

# **West Bloomfield School District**

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**Federal Awards  
Supplemental Information  
June 30, 2016**

# West Bloomfield School District

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Report on Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education  
West Bloomfield School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Bloomfield School District (the "School District") as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated September 27, 2016, which contained an unmodified opinion. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to September 27, 2016.

The accompanying schedule of expenditures of federal awards and reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for the purpose of additional analysis as required by the Uniform Guidance, and are 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 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 financial statements or to the 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.

*Plante & Moran, PLLC*

September 27, 2016

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*

Independent Auditor's Report

To Management and the Board of Education  
West Bloomfield School District

We have audited, in accordance with 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, each major fund, and the aggregate remaining fund information of West Bloomfield School District (the "School District") as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 27, 2016. The report contained an unmodified opinion on those basic financial statements.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered West Bloomfield School District'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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 School District'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.

To Management and the Board of Education  
West Bloomfield School District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether West Bloomfield School District'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*.

We noted certain matters that we have reported to management of West Bloomfield School District in a separate letter dated September 27, 2016.

### **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 School District'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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

September 27, 2016

Report on Compliance for the Major Federal Program;  
Report on Internal Control Over Compliance

Independent Auditor's Report

To the Board of Education  
West Bloomfield School District

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

We have audited West Bloomfield School District's (the "School District") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2016. West Bloomfield School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for West Bloomfield School District'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* (the "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 a major federal program occurred. An audit includes examining, on a test basis, evidence about West Bloomfield School District'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 West Bloomfield School District's compliance.

To the Board of Education  
West Bloomfield School District

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

In our opinion, West Bloomfield School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

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

Management of West Bloomfield School District 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 West Bloomfield School District'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 the School District'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 results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Plante & Moran, PLLC*

September 27, 2016

# West Bloomfield School District

## Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	Grant/Project Number	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2015	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2016	Current Year Cash Transferred to Subrecipient
<b>Clusters:</b>										
Child Nutrition Cluster - U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
Noncash Assistance (Commodities) - National School Lunch Program - Entitlement Commodities 2015-2016										
	N/A	10.555	\$ 91,630	\$ -	\$ -	\$ -	\$ 91,630	\$ 91,630	\$ -	\$ -
Cash Assistance:										
National School Breakfast Program - 2015-2016	161970	10.553	119,010	-	-	-	109,882	119,010	9,128	-
National School Lunch Program - 2015-2016	161960	10.555	508,528	-	-	-	477,343	508,528	31,185	-
National School Summer Food Service Program - 2014-2015	141900/140900	10.559	11,756	11,756	2,964	-	2,964	-	-	-
National School Summer Food Service Program - 2015-2016	151900/150900	10.559	9,377	-	-	-	7,924	9,377	1,453	-
Cash Assistance subtotal		10.559	648,671	11,756	2,964	-	598,113	636,915	41,766	-
Total Child Nutrition Cluster			740,301	11,756	2,964	-	689,743	728,545	41,766	-
Special Education Cluster - U.S. Department of Education - Passed through the Oakland County ISD - IDEA - IDEA Flowthrough:										
IDEA Flowthrough 1415	150450	84.0270	1,296,166	1,296,166	424,145	-	424,145	-	-	-
IDEA Flowthrough 1516	160450	84.0270	1,337,912	-	-	-	1,031,654	1,337,912	306,258	-
Total IDEA Flowthrough		84.0270	2,634,078	1,296,166	424,145	-	1,455,799	1,337,912	306,258	-
IDEA Preschool Incentive:										
IDEA Preschool 1415	150460	84.173	30,980	30,980	8,001	-	8,001	-	-	-
IDEA Preschool 1516	160460	84.173	27,369	-	-	-	22,758	27,369	4,611	-
Total IDEA Preschool Incentive		84.173	58,349	30,980	8,001	-	30,759	27,369	4,611	-
Total Special Education Cluster			2,692,427	1,327,146	432,146	-	1,486,558	1,365,281	310,869	-
Medicaid Cluster - Michigan Department of Community Health - Passed through Oakland County ISD - Medicaid Outreach 1516										
	N/A	93.778	11,084	-	-	-	11,084	11,084	-	-
Other federal awards - U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
National Child and Adult Care Food Program 1415	N/A	10.558	5,231	5,231	405	-	405	-	-	-
National Child and Adult Care Food Program 1516	N/A	10.558	7,840	-	-	-	7,840	7,840	-	-
Total National Child and Adult Care Food Program		10.558	13,071	5,231	405	-	8,245	7,840	-	-

