

**FORT BEND
INDEPENDENT SCHOOL DISTRICT**

FEDERAL SINGLE AUDIT REPORT

**For the Fiscal Year Ended
June 30, 2021**

FORT BEND INDEPENDENT SCHOOL DISTRICT

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**INDEPENDENT AUDITOR’S 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 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, 2021, 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 25, 2021.

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.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
October 25, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE 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, 2021. 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, 2021.

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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 25, 2021, 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.

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.



Houston, Texas
October 25, 2021

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

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	ALN Number
Child Nutrition Cluster	10.553/10.555/10.559
COVID-19 Coronavirus Relief Fund	21.019
ESEA, Title II, Part A – Supporting Effective Instruction	84.367A
COVID-19 Elementary and Secondary School Emergency Relief I (ESSER I)	84.425D
COVID-19 Elementary and Secondary School Emergency Relief II (ESSER II)	84.425D
Dollar threshold used to distinguish between Type A and Type B Federal Programs:	\$2,116,621
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, 2021

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, 2021

Exhibit K-1
Page 1 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) *Federal Assistance Living Number	(2a) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U.S. Department of Education:				
Passed Through Texas Education Agency:				
211	ESEA, Title I, Part A - Improving Basic Programs	84.010A	21610101079907	\$ 7,761,602
211	ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101079907	3,930,240
211	Title I - School Improvement	84.010A	21610141079907	48,991
211	Title I - School Improvement	84.010A	20610141079907	22,230
289	School Action Fund - Planning	84.010A	196101477110015	197,496
	Total ALN 84.010			<u>11,960,559</u>
224	IDEA - Part B, Formula	84.027A	216600010799076000	9,845,983
224	IDEA - Part B, Formula	84.027A	206600010799076000	3,230,666
225	IDEA - Part B, Preschool	84.173A	216610010799076010	155,900
225	IDEA - Part B, Preschool	84.173A	206610010799076010	12,878
226	High Cost Fund	84.027A	66002106	1,058,869
226	High Cost Fund	84.027A	66002006	3,893
315	IDEA - Part B, Disc (Deaf)	84.027A	216600110799076673	16,936
315	IDEA - Part B, Disc (Deaf)	84.027A	206600110799076673	272,230
	Total Special Education Cluster (ALN 84.027, 84.173)			<u>14,597,355</u>
206	Texas Education for Homeless Children and Youth	84.196A	214600057110031	125,545
206	Texas Education for Homeless Children and Youth	84.196A	204600057110031	2,955
	Total ALN 84.196			<u>128,500</u>
244	Perkins V: Strengthening CTE For 21st Century	84.048A	21420006079907	591,864
244	Career and Technical-Basic Grant	84.048A	20420006079907	176,161
	Total ALN 84.048			<u>768,025</u>
255	ESEA, Title II, Part A, Supporting Effective Instruction	84.367A	21694501079907	685,017
255	ESEA, Title II, Part A, Supporting Effective Instruction	84.367A	20694501079907	1,046,050
	Total ALN 84.367			<u>1,731,067</u>
263	Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	21671001079907	657,446
263	Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	20671001079907	484,840
263	Title III, Part A, Immigrant	84.365A	21671003079907	240,491
263	Title III, Part A, Immigrant	84.365A	20671003079907	50,323
	Total ALN 84.365			<u>1,433,100</u>
266	COVID-19 - Elementary and Secondary School Emergency Relief I (ESSER I)	84.425D	20521001079907	445,862
281	COVID-19 - Elementary and Secondary School Emergency Relief II (ESSER II)	84.425D	21521001079907	9,220,863
281	COVID-19 - ESSER II - Prior Purchase Reimbursement Program	84.425D	52102135	8,306,890
	Total ALN 84.425			<u>17,973,615</u>
211	School Transformation Fund - Implementation	84.377A	176107337110010	27,837
276	Instructional Continuity	84.377A	17610740079907	30,904
	Total ALN 84.377			<u>58,741</u>
289	Title IV, Part A	84.424A	21680101079907	340,206
289	Title IV, Part A	84.424A	20680101079907	554,943
	Total ALN 84.424			<u>895,149</u>
289	Texas Hurricane Homeless Youth	84.938B	19513701079907	724
340	IDEA C Early Intervention (Deaf)	84.181A	213911010799073911	2,198
340	IDEA C Early Intervention (Deaf)	84.181A	203911010799073911	2,358
	Total ALN 84.181			<u>4,556</u>
	Total U.S. Department of Education			<u>49,551,391</u>

