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AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Chairman and Board of Trustees  
Hansen School District  
Hansen, ID 83334

**Report on Compliance for Each Major Federal Program**

We have audited Hansen School District (the District)'s 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 types of 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 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

Sincerely,

*Mahlke Hunsaker & Co.*

MAHLKE HUNSAKER & CO., PLLC

Twin Falls, Idaho

October 15, 2021

**HANSEN SCHOOL DISTRICT  
HANSEN, IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>			
<b>Passed Through State Superintendent of Public Instruction</b>			
School Breakfast Program	10.553	202020N850347	\$ 1,655
National School Lunch Program	10.555	202020N850347	10,166
Special Milk Program for Children	10.556	202020N850347	8
		202020N850347	
Summer Food Service Program for Children	10.559	202121N109947	<u>166,232</u>
<b>Total U.S. Department of Agriculture</b>			178,061
<b>U.S. Department of Education</b>			
<b>Passed Through State Superintendent of Public Instruction</b>			
Title 1 Grants to Local Educational Agencies	84.010	S010A190012	106,919
Migrant Education Basic State Formula Grant Program	84.011	S011A200012	37,755
		S144F190012	
Migrant Education Interstate & Intrastate Coordination Program	84.144	S144F180012	1,124
Twenty-First Century Community Learning Centers	84.287	S287C190012	108,821
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	PSS4S180012	30,694
		S367A180011	
Supporting Effective Instruction State Grant Assistance to States for Education of Handicapped Children:	84.367	S367A20011	12,910
		H173A190030	
Special Education-Preschool Grants	84.173	H173A200030	8,336
		H027A190088	
Special Education-Grants to States	84.027	H027A200088	77,595
		S424A190013	
Student Support & Academic Enrichment	84.424	S424A200013	9,015
Elementary & Secondary School Emergency Relief Fund	84.425	S425D200043	<u>17,328</u>
<b>Total U.S. Department of Education</b>			410,497
<b>Department of the Treasury</b>			
<b>Passed Through State Superintendent of Public Instruction</b>			
Coronavirus Relief Fund	21.019	20-1892-0-1-806	<u>225,803</u>
<b>Total Department of the Treasury</b>			<u>225,803</u>
<b>Total</b>			<u>\$ 814,361</u>

See Notes to Schedule of Expenditures of Federal Awards.

**HANSEN SCHOOL DISTRICT  
HANSEN, IDAHO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal award activity of Hansen School District (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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Uniform Guidance.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the schedule of expenditures of federal awards are recognized on the accrual basis of accounting. No federal assistance has been provided to a sub recipient. When applicable, 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 C – Indirect Cost Rate**

The District has not elected to use the 10% de minimis cost rate.

**HANSEN SCHOOL DISTRICT  
HANSEN, IDAHO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**Section I---Summary of Auditors' Results**

*Financial Statements*

Type of auditor's report issued: *qualified*

Internal control over financial reporting:

\* Material weakness(es) identified?            yes no

\* Significant deficiency(s) identified  
that are not considered to be  
material weaknesses?            yes none reported

Noncompliance material to financial  
statements noted?            yes no

*Federal Awards*

Internal control over major programs:

\* Material weakness(es) identified?            yes no

\* Significant deficiency(s) identified  
that are not considered to be material  
weakness(es)?            yes 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 the Uniform Guidance 2 CFR 200.516            yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish  
between type A and type B programs:            \$ 750,000

Auditee qualified as low-risk auditee?            yes no

**HANSEN SCHOOL DISTRICT  
HANSEN, IDAHO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**Section II -- Financial Statement Findings**

None

**Section III -- Federal Award Findings and Questioned Costs**

None