See Notes to Schedule of Expenditures of Federal Awards.



# West Bloomfield School District

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	Grant/Project Number	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2015	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2016	Current Year Cash Transferred to Subrecipient
Other federal awards - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title I, Part A:										
Title I, Part A 1415	151530	84.010	\$ 471,085	\$ 310,567	\$ 58,122	\$ -	\$ 86,701	\$ 28,579	\$ -	\$ -
Title I, Part A 1516	161530	84.010	433,396	-	-	-	161,480	266,990	105,510	-
Total Title I, Part A		84.010	904,481	310,567	58,122	-	248,181	295,569	105,510	-
Title II, Part A:										
Title II, Part A - 1415	150520	84.367	144,103	115,479	2,616	-	31,240	28,624	-	-
Title II, Part A - 1516	160520	84.367	135,840	-	-	-	60,573	98,006	37,433	-
Total Title II, Part A		84.367	279,943	115,479	2,616	-	91,813	126,630	37,433	-
Adult Education:										
Adult Education 1415	161130 - 161127	84.002	78,000	-	-	-	74,793	78,000	3,207	-
Adult Education 1516	161120 - 165127	84.002	30,000	-	-	-	30,000	30,000	-	-
Total Adult Education		84.002	108,000	-	-	-	104,793	108,000	3,207	-
Title III:										
Title III 1314	140570	84.365	15,000	5,617	5,617	-	5,617	-	-	-
Title III 1415	150580	84.365	80,197	52,041	11,954	-	26,957	15,003	-	-
Title III 1516	160580	84.365	81,969	-	-	-	38,852	56,139	17,287	-
Total Title III		84.365	177,166	57,658	17,571	-	71,426	71,142	17,287	-
Total U.S. Department of Education			1,482,661	488,935	78,714	-	524,458	609,181	163,437	-
Total federal awards			<b>\$ 4,926,473</b>	<b>\$ 1,827,837</b>	<b>\$ 513,824</b>	<b>\$ -</b>	<b>\$ 2,711,843</b>	<b>\$ 2,714,091</b>	<b>\$ 516,072</b>	<b>-</b>

See Notes to Schedule of Expenditures of Federal Awards.

# **West Bloomfield School District**

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## **Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards Year Ended June 30, 2016**

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 3,440,713
Federal subsidy interest from qualified school construction bonds	<u>(726,622)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u>\$ 2,714,091</u>

# **West Bloomfield School District**

## **Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2016**

### **Note 1 - Basis of Presentation and Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of West Bloomfield School District under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Because the Schedule presents only a selected portion of the operations of West Bloomfield School District, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows, if applicable, of West Bloomfield School District. Pass-through entity identifying numbers are presented where available.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, or the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The School District has not elected to use the 10 percent *de minimus* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

### **Note 2 - Grant Auditor Report**

Management has utilized the Cash Management System (CMS) Grant Auditor Report in preparing the schedule of expenditures of federal awards. Unreconciled differences, if any, have been disclosed to the auditor.

### **Note 3 - Noncash Assistance**

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance.

# West Bloomfield School District

## Schedule of Findings and Questioned Costs Year Ended June 30, 2016

### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes  X  No

#### Federal Awards

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?

\_\_\_\_\_ Yes  X  No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
84.027A / 84.173A	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

### Section II - Financial Statement Audit Findings

None

### Section III - Federal Program Audit Findings

None