

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
MAINE STATE STATUTE REQUIREMENTS

Board of Education
Augusta School Department
City of Augusta, Maine

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 City of Augusta, Maine as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Augusta, Maine's basic financial statements. We issued our report thereon dated December 22, 2020, which contained unmodified opinions on those financial statements.

As part of obtaining reasonable assurance about whether the City of Augusta, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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.

In connection with that audit, we:

1. Considered whether the Augusta School Department has complied with budget content requirements of section 15693.
2. Considered whether the Augusta School Department has complied with transfer limitations between budget cost centers pursuant to section 1485.
3. Considered whether the Augusta School Department has exceeded its authority to expend funds.
4. Considered whether the Augusta School Department has complied with the applicable provisions of the unexpended balances requirements established under section 15004.
5. Reviewed the annual financial data submitted to the Maine Department of Education and reconciled it to the audited financial statement totals (see attached *Schedule of Reconciliation of the NEO Financial System with Audited Financial Statements*).
6. Considered whether the Augusta School Department was in compliance with applicable provisions of the Essential Programs and Services Funding Act.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. Another known matter of noncompliance relating to the above listed items (items #1 - #6) is as follows:

- The Augusta School Department did not ensure that all of the accounts were properly bridged and uploaded to the NEO website. The result was that multiple accounts were not reported to the Maine Department of Education.

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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 Reconciliation of the NEO Financial System with Audited Financial Statements* is presented for purposes of additional analysis as required by regulation of the Maine Department of Education 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

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

A handwritten signature in black ink, reading "Remya Hurst Ouellette". The signature is written in a cursive, flowing style.

December 22, 2020
South Portland, Maine

AUGUSTA SCHOOL DEPARTMENT
Schedule of Reconciliation of the NEO Financial System with Audited Financial Statements
For the Year Ended June 30, 2020

	General	School Lunch Program	Adult Education	Adult Education Enrichment	School Special Revenue
Revenues and other financing sources:					
Per NEO	\$ 29,753,310	1,187,062	677,422	-	2,279,447
Adjustments:					
Revenues not reported on NEO:					
Adult Education Enrichment	-	-	-	106,077	-
Computer Repairs (0208)	-	-	-	-	3,150
Donations (0209)	-	-	-	-	2,970
Healthy Community (0215)	-	-	-	-	200
Oak Grove Mini-Grant (0218)	-	-	-	-	2,720
Chizzle Whizzle (0618)	-	-	-	-	15,786
Scholarship (0900)	-	-	-	-	13,970
Donated Commodities (0600)	-	81,076	-	-	-
Adjusted NEO balance	29,753,310	1,268,138	677,422	106,077	2,318,243
Per Augusta School Department fund financial statements (Exhibits A-2 and B-2)					
	29,753,309	1,268,139	677,422	106,077	2,318,243
Variances - rounding					
	\$ 1	(1)	-	-	-
Expenditures and other financing uses:					
Per NEO	\$ 29,256,106	1,257,064	715,903	-	2,178,482
Adjustments:					
Expenditures not reported on NEO:					
Adult Ed Enrichment (0615)	-	-	-	110,769	-
CC of ME Adult Education (0205)	-	-	-	-	5,672
Computer Repairs (0208)	-	-	-	-	2,215
Donations (0209)	-	-	-	-	2,850
Healthy Community (0215)	-	-	-	-	200
Full Plates (0216)	-	-	-	-	397
Oak Grove Mini-Grant (0218)	-	-	-	-	2,819
ESL Refugee (0272)	-	-	-	-	16,161
Chizzle Whizzle (0618)	-	-	-	-	15,949
Scholarship (0900)	-	-	-	-	13,370
Fiscal Agent (0915)	-	-	-	-	48,358
Donated Commodities (0600)	-	81,076	-	-	-
Adjusted NEO balance	29,256,106	1,338,140	715,903	110,769	2,286,473
Per Augusta School Department fund financial statements (Exhibits A-2 and B-2)					
	29,256,106	1,338,140	715,903	110,769	2,286,474
Variances - rounding					
	\$ -	-	-	-	(1)

See accompanying auditor's report.

Note: This schedule excludes student activity funds and trust funds, which were also excluded from the NEO data submitted to the State Department of Education.