
Public Schools of the City of Ann Arbor, Michigan

**Federal Awards
Supplemental Information
June 30, 2025**

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Plante & Moran, PLLC

Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

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

Independent Auditor's Report

To the Board of Education
Public Schools of the City of Ann Arbor, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Public Schools of the City of Ann Arbor, Michigan (the "School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated October 17, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions 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 October 17, 2025.

The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for 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 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

December 3, 2025

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
Public Schools of the City of Ann Arbor, Michigan

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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Public Schools of the City of Ann Arbor, Michigan (the "School District") as of and for the year ended June 30, 2025 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 October 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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*.

To Management and the Board of Education
Public Schools of the City of Ann Arbor, Michigan

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 & Moren, PLLC

October 17, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance
Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education
Public Schools of the City of Ann Arbor, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Public Schools of the City of Ann Arbor, Michigan's (the "School District") compliance with the types of compliance requirements identified as subject to audit in the (OMB) *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2025. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Education
Public Schools of the City of Ann Arbor, Michigan

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

December 3, 2025

Public Schools of the City of Ann Arbor, Michigan

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments- in-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster - U.S. Department of Agriculture -										
Passed through the Michigan Department of Education:										
Noncash Assistance (Commodities):										
National School Lunch Program - Entitlement Commodities 2024-2025	N/A	10.555	\$ 643,917	\$ -	\$ -	\$ -	\$ 643,917	\$ 643,917	\$ -	\$ -
National School Lunch Program - Bonus Commodities 2024-2025	N/A	10.555	4,996	-	-	-	4,996	4,996	-	-
Total Noncash Assistance (Commodities)			648,913	-	-	-	648,913	648,913	-	-
Cash Assistance:										
School Breakfast Program 23-24	241970	10.553	968,104	820,542	45,993	-	147,562	101,569	-	-
School Breakfast Program 24-25	251970	10.553	662,987	-	-	-	631,063	662,987	31,924	-
School Breakfast Program Subtotal			1,631,091	820,542	45,993	-	778,625	764,556	31,924	-
NSLP - After School Snack Program 23-24	241980	10.555	40,329	34,472	1,412	-	5,856	4,444	-	-
NSLP - After School Snack Program 24-25	251980	10.555	25,083	-	-	-	24,239	25,083	844	-
National School Lunch Program 23-24	241960	10.555	2,756,513	2,263,865	120,948	-	492,648	371,700	-	-
National School Lunch Program 24-25	251960	10.555	2,362,089	-	-	-	2,259,413	2,362,089	102,676	-
National School Lunch Program (including commodities)			5,832,927	2,298,337	122,360	-	3,431,069	3,412,229	103,520	-
Summer Food Service Program for Children (SFSPC):										
2023-24 Operating	240900	10.559	48,306	6,858	6,858	-	41,448	34,590	-	-
2024-25 Operating	250900	10.559	11,074	-	-	-	-	11,074	11,074	-
Total Summer Food Service Program for Children			59,380	6,858	6,858	-	41,448	45,664	11,074	-
Total Child Nutrition Cluster			7,523,398	3,125,737	175,211	-	4,251,142	4,222,449	146,518	-
Special Education Cluster - U.S. Department of Education:										
Passed through Washtenaw County ISD -										
Special Education - Grants to States (IDEA, Part B):										
2024 Flowthrough	240450	84.027	4,352,338	4,345,984	943,847	-	950,201	6,354	-	-
2025 Flowthrough	250450	84.027	4,250,733	-	-	-	2,642,408	4,250,733	1,608,325	-
Total Special Education - Grants to States (IDEA, Part B)			8,603,071	4,345,984	943,847	-	3,592,609	4,257,087	1,608,325	-
Passed through Washtenaw County ISD -										
Special Education - Preschool Grants:										
2024 Preschool Incentive	240460	84.173	130,934	130,934	24,061	-	24,061	-	-	-
2025 Preschool Incentive	250460	84.173	123,438	-	-	-	102,597	123,438	20,841	-
Total Special Education - Preschool Grants			254,372	130,934	24,061	-	126,658	123,438	20,841	-
Total Special Education Cluster			8,857,443	4,476,918	967,908	-	3,719,267	4,380,525	1,629,166	-
Head Start Cluster - U.S. Department of Health and Human Services -										
Passed through Washtenaw County ISD:										
Head Start Grant - 2023-2024	05CH010612	93.600	1,140,310	1,140,310	468,653	-	468,653	-	-	-
Head Start Grant - 2024-2025	05CH010612	93.600	704,228	-	-	-	629,164	704,228	75,064	-
Total Head Start Cluster			1,844,538	1,140,310	468,653	-	1,097,817	704,228	75,064	-
Total clusters			18,225,379	8,742,965	1,611,772	-	9,068,226	9,307,202	1,850,748	-

