



Dave Yost • Auditor of State

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

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**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL ENDED YEAR JUNE 30, 2014**

FEDERAL GRANTOR	Federal		
<i>Pass Through Grantor</i>	CFDA		
Program Title	Number	Receipts	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Education:</i>			
Fruit and Vegetable Program			
Fruit and Vegetable Program	10.582	\$ 136,030	\$ 136,030
<u>Child Nutrition Cluster:</u>			
School Breakfast Program			
School Breakfast Program (Non-Cash Assistance)	10.553	61,265	61,265
School Breakfast Program	10.553	1,961,737	1,961,737
<i>Total CFDA #10.553</i>		<u>2,023,002</u>	<u>2,023,002</u>
National School Lunch Program			
National School Lunch Program (Non-Cash Assistance)	10.555	245,061	245,061
National School Lunch Program	10.555	5,977,899	5,977,899
<i>Total CFDA #10.555</i>		<u>6,222,960</u>	<u>6,222,960</u>
<i>Total Child Nutrition Cluster</i>		<u>8,245,962</u>	<u>8,245,962</u>
<i>Total U.S. Department of Agriculture</i>		<u>8,381,992</u>	<u>8,381,992</u>
U.S. DEPARTMENT OF EDUCATION			
Direct Programs:			
<u>Student Financial Assistance Cluster:</u>			
Federal Pell Grant Program	84.063		
LPN Pell Grant FY-13		14,045	14,045
LPN Pell Grant FY-14		461,267	461,267
<i>Total Federal Pell Grant Program</i>		<u>475,312</u>	<u>475,312</u>
Federal Family Education Loan Program:	84.268		
Adult Education FY-14		1,213,964	1,149,775
<i>Total U.S. Department of Education - Direct Programs</i>		<u>1,689,276</u>	<u>1,625,087</u>
<i>Passed Through Ohio Department of Education:</i>			
<u>Special Education Cluster:</u>			
Special Education Grants to States	84.027		
Special Education IDEA, Part B FY-12			(81)
Special Education IDEA, Part B FY-13		835,711	1,009,349
Special Education IDEA, Part B FY14		5,315,169	4,982,797
<i>Total Special Education Grants to States</i>		<u>6,150,880</u>	<u>5,992,065</u>
Special Education Preschool Grants	84.173		
Preschool Grant FY-13		10,518	19,305
Preschool Grant FY-14		122,873	112,136
<i>Total CFDA #84.173</i>		<u>133,391</u>	<u>131,441</u>
<i>Total Special Education Cluster</i>		6,284,271	6,123,506
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants			
ARRA - Race to the Top FY-14	84.395	3,298,069	2,957,095

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL ENDED YEAR JUNE 30, 2014**

<u>Title I:</u>	84.010		
Title I Grants to Local Educational Agencies-FY 12			2,297
Title I Grants to Local Educational Agencies-FY 13		1,203,766	1,908,734
Title I Grants to Local Educational Agencies-FY 14		15,581,554	15,935,322
<i>Total Title I</i>		<u>16,785,320</u>	<u>17,846,353</u>
Vocational Education Basic Grants to States	84.048		
Adult FY 13		84,925	129,372
Adult FY 14		706,893	639,433
<i>Total Vocational Education Basic Grants to States</i>		<u>791,818</u>	<u>768,805</u>
Education for Homeless Children and Youth	84.196		
FY 13		75	5,827
FY 14		134,664	132,502
<i>Total Education for Homeless Children and Youth</i>		<u>134,739</u>	<u>138,329</u>
Improving Teacher Quality State Grants	84.367		
Improving Teacher Quality FY13		466,515	485,367
Improving Teacher Quality FY14		2,246,471	1,611,508
<i>Total Improving Teacher Quality State Grants</i>		<u>2,712,986</u>	<u>2,096,875</u>
English Language Acquisition Grants	84.365		
Limited English Grant FY 13		5,489	11,543
Limited English Grant FY 14		47,828	45,748
<i>Total English Language Acquisition Grants</i>		<u>53,317</u>	<u>57,291</u>
ARRA McKinney Vento	84.387		
ARRA McKinney Vento		-	21
<u>School Improvement Cluster:</u>			
School Improvement Competitive	84.377	3,008,773	3,196,253
ARRA - School Improvement Competitive	84.388	863,656	608,864
<i>Total School Improvement Cluster</i>		<u>3,872,429</u>	<u>3,805,117</u>
<i>Total U.S. Department of Education - Pass Through Programs</i>		<u>33,932,949</u>	<u>33,793,392</u>
Total U.S. Department of Education		<u>35,622,225</u>	<u>35,418,479</u>
Total Federal Awards Receipts and Expenditures		<u>\$ 44,004,217</u>	<u>\$ 43,800,471</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Toledo City School District's (the District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - 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 C - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE D – FOOD DONATION PROGRAM

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

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

Toledo City School District
Lucas County
420 East Manhattan Blvd.
Toledo, Ohio 43608-1267

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 Toledo City School District, Lucas County, Ohio (the District) as of and for the year ended June 30, 2014, 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 29, 2014.

