



OHIO AUDITOR OF STATE  
**KEITH FABER**





**WEST CLERMONT LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

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**WEST CLERMONT LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Education</i>			
Child Nutrition Cluster			
National School Breakfast Program	10.553	3L70	\$260,773
National School Lunch Program	10.555	3L60	1,119,035
National School Lunch Program - Food Donation	10.555	3L60	<u>183,977</u>
Total Child Nutrition Cluster			<u>1,563,785</u>
National Lunch Equipment Grant	10.579	3670	45,000
<b>Total U.S. Department of Agriculture</b>			<b><u>1,608,785</u></b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Passed Through Ohio Department of Education</i>			
Special Education Cluster:			
Special Education Grants to States - IDEA Part B	84.027	3M20-19	1,707,715
Special Education Grants to States - IDEA Part B	84.027	3M20-18	220,137
Special Education Preschool Grant	84.173	3C50-19	<u>50,001</u>
Total Special Education Cluster			<u>1,977,853</u>
Title I Grants to Local Education Agencies	84.010	3M00-19	1,213,078
Title I Grants to Local Education Agencies	84.010	3M00-18	<u>410,880</u>
Total Title I Grants to Local Educational Agencies			<u>1,623,959</u>
Title IIA - Improving Teacher Quality	84.367	3Y60-19	276,783
Title IIA - Improving Teacher Quality	84.367	3Y60-18	<u>94,949</u>
Total Title IIA - Improving Teacher Quality			<u>371,732</u>
Title IV Student Support	84.424	3H10-19	93,610
Title IV Student Support	84.424	3H10-18	<u>24,983</u>
Total Title IV Student Support			<u>118,593</u>
Title III LEP	84.365	2019	14,763
Title III LEP	84.365	2018	14,664
Title III Immigrant	84.365	2018	<u>2,379</u>
Total Title III LEP			<u>31,806</u>
Striving Literacy Grant	84.371	3FE0	512,380
<b>Total U.S. Department of Education</b>			<b><u>4,636,323</u></b>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$6,245,108</u></b>

*The accompanying notes are an integral part of this schedule.*

**WEST CLERMONT LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of West Clermont Local School District (the District's) under programs of the federal government for the year ended June 30, 2019. The information on this Schedule is prepared 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 District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE E – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the entitlement value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

# OHIO AUDITOR OF STATE KEITH FABER



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SouthwestRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

West Clermont Local School District  
Clermont County  
4350 Aicholtz Road, Suite 220  
Cincinnati, Ohio 45245

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Clermont Local School District, Clermont County, (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2019.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2019-001.

***District's Response to Findings***

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not subject the District's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

December 20, 2019



# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

West Clermont Local School District  
Clermont County  
4350 Aicholtz Road  
Cincinnati, Ohio 45245

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited West Clermont Local School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect West Clermont Local School District's major federal program for the year ended June 30, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

### ***Management's Responsibility***

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, West Clermont Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2019.

### ***Report on Internal Control Over Compliance***

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *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 federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of West Clermont Local School District (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 20, 2019. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

West Clermont Local School District  
Clermont County  
Independent Auditor's Report on Compliance With Requirements  
Applicable to the Major Federal Program and On Internal Control Over  
Compliance Required by the Uniform Guidance  
Page 3

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State

Columbus, Ohio

December 20, 2019

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**WEST CLERMONT LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2019**

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster 84.027 & 84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

#### 4. OTHER – FINDING FOR RECOVERY

In addition, we identified the following other issues related to Findings for Recovery. These issues did not impact our GAGAS or Single Audit Compliance and Controls reports.