Public Schools of the City of Ann Arbor, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments- in-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Other federal awards:										
Michigan Department of Transportation - Passed through Michigan Fitness Foundation - Highway Planning and Construction - 2018-2023 Safe Routes to School Carryover	2017071/2017087	20.205	\$ 25,985	\$ 19,807	\$ 11,103	\$ -	\$ 11,103	\$ -	\$ -	\$ -
The Institute of Museum and Library Services - Passed through Library of Michigan - Grants to States - Library Staff Continuing Education Program	N/A	45.310	2,500	1,600	(900)	-	-	900	-	-
U.S. Department of Education:										
Passed through the Michigan Department of Education:										
Adult Education English - 2023-2024	241130	84.002	195,068	122,234	3,214	-	3,214	-	-	-
Adult Education English - 2024-2025	251130	84.002	200,000	-	-	-	118,313	136,400	18,087	-
Total Adult Education - Basic Grants to States			395,068	122,234	3,214	-	121,527	136,400	18,087	-
Education Stabilization Fund:										
COVID-19 American Rescue Plan - ESSER III Sec. 11t	213723	84.425U	5,314,334	2,274	2,274	-	2,274	-	-	-
COVID-19 American Rescue Plan - MV Homeless II	211012	84.425W	114,247	114,247	110,251	-	110,251	-	-	-
Total Education Stabilization Fund			5,428,581	116,521	112,525	-	112,525	-	-	-
Title I Grants to Local Educational Agencies:										
Title I, District Program - 2023-2024	241530	84.010	2,115,214	2,032,502	508,411	-	509,784	1,373	-	-
Title I, District Program - 2024-2025	251530	84.010	2,092,066	-	-	146,911	1,284,153	1,971,063	686,910	-
Passed through the Washtenaw County ISD:										
Title I, Regional Assistance Grant (RAG), District Program - 2023-2024	241570	84.010	99,822	8,129	8,129	-	23,228	29,880	14,781	-
Title I, Regional Assistance Grant (RAG), District Program - 2024-2025	251570	84.010	104,710	-	-	-	-	11,719	11,719	-
Total Title I Grants to Local Educational Agencies			4,411,812	2,040,631	516,540	146,911	1,817,165	2,014,035	713,410	-
Passed through the Michigan Department of Education:										
Title III, Limited English - English Language Acquisition State Grants:										
2023-2024 Program	240580	84.365	250,771	218,923	13,648	-	16,116	2,468	-	-
2024-2025 Program	250580	84.365	211,107	-	-	-	185,819	184,216	(1,603)	-
Total Title III, Limited English			461,878	218,923	13,648	-	201,935	186,684	(1,603)	-
Title III, Immigrant Students - English Language Acquisition State Grants:										
2023-2024 Program	240570	84.365	225,539	54,252	25,851	-	49,613	23,762	-	-
2024-2025 Program	250570	84.365	213,628	-	-	-	36,846	56,436	19,590	-
Total Title III, Immigrant Students			439,167	54,252	25,851	-	86,459	80,198	19,590	-