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 opinions 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider a significant deficiency in internal control. We consider finding 2014-001 to be a significant deficiency.

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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 communication is not suitable for any other purpose.

Dave Yost
Auditor of State

Columbus, Ohio

December 29, 2014



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Toledo City School District
Lucas County
420 East Manhattan Blvd.
Toledo, Ohio 43608-1267

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited Toledo City School District's, Lucas County, Ohio (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Toledo City School District's major federal programs for the year ended June 30, 2014. The *Summary of Audit Results* in the accompanying schedule of findings and questioned costs identifies the District's major federal programs.

Management's Responsibility

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 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 programs. However, our audit does not provide a legal determination of the District's compliance.

Basis for Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster

As described in Findings 2014-003 and 2014-004 in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding the following:

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Finding #	CFDA #	Program (or Cluster) Name	Compliance Requirement
2014-003	10.553/10.555	Child Nutrition Cluster	Allowable Costs
2014-003	84.027/84.173	Special Education Cluster	Allowable Costs
2014-003	84.010	Title I	Allowable Costs
2014-003	84.367	Improving Teacher Quality	Allowable Costs
2014-003	84.395	Race to the Top	Allowable Costs
2014-003	84.377/84.388	School Improvement Cluster	Allowable Costs
2014-004	84.027/84.173	Special Education Cluster	Equipment and Real Property Management
2014-004	84.395	Race to the Top	Equipment and Real Property Management

Compliance with these requirements is necessary, in our opinion, for the District to comply with the requirements applicable to these programs.

Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster* paragraph, Toledo City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster programs for the year ended June 30, 2014.

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 OMB Circular A-133, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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's compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-002 through 2014-004 to be material weaknesses.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Toledo City School District (the District) as of and for the year ended June 30, 2014, 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 29, 2014. We conducted our audit to opine on the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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, 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.

Dave Yost
Auditor of State

Columbus, Ohio

December 29, 2014

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TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
JUNE 30, 2014

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 control weaknesses 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)?	Yes
<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 internal control weaknesses reported for major federal programs?	Yes
<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	Qualified – all major programs
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA # 10.553, 10.555 Child Nutrition Cluster, CFDA # 84.027, and 84.173 Special Education Cluster, CFDA # 84.010 Title I, CFDA # 84.367 Improving Teacher Quality, CFDA # 84.395 Race to the Top, CFDA # 84.377, 84.388 School Improvement Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 1,314,014 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

FINDING NUMBER 2014-001

Capital Assets

Significant Deficiency

According to the District's policy:

- The District conducts a complete inventory every five years, by physical count, of all District-owned equipment and supplies;
- Each building and additions to buildings are identified by location or name and are described in detail (e.g., size, number of floors, square footage, type of construction, etc.) with the value shown for all individual structures;
- Fixed equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Movable equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Any item that has a model number or serial number has that number noted in the description for full identification;
- All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$5,000 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory.

We have identified the following:

- The District does not use Capital Asset software to maintain and update additions, deletions, and depreciation. Capital Assets are currently maintained and updated by the use of spreadsheets;
- The assets reported on the spreadsheets do not always have an assigned asset tag number, and do not always have an adequate description to enable location and observation of the asset, and the equipment assets in school buildings are not always tagged and not always traceable to the capital asset spreadsheets;
- Disposal forms are not utilized for the deletion of assets from the asset spreadsheets

These conditions provide for possible incomplete and inaccurate reporting of capital assets in the financial statements, possible inadequate insurance coverage, and a lack of control and accountability over the District's capital assets.

To correct the above conditions we recommend the District:

- Obtain and implement capital asset software;
- Review the fixed asset policy and consider revisions and inclusion of policy regarding the disposal of assets, transfer of assets, and depreciation;
- Complete asset tagging and provide adequate descriptions of assets;
- Complete disposal forms for the disposal of assets with adequate documentation to support the disposal.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Child Nutrition Program Income

Finding Number	2014-002
CFDA Title and Number	Child Nutrition Cluster – CFDA # 10.553/10.555
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Material Weakness

The District collects money from students for breakfast meals, lunch meals, and ala carte items. Students may pay daily for meals, may pay in advance for multiple meals, or may charge all or part of a meal to be paid in the future.

