

**FORT BEND
INDEPENDENT SCHOOL DISTRICT
FEDERAL SINGLE AUDIT REPORT**

**For The Fiscal Year Ended
June 30, 2020**

FORT BEND INDEPENDENT SCHOOL DISTRICT
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**REPORT OF INDEPENDENT AUDITORS 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 Trustees
Fort Bend Independent School District
Sugar Land, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Fort Bend Independent School District (the “District”), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated October 6, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Board of Trustees
Fort Bend Independent School District

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whitley Penn LLP

Houston, Texas
October 6, 2020

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Fort Bend Independent School District
Sugar Land, Texas

Report on Compliance for Each Major Federal Program

We have audited Fort Bend Independent School District's (the "District") 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 District's major federal programs for the year ended June 30, 2020. The District'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 District'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 District'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 District's compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control Over Compliance

Management of the District 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 District'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 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, 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.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 6, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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.

To the Board of Trustees
Fort Bend Independent School District

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 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.

Whitley Penn LLP

Houston, Texas
October 6, 2020

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2020

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal controls over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)	No

Identification of Major Programs:

Name of Federal Program	CFDA Number
ESEA, Title I, Part A – Improving Basic Programs	84.010A
Title I, 1003 School Improvement	84.010A
Title III, Part A – English Language Acquisition and Language Enhancement	84.365A
Title III, Part A – Immigrant	84.365A
Elementary and Secondary School Emergency Relief	84.425D
Dollar threshold used to distinguish between Type A and Type B Federal Programs:	\$1,680,518
Auditee qualified as low-risk auditee?	Yes

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended June 30, 2020

II. Financial Statement Findings

None noted

III. Federal Awards Findings and Questioned Costs

None noted

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

Exhibit K-1
Page 1 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2a) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U.S. Department of Education:				
Passed Through Texas Education Agency:				
Title I, Part A				
211	ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101079907	\$ 7,752,165
211	ESEA, Title I, Part A - Improving Basic Programs	84.010A	19610101079907	1,230,328
211	Title I - 1003 School Improvement	84.010A	20610141079907	56,210
211	Title I - 1003 School Improvement	84.010A	19610141079907	35,844
289	School Action Fund - Planning	84.010A	196101477110015	2,860
	Total Title I, Part A, CFDA 84.010A			9,077,407
Special Education Cluster				
224	IDEA - Part B, Formula*	84.027A	206600010799076600	10,179,922
224	IDEA - Part B, Formula*	84.027A	196600010799076600	2,280,971
225	IDEA - Part B, Preschool	84.173A	206610010799076610	196,433
225	IDEA - Part B, Preschool	84.173A	196610010799076610	50,036
	Total CFDA 84.173A			246,469
226	IDEA-B High Cost*	84.027A	66002006	969,078
315	IDEA - Part B, Disc (Deaf)*	84.027A	206600110799076673	87,710
315	IDEA - Part B, Disc (Deaf)*	84.027A	196600110799076673	35,412
	Total CFDA 84.027A*			13,553,093
	Total Special Education Cluster			13,799,562
211	School Transformation Fund - Implementation	84.377A	176107337110010	387,660
206	Texas Education for Homeless Children and Youth	84.196A	204600057110031	97,879
206	Texas Education for Homeless Children and Youth	84.196A	194600057110027	1,362
	Total CFDA 84.196A			99,241
244	Career and Technical-Basic Grant	84.048A	20420006079907	535,123
244	Career and Technical-Basic Grant	84.048A	19420006079907	215,385
	Total CFDA 84.048A			750,508
255	ESEA, Title II, Part A, Supporting Effective Instruction	84.367A	20694501079907	1,390,611
255	ESEA, Title II, Part A, Supporting Effective Instruction	84.367A	19694501079907	391,478
	Total CFDA 84.367A			1,782,089
263	Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	20671001079907	858,892
263	Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	19671001079907	328,135
263	Title III, Part A, Immigrant	84.365A	20671003079907	158,334
263	Title III, Part A, Immigrant	84.365A	19671003079907	54,671
	Total CFDA 84.365A			1,400,032
266	COVID-19 - Elementary and Secondary School Emergency Relief 19-20	84.425D	20521001079907	8,555,520
276	Instructional Continuity	84.377A	17610740079907	92,324
289	Title IV, Part A	84.424A	20680101079907	454,244
289	Title IV, Part A	84.424A	19680101079907	44,667
	Total CFDA 84.424A			498,911
289	Texas Hurricane Homeless Youth	84.938B	19513701079907	96,476
288	Title VI, Part A, Summer School LEP	84.369A	69551802	41,406
340	IDEA C Early Intervention (Deaf)	84.181A	203911010799073911	1,333
	Total Passed Through Texas Education Agency			36,582,469
	Total U.S. Department of Education			36,582,469