Public Schools of the City of Ann Arbor, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments- in-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Other federal awards (continued):										
U.S. Department of Education:										
Passed through the Michigan Department of Education:										
Supporting Effective Instruction State Grants: Title II, Part A, Teacher/Principal Training and Recruiting:										
2023-2024 Program	240520	84.367	\$ 728,883	\$ 291,932	\$ 117,054	\$ -	\$ 173,471	\$ 56,417	\$ -	\$ -
2024-2025 Program	250520	84.367	741,402	-	-	-	70,469	193,287	122,818	-
Total Supporting Effective Instruction State Grants: Title II, Part A			1,470,285	291,932	117,054	-	243,940	249,704	122,818	-
Title IV, Part A, Student Support/Academic Enrichment:										
2023-2024 Program	240750	84.424	141,239	133,947	32,121	-	33,449	1,328	-	-
2024-2025 Program	250750	84.424	146,911	-	-	(146,911)	-	-	-	-
Total Title IV, Part A, Student Support/Academic Enrichment			288,150	133,947	32,121	(146,911)	33,449	1,328	-	-
Total noncluster programs passed through the Michigan Department of Education			12,690,409	2,970,311	812,824	-	2,593,772	2,626,750	845,802	-
Passed through the Washtenaw County ISD -										
Career and Technical Education - Basic Grants to States:										
Vocational Education (Perkins) 2023-2024	241223	84.048A	183,364	180,298	44,970	-	44,970	-	-	-
Vocational Education (Perkins) 2024-2025	251223	84.048A	146,691	-	-	-	80,404	130,528	50,124	-
Total Career and Technical Education - Basic Grants to States			330,055	180,298	44,970	-	125,374	130,528	50,124	-
Total U.S. Department of Education noncluster programs			13,224,996	3,158,738	865,923	-	2,742,374	2,798,877	922,426	-
U.S. Department of Agriculture -										
Passed through the Michigan Department of Education:										
Noncash assistance Child Care Food Program (CACFP):										
2023-2024 - Meals	241920	10.558	26,955	20,966	1,560	-	5,989	4,429	-	-
2024-2025 - Meals	251920	10.558	22,208	-	-	-	20,862	22,208	1,346	-
Total Child and Adult Care Food Program			49,163	20,966	1,560	-	26,851	26,637	1,346	-
Child Nutrition Discretionary Grants Limited Availability:										
School Breakfast Expansion 23-24	221997	10.579	10,000	-	8,745	-	8,745	-	-	-
School Breakfast Expansion 24-25	221991	10.579	203,400	-	-	-	203,344	203,344	-	-
Total Child Nutrition Discretionary Grants Limited Availability			213,400	-	8,745	-	212,089	203,344	-	-
Total U.S. Department of Agriculture noncluster programs			262,563	20,966	10,305	-	238,940	229,981	1,346	-
Coronavirus Relief Fund - U.S. Department of the Treasury -										
Passed through Michigan Department of Education -										
Coronavirus State and Local Fiscal Recovery Funds -										
COVID-19 American Rescue Plan - Grow Your Own Program	232423	21.027	5,917,712	461,296	98,654	-	1,192,528	1,093,929	55	-
Federal Communications Commission - COVID-19 Emergency -										
Connectivity Funds 2021-2022										
	N/A	32.009	2,224,395	2,224,395	-	254,087	254,087	-	-	-
Michigan State Police - Emergency Management and Homeland Security Division -										
State and Local Cybersecurity Grant 2022-2026										
	N/A	97.137	147,936	-	-	-	-	147,936	147,936	-
Health Resource Advocate - U.S. Department of Health and Human Services -										
Passed through the Washtenaw County ISD - COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC):										
Health Resource Advocates - 2023-2024	242810	93.323	207,000	127,000	127,000	-	207,000	80,000	-	-
Health Resource Advocates - 2024-2025	252810	93.323	107,500	-	-	-	107,500	107,500	-	-
Total Health Resource Advocates			314,500	127,000	127,000	-	314,500	187,500	-	-
Total federal awards			\$ 40,345,966	\$ 14,756,767	\$ 2,723,857	\$ 254,087	\$ 13,821,758	\$ 13,766,325	\$ 2,922,511	\$ -

Public Schools of the City of Ann Arbor, Michigan

Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 15,023,316
Federal revenue for which the School District is considered a vendor or beneficiary rather than a subrecipient	(1,098,512)
Deferred revenue not reported for year ended June 30, 2025	147,936
Funds received from a prior year grant (Note 5)	(254,087)
Other differences	<u>(52,328)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 13,766,325</u></u>

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Public Schools of the City of Ann Arbor, Michigan (the "School District") under programs of the federal government for the year ended June 30, 2025. The information in the 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as outlined in the *Compliance Supplement*. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

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

Note 3 - Grant Auditor Report

Management has utilized the Michigan Department of Education NexSys Grant Auditor Report (GAR) in preparing the schedule of expenditures of federal awards. Differences, if any, between the GAR and the schedule of expenditures of federal awards relate to the timing of payments and the fiscal year to which the payments relate.

Note 4 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance and is reported on the schedule of expenditures of federal awards.

Note 5 - Adjustments and Transfers

During the year ended June 30, 2025, the School District transferred \$146,911 of awarded Title IV funds to Title I, Part A. The Title I, Part A payments received and expenditures presented on the schedule of expenditures of federal awards include \$118,585 and \$146,911, respectively, of amounts related to the transfer from Title IV funds awarded. The transfer was approved by the Michigan Department of Education.

Additionally, the School District received \$254,087 in funds during the year ended June 30, 2025 related to the COVID-19 2021-2022 Emergency Connectivity Funds. This amount is reflected as an adjustment within the schedule of expenditures of federal awards as the School District incurred and reported this as expenditures for the fiscal year ended June 30, 2022 but recognized as revenue in the current year when received.

Schedule of Findings and Questioned Costs

Public Schools of the City of Ann Arbor, Michigan

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

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 ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted?

☐ Yes ☒ None reported

Federal Awards

Internal control over major programs:

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

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
84.010	Title I Grants To Local Educational Agencies	Unmodified
21.027	Coronavirus State and Local Fiscal Recovery Fund - COVID-19 American Rescue Plan: Grow Your Own Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	