

Management Letter

Galion City School District
Crawford County
470 Portland Way North
Galion, Ohio 44833

To the Members of the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Galion City School District, Crawford County, Ohio, (the “District”) in accordance with *Government Auditing Standards*, as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 26, 2023.

Government Auditing Standards require us to report significant internal control deficiencies and material weaknesses, fraud, and illegal acts (including noncompliance with laws and regulations), and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated December 26, 2023, for the fiscal year ended June 30, 2023.

Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires that we report all material (and certain immaterial) instances of noncompliance, significant deficiencies, and material weaknesses in internal control related to major federal financial assistance programs. We have issued the required report dated December 26, 2023 for the fiscal year ended June 30, 2023.

We are also submitting the following comment for your consideration regarding the District’s compliance with applicable laws, regulations, grant agreements, contract provisions, and internal control. This comment reflects a matter that does not require inclusion in the reports *Government Auditing Standards* or Uniform Guidance require. Nevertheless, this comment represents a matter for which we believe improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing this recommendation. However, this comment reflects our continuing desire to assist your government. If you have any questions or concerns regarding this comment, please do not hesitate to contact us.

Noncompliance Citation
Ohio Revised Code

- Criteria: Ohio Revised Code Section 5705.412 required the Treasurer, Superintendent and President of the Board of Education to certify that adequate revenues will be made available to maintain all personnel and programs for the current fiscal year and for a number of days in the succeeding fiscal years equal to the number of days instruction was held or is scheduled for the current fiscal year. In addition, section 5705.412 certificates should be executed for appropriation measures, increased salary or wage schedules, and any other “qualifying contracts”, as defined by the Ohio Revised Code.
- Condition: No support was provided to show that the District completed the signed 412 certificates for the contracts tested. We did perform procedures to evidence that required personnel did approve such contracts through other avenues, however, it appeared 412 certificates were not completed.
- Effect: Without 412 certificates, the District could be at financial risk by entering into contracts in which future funds might not exist.
- Recommendation: We recommend that all required personnel – Treasurer, Superintendent and Board President evaluate prior to entering into the qualifying contract whether or not a 412 is required. Such decision should be documented, especially in cases where it is determined it is not required. We further recommend if it is determined a 412 is required, such is signed and retained in an easily traceable fashion. In addition, review of Ohio Compliance section 4C-2 could provide beneficial.

This comment is intended for the information and use of Management and the Board of Education of the Galion City School District and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this communication is not suitable for any other purpose.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 26, 2023