findings**

NONE

**Section III: Federal Awards Findings**

NONE

**WATERVLIET CITY SCHOOL DISTRICT**

Schedule Of Prior Audit Findings

For The Year Ended June 30, 2023

**There were no findings for the prior audit for the year ended June 30, 2022.**