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

Exhibit K-1
Page 2 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2a) Pass-Through Entity Identifying Number	(3) Federal Expenditures
	<u>U.S. Department of Agriculture</u>			
	Passed Through the Texas Department of Agriculture:			
	Cash assistance:			
240	Child and Adult Care Food Program	10.558	551	\$ 639,348
240	National School Lunch Program Equipment Assistance	10.579	6TX300355	100,868
	Total Passed Through Texas Department of Agriculture			740,216
	Child Nutrition Cluster:			
	Passed Through the Texas Department of Agriculture:			
240	Non-cash assistance (commodities):			
	National School Lunch Program**	10.555	079-907	1,268,879
	Total Passed Through Texas Department of Agriculture			1,268,879
	Passed Through Texas Education Agency:			
	Cash assistance:			
240	National School Breakfast Program	10.553	71402001	2,671,810
240	National School Lunch Program**	10.555	71302001	9,624,554
240	COVID-19 - Unanticipated School Closures 2019-20	10.555	71302001	1,828,061
	Total Passed Through Texas Education Agency			14,124,425
	Total CFDA 10.555**			12,721,494
	Total Child Nutrition Cluster			15,393,304
	Total U. S. Department of Agriculture			16,133,520
	<u>U.S. Department of Justice</u>			
	Passed Through Office of Governor, Criminal Justice Division:			
288	Campus Victim Assistance Program K-12	16.575	3794101	503,498
288	NCS-X Initiative	16.734	3713201	333,713
	Total Passed Through Office of Governor, Criminal Justice Division			837,211
	Total U. S. Department of Justice			837,211
	<u>U.S. Department of Treasury</u>			
	Passed Through Fort Bend County			
199	COVID-19 - Coronavirus Relief Fund	21.019	746001969	360,165
	Total Passed Through Fort Bend County			360,165
	Total U. S. Department of Treasury			360,165
	<u>U.S. Department of Health and Human Services</u>			
	Passed Through Texas Health and Human Services Commission:			
272	Medicaid Administrative Claiming Program (MAC)	93.778	079-907	380,987
	Total Passed Through Texas Health and Human Services Commission			380,987
	Total U. S. Department of Health and Human Services			380,987
	<u>U.S. Department of Homeland Security</u>			
	Passed Through Texas Department of Emergency Management:			
	Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	DR-1791	343,801
	Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	DR-4332	1,379,097
	Total CFDA 97.036			1,722,898
	Total Passed Through Texas Department of Emergency Management:			1,722,898
	Total U.S. Department of Homeland Security			1,722,898
	Total Expenditures of Federal Awards			\$ 56,017,250

FORT BEND INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

Note 1 - Basis of Accounting

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of the 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 3 - Reconciliation to Basic Financial Statements

The following is a reconciliation of expenditures of federal awards per Exhibit K-1 and federal revenues reported on Exhibit C-3 of the District's Comprehensive Annual Financial Report:

Total Expenditures of Federal Awards on Exhibit K-1	\$ 56,017,250
School Health and Related Services (SHARS)	9,666,248
Reserve Officers' Training Corps (ROTC)	695,658
E-Rate	164,441
Federal Revenues Reported on Exhibit C-3	<u>\$ 66,543,597</u>

FORT BEND INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the Year Ended June 30, 2020

Note 4 - General Fund Expenditures

Federal awards reported in the general fund are summarized as follows:

Program or Source	CFDA Number	Amount
SHARS	N/A	\$ 9,666,248
Reserve Officers' Training Corps	12.000	695,658
E-Rate		164,441
Coronavirus Relief Fund	21.019	360,165
Disaster Grants Public Assistance	97.036	1,722,898
Indirect Costs:		
ESEA Title I, Part A, Improving Basic Programs	84.010A	317,265
IDEA-B, Formula	84.027A	329,859
IDEA - Part B, Preschool	84.173A	9,202
Career and Technical - Basic Grant	84.048A	21,869
ESEA, Title II, Part A: Supporting Effective Instruction	84.367A	64,903
 Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	46,961
Title IV, Part A: Student Support and Academic Enrichment Grant	84.424A	14,727
ESEA Title X, Part C Education for Homeless Children and Youth	84.196A	4,640
Texas Hurricane Homeless Youth	84.938B	3,796
Campus Victim Assistance Program K-12	16.575	1,320
Total		\$ 13,423,952

FORT BEND INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2020

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, “The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings.” The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit’s schedule of findings and questioned costs and
- All audit findings reported in the prior audit’s summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

None reported

FORT BEND INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

For the Year Ended June 30, 2020

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, “At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports.”

I. Corrective Action Plan

Not Applicable