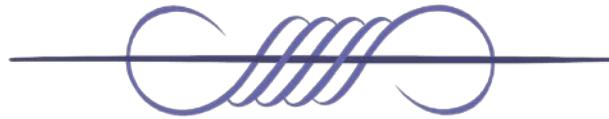


# COMPLIANCE SECTION







**INDEPENDENT AUDITORS' 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***

Board of Education  
Arapahoe County School District Number Six  
Littleton, Colorado

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County School District Number Six, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Arapahoe County School District Number Six's basic financial statements, and have issued our report thereon dated October 23, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Arapahoe County School District Number Six's internal control over financial reporting (internal control) to determine 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 Arapahoe County School District Number Six's internal control. Accordingly, we do not express an opinion on the effectiveness of Arapahoe County School District Number Six'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Arapahoe County School District Number Six'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 determination of financial statement amounts. 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 entity'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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

### **CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
October 23, 2019



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Education  
Arapahoe County School District Number Six  
Littleton, Colorado

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

We have audited Arapahoe County School District Number Six's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Arapahoe County School District Number Six's major federal program for the year ended June 30, 2019. Arapahoe County School District Number Six's major federal program is identified in the summary of auditors' 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for Arapahoe County School District Number Six's major federal program 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 the major federal program occurred. An audit includes examining, on a test basis, evidence about Arapahoe County School District Number Six'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 the major federal program. However, our audit does not provide a legal determination of Arapahoe County School District Number Six's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Arapahoe County School District Number Six complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of Arapahoe County School District Number Six 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 Arapahoe County School District Number Six's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 Arapahoe County School District Number Six'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.

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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
October 23, 2019

**ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2019**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. 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**

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.027, 84.173	Special Education Cluster (IDEA)

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

Auditee qualified as low-risk auditee?   x   yes      \_\_\_\_\_ no

**ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2019**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

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***Section IV – Prior Year Findings***

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There were no findings in the prior year that were required to be reported.

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for presentation purposes



**ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2019**

Federal Agencies/Pass-Through Grantor/Program Title	Federal CFDA Number
<b>U.S. DEPARTMENT OF EDUCATION</b>	
Passed through the State of Colorado Department of Education:	
Title I, Part A, Grants to Local Educational Agencies (LEAs)—General Fund	84.010
Title I, Part A, Grants to Local Educational Agencies (LEAs)—Grant Fund	84.010
Title II, Part A, Improving Teacher Quality State Grants	84.367
Title III, Part A, English Language Acquisition Language Grants	84.365
Title IV, Part A, Student Support & Academic Enrichment Grants	84.424
Total Title	
Special Education—Grants to States (IDEA, Part B)	84.027
Special Education—Preschool Grants (IDEA Preschool)	84.173
Total Special Education Cluster	
Passed through the Colorado Community College System:	
Career and Technical Education	84.048
Total U.S. Department of Education	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	
Passed through Arapahoe County School District No. 2 (Sheridan):	
Head Start	93.600
<b>U.S. DEPARTMENT OF AGRICULTURE</b>	
Passed through the State of Colorado Department of Education:	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
Passed through the State of Colorado Department of Human Services:	
Food Distribution, Commodities	10.555
Total USDA Cluster	
National School Lunch Equipment Assistance	10.579
School Fresh Fruit & Vegetable	10.582
Total U.S. Department of Agriculture Reported in the Nutrition Services Fund	
<b>Totals</b>	

See Notes to the Schedule of Expenditures of Federal Awards.

