



**Kenai Peninsula Borough School
District**
(A Component Unit of the Kenai Peninsula
Borough)

Single Audit Reports
Year Ended June 30, 2022

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

Single Audit Reports
Year Ended June 30, 2022

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

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Tel: 907-278-8878
Fax: 907-278-5779
www.bdo.com

3601 C Street, Suite 600
Anchorage, AK 99503

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*

Members of the School Board
Kenai Peninsula Borough School District
Soldotna, Alaska

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, each major fund, and the aggregate remaining fund information of the Kenai Peninsula Borough School District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 1, 2022.

Report on 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 the 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

Anchorage, Alaska
November 1, 2022



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3601 C Street, Suite 600
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Independent Auditor's Report 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

Members of the School Board
Kenai Peninsula Borough School District
Soldotna, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Kenai Peninsula Borough School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the types of compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 1, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 1, 2022



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Independent Auditor’s Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance and Report on the Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

Members of the School Board
Kenai Peninsula Borough School District
Soldotna, Alaska

Report on Compliance for each Major State Program

Opinion on Each Major State Program

We have audited Kenai Peninsula Borough School District’s (the District’s) compliance with the types of compliance requirements identified as subject to audit in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of the District’s major state programs for the year ended June 30, 2022. The District’s major state programs are identified in the accompanying Schedule of State Financial Assistance.

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 state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Our responsibilities under those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the District’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District’s state programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* requirements will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 state 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 state 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of State Financial Assistance Required by the State of Alaska

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 1, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by the State of Alaska 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 1, 2022

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<i>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
U.S. Department of Education				
Direct				
Indian Education Grants to Local Educational Agencies	84.060A	S060A200799	\$ -	\$ 384,970
Passed through Alaska Department of Education and Early Development:				
Title I Grants to Local Educational Agencies				
Neglected and Delinquent	84.010	ND 22.KPSD.01	-	105,410
NCLB - Title I-A Basic	84.010	IP 22.KPSD.01	-	1,449,422
NCLB - Title I-A 1% Parent Involvement	84.010	IP 22.KPSD.01	-	22,498
NCLB - Title I-A Pre-K	84.010	IP 22.KPSD.01	-	603,750
Title I-A, School Improvement - Implementation	84.010	SI 22.KPSD.02	-	72,615
Admin Pool - Title I-A, I-C, III-A, II-A, IV-A	84.010	IP.22.KPSD.01	-	316,893
Total ALN 84.010			-	2,570,588
Supporting Effective Instruction State Grants				
NCLB - Title II-A, Training & Recruiting	84.367	IP 22.KPSD.01	-	560,960
Special Education Cluster (IDEA):				
Special Education Grants to States				
Title VI-B IDEA	84.027	SE 22.KPSD.01	-	2,438,848
Discretionary Special Education	84.027	DS 22.KPSD.01	-	15,000
Total Special Education Grants to States			-	2,453,848
Special Education Preschool Grants				
Title VI - B, IDEA Section 619	84.173	SE 22.KPSD.01	-	63,590
Title VI - B, IDEA ARP FUNDS - ARPA	84.173	SE 22.KPSD.01	-	139,805
Title VI - B, Section 619 IDEA ARP FUNDS - ARPA	84.173	SE 22.KPSD.01	-	2,391
Total Special Education Preschool Grants			-	205,786
Total Special Education Cluster (IDEA)				
			-	2,659,634
Migrant Education State Grant Program				
NCLB - Title I-C Migrant	84.011	IP 22.KPSD.01	-	851,768
Migrant Education Book	84.011	MB 22.KPSD.01	-	18,150
Total ALN 84.011			-	869,918
Education for Homeless Children and Youth	84.196A	FR 22.KPSD.01	-	24,213
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	IP 22.KPSD.01	-	9,447
Student Support and Academic Enrichment Program				
Title IV - A, Student Support and Academic Enrichment	84.424A	IP 22.KPSD.01	-	376,076
English Language Acquisition State Grants				
Title III - A, English Language Acquisition	84.365	IP 22.KPSD.01	-	12,361
Passed thru the University of Alaska-Fairbanks:				
TRIO Cluster: Trio Upward Bound	84.047	P047A181279-20	-	15,603
Career and Technical Education - Basic Grants to States	84.048	EK 22.KPSD.01	-	353,038
Education Stabilization Fund				
ESSER II - COVID-19	84.425D	ER 22.KPSD.01	-	9,088,405
ESSER III - COVID-19	84.425D	ER 22.KPSD.01	-	3,026,003
McKinney - Vento Homeless Education ARP I - ARPA	84.425W	HM 22.KPSD.01	-	6,066
McKinney - Vento Homeless Education ARP II - ARPA	84.425W	AH 22.KPSD.01	-	991
Total Education Stabilization Fund			-	12,121,465
Total U.S. Department of Education			-	19,958,273

The accompanying notes are an integral part of this schedule.