##### FINDING NUMBER 2019-001

##### Finding for Recovery

**Ohio Rev. Code Section 9.39** states “All public officials are liable for all public money received or collected by them or by their subordinates under color of office.” The term “public official” is defined in **Ohio Rev. Code Section 117.01(E)** as “any officer, employee, or duly authorized representative or agent of a public office.” Additionally, **Ohio Rev. Code 117.01(C)** defines “public money” as “as money received, collected by, or due a public official under color of office, as well as any money collected by an individual on behalf of a public officer or as a purported representative or agent of the public office.” Finally, the term “color of office,” defined in **Ohio Rev. Code Section 117.01(A)**, “means actually, purportedly, or allegedly done under any law, ordinance, resolution, order or other pretension to official right, power, or authority.”

In *Seward v. National Surety Co.*, 120 Ohio St. 47 49-51 (1929), the Court held when public funds come into the hands of the public official or employee under color of office, the public official or employee will be held personally liable for the missing funds.

**The District’s Policy Manual Section 2340 Field and Other District-Sponsored Trips** states in part “For purposes of this policy, a field trip shall be defined as any planned journey by one or more students away from District premises, which is an integral part of an instructional program and is under the direct supervision and control of a professional staff member or any advisor as designated by the Superintendent.

District Policy 2340 further states in part:

“School personnel shall not accept any form of compensation from vendors that might influence their recommendation on the eventual selection of a location for, or a vendor that will provide transportation to, a field or other district-sponsored trip. Furthermore, school personnel shall not accept any compensation from a vendor after a decision has been made regarding the location for, or a vendor that will provide transportation to, a field or other district-sponsored trip. In addition, school personnel who recommended the location for, or a vendor that will provide transportation to, a field or other district-sponsored trip shall not enter into a contractual agreement whereby an individual staff member receives compensation in any form from the vendor that operates the venue for, or provides the transportation to, a field or other district-sponsored trip for services rendered.

Such compensation includes, but is not limited to, cash, checks, stocks, or any other form of securities, and gifts such as televisions, microwave ovens, computers, discount certificates, travel vouchers, tickets, passes, and other such things of value. In the event that a school staff member receives such compensation, albeit unsolicited, from a vendor, the staff member shall notify the Treasurer, in writing, that s/he received such compensation and shall thereafter promptly transit said compensation to the Treasurer at his/her earliest opportunity.”

In 2015, 2016 and 2017, the Glen Este Middle School eighth grade class participated in overnight field trips to Washington D.C. that were approved by the District’s Board. The field trips were organized by a District employee, Trent Davis and the trips were chartered by Croswell Tours, Inc. (Croswell). Each student attending the field trips was responsible for the cost of the trip and payments were made directly to Croswell.

The trip costs per student was provided by Croswell and Mr. Davis approved an additional \$65 per student to provide stipends. Mr. Davis received stipend checks from Croswell in 2015, 2016 and 2017 in the amounts of \$5,980, \$5,330 and \$6,435, respectively. Mr. Davis did not notify the District’s Treasurer that he received checks from Croswell and these checks were not remitted to the District Treasurer. Mr. Davis stated he used the monies to pay himself, chaperones, and other incidental expenses for the students.

**FINDING NUMBER 2019-001  
(Continued)**

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a Finding for Recovery for public monies collected but unaccounted for is hereby issued against Mr. Davis in the amount of \$17,745, and in favor of the District's Student Activities Fund.

**Officials' Response:**

The District is in the process of finalizing a settlement and repayment plan with the individual with whom the Finding for Recovery has been issued and expects repayment in full over the next twelve calendar months.

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# WEST CLERMONT LOCAL SCHOOL DISTRICT

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Natasha L. Adams – Superintendent  
Kelly Sininger - Treasurer

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) JUNE 30, 2019

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2018-001	Significant Deficiency – Adjustments were made to the financial statements for the fiscal year ended June 30, 2018, to properly account for certain activities of the Classroom Facilities Maintenance fund under the District’s election to use the alternative to the one-half mill maintenance levy.	Corrected	The SFY 2019 financial statements properly reflect the one-half mill maintenance proceeds in the Classroom Facilities Maintenance Fund.