<u>Pass Through Entity Grant Number</u>	<u>Accrued (Deferred) Revenue July 1, 2018</u>	<u>Cash/ Inventory Receipts</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2019</u>	<u>Pass To Subrecipient</u>
4010	\$ 46,512	\$ 712,343	\$ 727,180	\$ 61,349	\$ -
4010	8,796	116,841	114,580	6,535	-
4367	4,503	114,374	179,449	69,578	-
4365	39,131	90,462	53,487	2,156	-
4424	5,178	11,289	51,433	45,322	-
	<u>104,120</u>	<u>1,045,309</u>	<u>1,126,129</u>	<u>184,940</u>	<u>-</u>
4027	362,760	2,823,140	2,643,470	183,090	-
4173	9,312	72,404	69,021	5,929	-
	<u>372,072</u>	<u>2,895,544</u>	<u>2,712,491</u>	<u>189,019</u>	<u>-</u>
	<u>37,176</u>	<u>100,418</u>	<u>81,796</u>	<u>18,554</u>	<u>-</u>
	<u>513,368</u>	<u>4,041,271</u>	<u>3,920,416</u>	<u>392,513</u>	<u>-</u>
	<u>154,489</u>	<u>519,597</u>	<u>450,163</u>	<u>85,055</u>	<u>-</u>
4553	-	178,065	178,065	-	-
4555	-	1,068,043	1,068,043	-	-
4559	21,684	34,137	30,460	18,007	-
4555	-	257,196	257,196	-	-
	<u>21,684</u>	<u>1,537,441</u>	<u>1,533,764</u>	<u>18,007</u>	<u>-</u>
5579	-	-	-	-	-
4582	-	10,509	10,823	314	-
	<u>21,684</u>	<u>1,547,950</u>	<u>1,544,587</u>	<u>18,321</u>	<u>-</u>
	<u>\$ 689,541</u>	<u>\$ 6,108,818</u>	<u>\$ 5,915,166</u>	<u>\$ 495,889</u>	<u>\$ -</u>

**ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX**  
**Note to the Schedule of Expenditures of Federal Awards**  
**June 30, 2019**

**NOTE 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Arapahoe County School District Number Six, Colorado, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

**NOTE 2: Significant Accounting Policies**

Revenue from federal awards is recognized when the District has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when it becomes both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. The District has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3: Noncash Federal Awards**

Commodities donated to the District by the U.S. Department of Agriculture (USDA) of \$257,196 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch program (10.555).



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 0140 - Littleton 6  
 Fiscal Year 2018-19  
 Colorado School District/BOCES

**Revenues, Expenditures, & Fund Balance by Fund**

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>						
10 General Fund	33,486,145		146,654,388	152,417,678		27,722,855
18 Risk Mgmt Sub-Fund of General Fund	1,712,310		2,541,498	3,093,266		1,160,542
19 Colorado Preschool Program Fund	0		938,275	938,275		0
<b>Sub-Total</b>	<b>35,198,455</b>		<b>150,134,161</b>	<b>156,449,220</b>		<b>28,883,396</b>
11 Charter School Fund	4,792,446		9,975,069	9,900,797		4,866,718
20,26-29 Special Revenue Fund	2,337,826		6,043,981	5,603,194		2,778,614
06 Supplemental Cap Const, Tech, Main, Fund	0		0	0		0
21 Food Service Spec Revenue Fund	1,097,562		4,092,398	3,988,550		1,201,409
22 Govt Designated-Purpose Grants Fund	0		5,661,904	5,661,904		0
23 Pupil Activity Special Revenue Fund	952,596		4,223,113	4,492,226		683,483
24 Full Day Kindergarten Mill Levy Override	0		0	0		0
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	14,550,663		25,358,935	17,240,343		22,669,254
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	2,331,959		366,988,733	10,435,950		358,894,702
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	3,819,895		2,406,994	1,705,685		4,521,305
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
<b>Totals</b>	<b>65,081,502</b>		<b>574,895,288</b>	<b>215,477,909</b>		<b>424,498,880</b>
<b>Proprietary</b>						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60,65-69 Other Internal Service Funds	0		0	0		0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>Fiduciary</b>						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	278,660		540,973	518,875		300,759
79 GASB 34:Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
<b>Totals</b>	<b>278,660</b>		<b>540,973</b>	<b>518,875</b>		<b>300,759</b>

**FINAL**

\*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.