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)
Schedule of Expenditures of Federal Awards, continued
Year Ended June 30, 2022

<i>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Provided to Subrecipients</i>	<i>Total Federal Expenditures</i>
U.S. Department of Health and Human Services:				
Passed thru the Alaska Department of Education and Early Development:				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				
COVID-19 DHSS Testing	93.323	601-308-21026	\$ -	\$ 1,036,291
National Endowment for the Arts (NEA):				
Passed through Alaska State Council on the Arts -				
Promotion of the Arts Partnerships Agreements	45.025	FY22AIS0003	-	500
U.S. Department of Agriculture:				
Passed through Alaska Department of Education and Early Development:				
Child Nutrition Cluster:				
School Breakfast Program				
Commodities	10.553	FY2022	-	199,887
Food Service Fund	10.553	2401	-	883,914
Total ALN 10.553			-	1,083,801
National School Lunch Program				
Food Service Fund	10.555	2401	-	3,887,507
Supply Chain Assistance	10.555	FD 22.KPBSD.02	-	166,082
Total ALN 10.555			-	4,053,589
Fresh Fruit & Vegetable Program	10.582	FF 22.KPSD.01	-	148,314
Fresh Fruit & Vegetable Program	10.582	FF 22.KPSD.02	-	67,848
Total ALN 10.582			-	216,162
Total Child Nutrition Cluster			-	5,353,552
Child Nutrition Discretionary Grants Limited Availability				
NSLP Equipment Assistant Grant	10.579	NS 22.KPSD.01	-	14,488
Pandemic EBT Administrative Costs	10.649	FY2022	-	3,063
Cooperative Forestry Assistance	10.664	FY2022	-	1,218
Total U.S. Department of Agriculture			-	5,372,321
U.S. Department of the Treasury:				
Passed through Kenai Peninsula Borough:				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027	KPB 021-019-08	-	2,000,000
Total Expenditures of Federal Awards			\$ -	\$ 28,367,385

The accompanying notes are an integral part of this schedule.

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Kenai Peninsula Borough School District under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented 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 Kenai Peninsula Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Kenai Peninsula Borough School District.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

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

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

Schedule of State Financial Assistance
Year Ended June 30, 2022

<i>State Agency / Program Title</i>	<i>Award Number</i>	<i>Passed Through to Subrecipients</i>	<i>State Expenditures</i>
Alaska State Council on the Arts			
Promotion of the Arts Partnerships Agreements Artist in Schools	FY22AIS10003	\$ -	\$ 1,088
Department of Education and Early Development			
* Public School Funding Program		-	73,573,326
Pupil Transportation		-	7,206,772
House Bill 39		-	29,652
Staff Development		-	550
Alternative Schools	BH 22.KPSD.01	-	49,606
Broadband Assistance Grant	SBG 22.024.12	-	22,853
Early Learning	PE 22.KPSD.01	-	115,639
Quality Schools	FY22	-	279,348
Substance Misuse and Addiction Prevention	AP22.KPSD.01	-	4,137
Suicide Awareness, Prevention & Postvention	SP 22.KPSD.01	-	27,162
Youth In Detention - Marathon School Facility	EY22.KPSD.01	-	113,455
Total Department of Education and Early Development		-	81,422,500
Department of Labor			
Alaska Division of Vocational Rehabilitation	AFP # 1455, 1459, & 1474	-	37,077
Total State Financial Assistance		\$ -	\$ 81,460,665

Note 1: Major Program Notation

* Denotes a major program

Note 2: Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Kenai Peninsula Borough School District under programs of the State of Alaska for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Kenai Peninsula Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Kenai Peninsula Borough School District.

Note 3: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting.

**Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes X no
 Significant deficiency(ies) identified? Yes X (none reported)

Noncompliance material to financial statements noted? Yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? Yes X no
 Significant deficiency(ies) identified? Yes X (none reported)

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal programs:

<i>Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Agency</i>
21.027	Coronavirus State and Local Fiscal Recovery Funds	U.S. Department of the Treasury
84.027/84.173	Special Education Cluster (IDEA)	U.S. Department of Education
84.425	Education Stabilization Fund	U.S. Department of Education
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	U.S. Department of Health and Human Services

Dollar threshold used to distinguish between Type A and Type B Federal programs: \$ 851,021

Auditee qualified as low-risk auditee? X yes no

State Financial Assistance

Type of auditor's report issued on compliance for major state programs: Unmodified

Internal control over major state programs:

Material weakness(es) identified? yes X no
 Significant deficiency(ies) identified? yes X (none reported)

Dollar threshold used to distinguish between Type A and Type B State programs: \$ 2,443,820

Auditee qualified as low-risk auditee? X yes no

Kenai Peninsula Borough School District
(A Component Unit of the Kenai Peninsula Borough)

Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2022

**Section II - Financial Statement Findings Required to be Reported in Accordance with
*Government Auditing Standards***

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in in 2 CFR 200.516(a)) that are required to be reported.

Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.