# Table of Contents

NEW HARTFORD CENTRAL SCHOOL DISTRICT

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</td>
<td>1</td>
</tr>
<tr>
<td>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</td>
<td>2</td>
</tr>
<tr>
<td>INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY OMB CIRCULAR A-133</td>
<td>3</td>
</tr>
<tr>
<td>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</td>
<td>6</td>
</tr>
</tbody>
</table>

June 30, 2015
NEW HARTFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2015

<table>
<thead>
<tr>
<th>Federal Grantor/ Pass-Through Grantor/</th>
<th>Federal CFDA Number</th>
<th>Award Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Title</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>U.S. DEPARTMENT OF EDUCATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed-Through New York State Department of Education: (Pass-Through Grantor's Number Unknown)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title I, Grants to Local Educational Agencies</td>
<td>84.010</td>
<td>0021-15-2015</td>
<td>$ 240,063</td>
</tr>
<tr>
<td>Title I, Grants to Local Educational Agencies, School Improvement</td>
<td>84.010</td>
<td>0011-15-3050</td>
<td>44,033</td>
</tr>
<tr>
<td>Special Education Cluster:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education - Preschool Grants (IDEA Preschool)</td>
<td>84.173</td>
<td>0033-15-0619</td>
<td>3,585</td>
</tr>
<tr>
<td>Special Education - Grants to States (IDEA, Part B)</td>
<td>84.027</td>
<td>0032-15-0619</td>
<td>509,200</td>
</tr>
<tr>
<td>Total Special Education Cluster</td>
<td></td>
<td></td>
<td>512,785</td>
</tr>
<tr>
<td>Improving Teacher Quality State Grants</td>
<td>84.367</td>
<td>0147-15-2015</td>
<td>83,096</td>
</tr>
<tr>
<td>TOTAL EXPENDITURE OF FEDERAL AWARDS</td>
<td></td>
<td></td>
<td>$ 879,977</td>
</tr>
</tbody>
</table>

See notes to schedule of expenditures of federal awards.
NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs administered by the New Hartford Central School District (the District), an entity as defined in Note 1 to the District’s financial statements. Federal awards received directly from federal agencies, as well as federal awards passed-through from other government agencies, are included on the schedule of expenditures of federal awards.

NOTE 2 – BASIS OF ACCOUNTING

The schedule of expenditures of federal awards is prepared using the modified accrual basis of accounting.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable program and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program. These records are periodically reconciled to the general ledger, which is the source of the general purpose financial statements.

NOTE 3 – INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the date presented.

NOTE 4 – MATCHING COSTS

Matching costs, i.e., the District’s share of certain program costs, are not included in the reported expenditures.

NOTE 5 – MAJOR PROGRAM DETERMINATION

The District has determined that all federal programs with expenditures of $300,000 or more are Type A programs and between $100,000 and $300,000 are Type B programs. For the purpose of the schedule of expenditures of federal awards, major programs are determined based on the risk assessment of all Type A and Type B programs over $100,000.
INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY OMB CIRCULAR A-133

BOARD OF EDUCATION
NEW HARTFORD CENTRAL SCHOOL DISTRICT

Report on Compliance for Each Major Federal Program

We have audited NEW HARTFORD CENTRAL SCHOOLS DISTRICT’S (“the District”) compliance with the types of compliance requirements described in the OMB Circular A-133 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, 2015. The District’s major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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 New Hartford Central School 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, New Hartford Central School 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, 2015.

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

We have audited the financial statements of the governmental activities and each fund of New Hartford Central School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements. We issued our report thereon dated September 30, 2015, 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 OMB Circular A-133, 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.

Purpose of this Report

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

DERMODY, BURKE & BROWN, CPAs, LLC

Syracuse, NY

September 30, 2015
A. SUMMARY OF AUDITOR’S RESULTS

1. The auditors’ report expresses an unmodified opinion on the financial statements of New Hartford Central School District.

2. No material weaknesses were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of New Hartford Central School District were disclosed during the audit.

4. No material weaknesses were identified during the audit of the major federal award programs.

5. The auditors’ report on compliance for the major federal award programs for New Hartford Central School District expresses an unmodified opinion.

6. There were no audit findings related to the major federal award programs for New Hartford Central School District.

7. The programs tested as major programs were:
   - Title I Grants to Local Educational Agencies, CFDA No. 84.010
   - Title I Grants to Local Educational Agencies, School Improvement, CFDA No. 84.010

8. The threshold for distinguishing Type A and B programs was $300,000.

9. New Hartford Central School District was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None