The District has not implemented controls to ensure that the correct rates are charged to students related to the food service program. For 83 percent of transaction tested, the District did not maintain written support to identify what products were sold and the amount collect for each item. As such, it was impossible to determine that students were charged the correct rate in accordance with the pricing list.

Failure to document products sold and receipts collected could result in theft of District assets or charging students incorrectly for products.

We recommend the District establish policies and procedures to ensure that all receipts collected are supported as to products sold and amounts collected.

Federal Payroll Disbursements

Finding Number	2014-003
CFDA Title and Number	All Major Programs
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Education/U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Questioned Cost/Noncompliance/Material Weakness

2CFR, Appendix B to Part 225(8)(g) requires employees who work on multiple activities or cost objectives, to support the distribution of their salaries or wages with personnel activity reports or equivalent documentation which meets the standards unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency. Employees whose compensation is allocated solely to a single cost objective must furnish semiannual certificates that he/she has been engaged solely in activities supportive of the cost objectives.

The District charged Federal grant programs for payroll and benefits expenditures that were either unsupported by required personnel activity reports or did not match activities documented on personnel activity reports provided.

The following conditions exist over the Districts documentation of personnel activity;

- Employees working on multiple activities or cost objectives did not always complete time and effort forms (i.e. monthly personnel activity reports) or semi-annual certifications indicating that the employee has worked on a single cost objective throughout the semi-annual period;
- Personnel activity as documented by employees on time and effort forms or semi-annual certifications did not always match amounts charged to grants;

Based on non-compliance identified above, we are questioning the following grant expenditures:

Program	CFDA	Amount
Child Nutrition Cluster	10.553/10.555	\$76
Race-to-Top	84.395	1,570
Special Education Cluster	84.027/84.173	11,829
School Improvement	84.388	4,450
Title I	84.010	2,907
Improving Teacher Quality	84.367	3,607
	Total	\$24,440

Failure to establish and monitor controls over personnel activity reports could result in the District inappropriately charging Federal grants for work not performed. This could result in reduced grant funding in the future.

We recommend the District perform the following procedures:

- Review Federal guidelines that identify requirements for documenting personnel activity;
- Establish and implement procedures to ensure Federal payroll expenditures are supported as required by 2 CFR, Part 225;
- Establish procedures to monitor the completion and accuracy of personnel activity documentation to ensure each charge to a Federal grant is properly supported, and consider who the appropriate personnel to sign the form should be. The personnel who signs the form attesting to accuracy should have first-hand knowledge supporting that wages paid meets allowable activity and costs permitted by the grant;
- The District should reconcile, not less than quarterly, amounts budgeted for each employee to a Federal grant to actual time spent on the Federal grant. Any differences should be posted to the accounting system.

Special Education and Race to the Top Equipment Inventory Listing

Finding Number	2014-004
CFDA Title and Number	Special Education Cluster – CFDA # 84.027/84.173, Race to the Top – CFDA # 84.395
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Noncompliance/Material Weakness

34CFR Subtitle A §80.32(d) requires that:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property,
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property.
- (4) If the grantee or sub grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(5) Disposition. When original or replacement equipment acquired under a grant or sub grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(a) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(b) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

The District did not have an equipment listing for items meeting the above conditions for Special Education and Race to the Top.

We recommend the District establish procedures for equipment management, including the above requirements, for the Federal programs that require equipment management.

Officials' Response:

We did not receive a response from Officials to the above findings.

TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2014

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-001	Significant deficiency because the District did not follow Capital Asset Policy.	No	Not corrected and re-issued as Finding 2014-001.
2013-002	Material federal control weakness due to lack of controls over child nutrition program income.	No	Not corrected and re-issued as Finding 2014-002.
2013-003	Material federal control weakness regarding child nutrition eligibility.	Yes	
2013-004	Part 7 CFR 3015.160 through .175 due to lack of adequate child nutrition equipment listing.	Yes	
2013-005	Questioned costs of \$64,042 due to federal payroll disbursements not being supported by 2 CFR, Part 225.	No	Not corrected and re-issued as Finding 2014-003.
2013-006	34CFR Subtitle A §80.32(d) for the District not maintaining a federal equipment listing.	No	Not corrected and re-issued as Finding 2014-004.

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
JUNE 30, 2014**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2014-002	The District is continuing work on a point of sale system in the elementary schools. Further education will be provided to food service workers	6/30/2015	James Gant, Business Manager
2014-003	The District has started to complete time and effort forms by pay ending date, not pay date. Time card online is being implemented in the District's HR and payroll software, which should help with employee compliance. Also, time and effort certifications are being collected semi-monthly now.	6/30/2015	Angela Nowak, Director of OMB
2014-004	The District completed an inventory in 2014. The results are being entered into the Fixed Asset module of the Districts accounting package.	6/30/2015	Eric Shreve, Director of Finance/Act.