*ALN formerly known as CFDA#

FORT BEND INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

Exhibit K-1
Page 2 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) *Federal Assistance Living Number	(2a) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U.S. Department of Agriculture				
Passed Through the Texas Department of Agriculture:				
240	Cash assistance: <i>Child and Adult Care Food Program</i>	10.558	551	\$ 509,529
Passed Through the Texas Department of Agriculture:				
240	Non-cash assistance (commodities): <i>National School Lunch Program**</i>	10.555	806780706	1,012,262
242	Cash assistance			
240	<i>National School Lunch Program Equipment Assistance**</i>	10.579	6TX300355	54,640
Passed Through Texas Education Agency:				
240	Cash assistance: <i>National School Breakfast Program</i>	10.553	71402101	2,275,138
240	<i>National School Lunch Program</i>	10.555	71302101	9,257,335
240	<i>COVID-19 - National School Lunch Program - Emergency Operational Cost Reimbursement</i>	10.555	17460252533	1,347,650
	Total Child Nutrition Cluster** (ALN 10.553, 10.555, 10.579)			<u>13,947,025</u>
Total U. S. Department of Agriculture				<u>14,456,554</u>
U.S. Department of Justice				
Passed Through Office of Governor, Criminal Justice Division:				
288	<i>Campus Victim Assistance Program K-12</i>	16.575	3794102	107,490
288	<i>Campus Victim Assistance Program K-12</i>	16.575	3794101	159,124
	Total ALN 16.575			<u>266,614</u>
Total U. S. Department of Justice				<u>266,614</u>
U.S. Department of Treasury				
Passed Through Fort Bend County				
240	<i>COVID-19 - Coronavirus Relief Fund</i>	21.019	746001969	202,110
277	<i>COVID-19 - Coronavirus Relief Fund</i>	21.019	746001969	1,581,543
277	<i>COVID-19 - Coronavirus Relief Fund - Operation Connectivity Bulk Order</i>	21.019	746001969	227,200
Passed Through Texas Education Agency				
277	<i>COVID-19 - Coronavirus Relief Fund - Operation Connectivity Bulk Order</i>	21.019	52202002	227,200
Passed Through Texas Department of Emergency Management				
199	<i>COVID-19 - Coronavirus Relief Fund</i>	21.019	575	2,724,564
	Total ALN 21.019			<u>4,962,617</u>
Total U. S. Department of Treasury				<u>4,962,617</u>
U.S. Department of Health and Human Services				
Passed Through Texas Health and Human Services Commission:				
272	<i>Medicaid Administrative Claiming Program (MAC)</i>	93.778	HHS000537900266	282,818
Passed Through U.S. Health Resources and Services Administration:				
289	<i>COVID-19 - Provider Relief Fund</i>	93.498	079-907	225,297
289	<i>COVID-19 - Provider Relief Fund - Round 3</i>	93.498	079-907	782,646
	Total ALN 93.498			<u>1,007,943</u>
Total U. S. Department of Health and Human Services				<u>1,290,761</u>
U.S. Department of Homeland Security				
Passed Through Texas Department of Emergency Management:				
199	<i>Disaster Grants Public Assistance (Presidentially Declared Disasters)</i>	97.036	DR-4332	26,081
Total U.S. Department of Homeland Security				<u>26,081</u>
Total Expenditures of Federal Awards				<u>\$ 70,554,018</u>

*ALN formerly known as CFDA#

FORT BEND INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

Exhibit K-1

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, 2021. 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	\$	70,554,018
School Health and Related Services (SHARS)		9,613,025
Reserve Officers' Training Corps (ROTC)		767,322
E-Rate		412,756
Federal Revenues Reported on Exhibit C-3	\$	<u>81,347,121</u>

FORT BEND INDEPENDENT SCHOOL DISTRICT**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)****For the Year Ended June 30, 2021****Note 4 - General Fund Expenditures**

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

Program or Source	Federal ALN	Amount
SHARS	N/A	\$ 9,613,025
Reserve Officers' Training Corps	12.000	767,322
E-Rate		167,163
COVID-19 - Coronavirus Relief Fund	21.019	2,724,564
Disaster Grants Public Assistance	97.036	26,081
Indirect Costs:		
Texas Education for Homeless Children and Youth	84.196A	3,207
ESEA Title I, Part A, Improving Basic Programs	84.010A	526,356
Title I - School Improvement	84.010A	2,656
School Transformation Fund - Implementation	84.377A	7,500
IDEA-B, Formula	84.027A	628,812
IDEA - Part B, Preschool	84.173A	922
Career and Technical - Basic Grant	84.048A	24,073
ESEA, Title II, Part A: Supporting Effective Instruction	84.367A	72,691
Title III, Part A, English Language Acquisition and Language Enhancement	84.365A	67,761
Instructional Continuity	84.377A	4,544
School Action Fund - Planning	84.010A	3,324
Title IV, Part A	84.424A	33,587
Texas Hurricane Homeless Youth	84.938B	724
Total		<u><u>\$ 14,674,312</u></u>

FORT BEND INDEPENDENT SCHOOL DISTRICT***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS******For the Year Ended June 30, 2021***

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, 2021

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