



CAMPBELL, MYERS AND RUTLEDGE, PLLC

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Members of the Board of Education  
Glasgow Independent School District  
Glasgow, Kentucky 42141

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Glasgow Independent School District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Glasgow Independent School District's internal control over financial reporting (internal control) as a basis for designing 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 Glasgow Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Glasgow Independent School District'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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of management, Glasgow Independent School District, others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Campbell, Myers & Rutledge, PLLC*

Glasgow, Kentucky

November 7, 2024

## **PRIOR YEAR FINDINGS**

### **2023-001 South Green Elementary**

Condition: Gift cards were purchased with activity fund receipts.

Observation: No exceptions were noted in the current year The District monitored closely to ensure no gift cards were purchased.

### **2023-002**

#### **Glasgow High School**

Condition: During the school year, the fundraising sponsor was not completing fundraising form F-SA-2B "Fundraising Worksheet" to determine the profitability of the fundraiser and the principal was not reviewing the details of the completed fundraiser.

Observation: During the current year it was noted that fundraising forms were still not being completed. The principal is now reviewing to ensure the form is filled out and filled out correctly.

### **2023-003**

#### **Glasgow High School**

Condition: Employees were reimbursed for disallowed expenditures by the District travel policy and *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book).

Observation: No exceptions were noted in the current year.

## **CURRENT YEAR FINDINGS**

### **2024-001 Repeat Finding**

#### **Glasgow High School**

Criteria: *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) sets forth accounting guidelines for the proper use of Fundraising Forms.

Condition: During the school year, the fundraising sponsor was not completing fundraising form F-SA-2B "Fundraising Worksheet" to determine the profitability of the fundraiser and the principal was not reviewing the details of the completed fundraiser.

Cause: Principal was unable to review the completed fundraiser and the profitability of the fundraiser was unknown.

Effect: Compliance with *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) was not achieved.

Recommendation: We recommend that all fundraising forms be used to properly account for all receipts and expenditures and reviewed before submitting to the principal.

Response: Fundraising forms will be completed and submitted for review to school personnel.

**2024-002**

**Glasgow High School**

Criteria: *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) sets forth accounting guidelines for expenditures.

Condition: Expenditures were paid without prior approval on a purchase order.

Cause: Expenditures had been incurred when no purchase order had been initiated prior to purchase.

Effect: Compliance with *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) was not achieved.

Recommendation: We recommend that the principal and treasurer advise all staff that purchase orders must be approved before expenditures are incurred.

Response: The principal will advise all staff that prior approval in the form of a purchase order is required for expenditures and if prior approval is not obtained, the expenditure will not occur.

**2024-003**

**Glasgow High School**

Criteria: *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) requires that all expenses are paid timely.

Condition: The school incurred late fees.

Cause: Some bills were not paid on a timely basis.

Effect: Compliance with *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) was not achieved.

Recommendation: We recommend that all bills are paid by the due date to be in compliance with *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book).

Response: Annual training for *A Uniform Program of Accounting for School Activity Funds in Kentucky Schools* (Red Book) and current issues were brought to the attention of administrative personnel for emphasis. The District plans to internally audit this finding over the course of the next year to make sure it is not still occurring.

2024-004

**Noncompliance with Regulations - Insurance Coverage**

**Criteria:** KRS 160.105 and KAR 702 3:030 detail the Kentucky Department of Education's requirements for the board of education to procure insurance coverage for all buildings and their contents for an amount equal to 100 percent of the replacement cost as shown on the schedule of values certified by the Kentucky Department of Education or as determined through a certified replacement cost appraisal.

**Condition:** The District did not have adequate insurance coverage to comply with the requirements set forth by the Kentucky Department of Education.

**Cause:** The District was unaware of proper insurance coverage requirements as prescribed by KDE.

**Effect:** The District was not in compliance with the insurance coverage requirements set forth by the Kentucky Department of Education.

**Recommendation:** We recommend that the District familiarize themselves with the insurance coverage requirements and contact their insurance provider to amend the policy to comply with replacement costs shown on the schedule of values certified by KDE.

**Response:** The District recognizes that there was insufficient coverage. The District has corrected the coverage with the insurance company and is in compliance with insurance coverage requirements beginning with the current fiscal year.