

**AGENCY #924 – PED FY22 SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**LA TIERRA MONTESSORI SCHOOL OF THE ARTS AND SCIENCES**

Disclaimer of Opinions Section
<p><b>Disclaimer of Opinions:</b> Tierra Montessori of the School of Arts and for the year ended June 30, 2022. Because of the significance of the matters described in the Basis for Disclaimer of Opinions on La Tierra Montessori of the School of Arts and Sciences section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions on the financial position or changes in financial position.</p>
<p><b>Basis for Disclaimer of Opinions:</b> During the fiscal year 2022, management and governance of La Tierra Montessori of the School of Arts and Sciences lacked complete and timely disclosures and representations of relevant communications from oversight agencies and pending litigation that could have a significant impact on additional audit procedures. We were unable to satisfy ourselves by other auditing procedures in order to provide audit opinions on those financial statements.</p>

Schedule of Findings and Questioned Costs - Year Ended June 30, 2022			
Finding Number	Classification of Finding	Category	Summary of Finding
2022-001	Noncompliance with Operating Budgets; Amendments	Other Noncompliance	Per review of the Governing Council meeting minutes, we identified the February 21, 2022 meeting minutes did not have a detailed listing of BAR(s) approved by the board.
2022-002	Controls over Annual Inventory	Other Noncompliance	CLA was unable to obtain certification from management indicating that annual inventory observation was completed.
2022-003	Compliance over Cash Receipts	Other Matters	1 of 25 receipts tested totaling \$3,400 were not deposited within 24 hours of receipt.
2022-004	Internal Controls over Cash Disbursements	Other Matters	During the testing of cash disbursements the following exceptions were noted: <ul style="list-style-type: none"> <li>•2 of 34 disbursements tested totaling \$9,995 for which services were received prior to the encumbrance of funds through a P.O.</li> <li>•1 of 34 disbursements tested totaling \$120.64 in which mileage expenses were incurred prior to encumbrance of funds through a P.O. Additionally, travel cost reimbursed did not contain approval signatures from the employee or their direct supervisor.</li> </ul>
2022-005	Internal Control Over Payroll	Other Matters	During testing of four employees sampled, management was unable to provide the following documentation for review: W-4, I-9, benefit elections, and background clearance.
2022-006	Accounts Payable	Material Weakness	During our testing of accounts payable it was noted accrued accounts payable was understated by approximately \$33,345 in relation to the following funds: <ul style="list-style-type: none"> <li>•Fund 13000- \$33,345</li> </ul>
2022-007	Untimely Processing and Submission of Reimbursement Requests	Material Weakness	During our review of the trial balance, we noted the school did not process timely Request for Reimbursement (RFR) for multiple programs through PED’s Operating and Budget Management System (OBMS). This resulted in \$21,668 in negative cash which the Operational Fund would need to advance to those programs and required an audit adjustment to reclassify these expenditures to the operational fund.
2022-008	Audit Committee Meetings	Other Noncompliance	During the audit, we made numerous attempts to meet with the audit committee to communicate the status of the audit, including the difficulties we encountered in performing the audit, however the audit committee failed to accommodate these requests and didn’t meet with the auditor as required.

2022-009	Budgetary Conditions	Other Noncompliance	<p>Fund 11000- During our budget testing we identified that the following functions were over-expended:</p> <ul style="list-style-type: none"> <li>•Operation of Non instructional Services \$32,828</li> <li>•Capital Outlay \$6,015</li> </ul> <p>Fund 13000- During our budget testing we identified that the following functions were over-expended:</p> <ul style="list-style-type: none"> <li>•Support Services \$34,106</li> </ul> <p>Fund 31600- During our budget testing we identified that the following functions were over-expended:</p> <ul style="list-style-type: none"> <li>•Support Services \$39</li> </ul> <p>Fund 31701- During our budget testing we identified that the following functions were over-expended:</p> <ul style="list-style-type: none"> <li>•Support Services \$176</li> </ul>
2022-010	Timely and Complete Disclosures and Representations to the External Auditors	Material Weakness	The ability of the external auditor to fulfil the audit objective of obtaining adequate audit evidence to express an opinion as to the fair presentation of the basic financial statements of the school is dependent upon management fulfilling its responsibilities. These responsibilities include timely and reliable representations and disclosures regarding communications from employees, grantors, regulators, or others. We encountered the following during the course of the audit that impacted our ability to obtain sufficient audit evidence to express an opinion as to the fair presentation of the basic financial statements of the school:
2022-011	Late Audit	Other Noncompliance	Due to the significant challenges and inadequate/untimely disclosures and representations during the audit, we were unable to complete our quality control to allow for a timely submission to the Office of the State Auditor (OSA).

La Tierra Montessori (11 Total Findings)

