
Clarenceville School District of Oakland and
Wayne Counties

Federal Awards Supplemental Information
June 30, 2023

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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
Clarenceville School District of Oakland
and Wayne Counties

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clarenceville School District of Oakland and Wayne Counties (the "School District") as of and for the year ended June 30, 2023 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 25, 2023, 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 25, 2023.

The accompanying schedule of expenditures of federal awards and the 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 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 the 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

October 25, 2023

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
Clarenceville School District of Oakland
and Wayne Counties

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 basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clarenceville School District of Oakland and Wayne Counties (the "School District") as of and for the year ended June 30, 2023 and the related notes to the basic financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 25, 2023.

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
Clarenceville School District of Oakland
and Wayne Counties

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

October 25, 2023

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
Clarenceville School District of Oakland
and Wayne Counties

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clarenceville School District of Oakland and Wayne Counties' (the "School District") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (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, 2023. 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, 2023.

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; 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"). 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 program.

To the Board of Education
Clarenceville School District of Oakland
and Wayne Counties

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
Clarenceville School District of Oakland
and Wayne Counties

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

October 25, 2023

Clarenceville School District of Oakland and Wayne Counties

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2022	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2023	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 Lunch Program Entitlement Commodities 2022-2023	N/A	10.555	\$ 128,372	\$ -	\$ -	\$ -	\$ 128,372	\$ 128,372	\$ -	\$ -
National Lunch Program Bonus Commodities 2022-2023	N/A	10.555	8,499	-	-	-	8,499	8,499	-	-
Noncash Assistance (Commodities) subtotal			136,871	-	-	-	136,871	136,871	-	-
Cash Assistance:										
Seamless Summer Option (SSO) - Lunch 2021-2022	221961	10.555	788,656	788,656	31,851	-	31,851	-	-	-
Supply Chain Assistance 2021-2022	220910	10.555	70,732	35,079	-	-	35,653	35,653	-	-
Supply Chain Assistance 2022-2023	230910	10.555	20,424	-	-	-	20,424	20,424	-	-
National School Lunch Program 2021-2022	221960	10.555	99,439	-	-	-	99,439	99,439	-	-
National School Lunch Program 2022-2023	231960	10.555	655,594	-	-	-	633,615	655,594	21,979	-
National School Lunch Program (incl. commodities)			1,771,716	823,735	31,851	-	957,853	947,981	21,979	-
Seamless Summer Option (SSO) - Breakfast 2021-2022	221971	10.553	280,159	280,159	13,749	-	13,749	-	-	-
School Breakfast Program 2021-2022	221970	10.553	38,105	-	-	-	38,105	38,105	-	-
School Breakfast Program 2022-2023	231970	10.553	276,108	-	-	-	264,454	276,108	11,654	-
National School Breakfast Program			594,372	280,159	13,749	-	316,308	314,213	11,654	-
Summer Food Service Program Operating	220900	10.559	20,838	5,266	5,266	-	20,838	15,572	-	-
Summer Food Service Program Operating	230900	10.559	5,597	-	-	-	-	5,597	5,597	-
Summer Food Service Program Operating			26,435	5,266	5,266	-	20,838	21,169	5,597	-
Total Child Nutrition Cluster			2,392,523	1,109,160	50,866	-	1,294,999	1,283,363	39,230	-
Special Education Cluster - U.S. Department of Education - Passed through the Oakland ISD:										
IDEA Flowthrough:										
IDEA Flowthrough 2021	210450	84.027A	407,793	407,793	2,663	-	2,663	-	-	-
IDEA Flowthrough 2122	220450	84.027A	420,942	420,942	188,604	-	188,604	-	-	-
IDEA Flowthrough 2223	230450	84.027A	427,471	-	-	-	290,966	427,471	136,505	-
COVID-19 American Rescue Plan - IDEA	221280	84.027X	96,883	-	-	-	-	67,603	67,603	-
Total IDEA Flowthrough			1,353,089	828,735	191,267	-	482,233	495,074	204,108	-
IDEA Preschool Incentive:										
IDEA Preschool Incentive - IDEA Preschool 2021	210460	84.173A	9,536	9,536	3,526	-	3,526	-	-	-
IDEA Preschool Incentive - IDEA Preschool 2122	220460	84.173A	5,112	4,675	2,072	-	2,509	437	-	-
IDEA Preschool Incentive - IDEA Preschool 2223	230460	84.173A	15,599	-	-	-	10,675	15,599	4,924	-
COVID-19 American Rescue Plan - IDEA Preschool	221285	84.173X	3,015	-	-	-	-	3,015	3,015	-
Total IDEA Preschool			33,262	14,211	5,598	-	16,710	19,051	7,939	-
Total Special Education Cluster			1,386,351	842,946	196,865	-	498,943	514,125	212,047	-
Medicaid Cluster - U.S. Department of Health and Human Services - Passed through the Oakland ISD -										
Medicaid Outreach AOP - 2023	N/A	93.778	4,438	-	-	-	4,438	4,438	-	-
Total clusters			3,783,312	1,952,106	247,731	-	1,798,380	1,801,926	251,277	-

Clarenceville School District of Oakland and Wayne Counties

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2022	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2023	Current Year Cash Transferred to Subrecipients
Other federal awards:										
U.S. Department of Agriculture -										
Passed through the Michigan Department of Education:										
COVID-19 Pandemic EBT Local Level Costs	220980	10.649	\$ 3,135	\$ -	\$ -	\$ -	\$ 3,135	\$ 3,135	\$ -	\$ -
School Breakfast Expansion	221995	10.579	10,000	-	-	-	-	10,000	10,000	-
Local Food for Schools Program 2022-2023	230985	10.185	9,321	-	-	-	-	9,231	9,231	-
U.S. Department of Education:										
Title I, Part A:										
Passed through the Michigan Department of Education:										
Title I, Part A 2022	221530	84.010	342,394	334,892	334,892	-	334,892	-	-	-
Title I, Part A 2023	231530	84.010	389,657	-	-	-	258,069	380,576	122,507	-
Passed through the Calhoun Intermediate School District -										
Title I Technical Assistance Grant (TAG)	231580	84.010A	40,000	-	-	-	-	28,537	28,537	-
Total Title I, Part A			772,051	334,892	334,892	-	592,961	409,113	151,044	-
Improving Teacher Quality, Title II - Part A -										
Passed through the Michigan Department of Education:										
Title II, Part A 2022	220520	84.367	124,976	18,114	18,114	-	25,114	7,000	-	-
Title II, Part A 2023	230520	84.367	123,961	-	-	-	15,546	61,269	45,723	-
Total Title II, Part A			248,937	18,114	18,114	-	40,660	68,269	45,723	-
English Language Acquisition Grant:										
Passed through Michigan Department of Education:										
Title III Language Instruction for Immigrant Students 2022	220570	84.365	946	946	946	-	946	-	-	-
Title III Language Instruction for Immigrant Students 2023	230570	84.365	855	-	-	-	-	555	555	-
Passed through Royal Oak Public Schools:										
Title III Language Instruction for English Learners 2022	220580	84.365	13,358	13,358	13,358	-	13,358	-	-	-
Title III Language Instruction for English Learners 2023	230580	84.365	8,987	-	-	-	-	8,987	8,987	-
Total Title III			24,146	14,304	14,304	-	14,304	9,542	9,542	-
Student Support and Academic Enrichment Program -										
Passed through Michigan Department of Education:										
Title IV, Part A 2022	220750	84.424	28,049	26,135	26,135	-	26,135	-	-	-
Title IV, Part A 2023	230750	84.424	26,993	-	-	-	-	19,207	19,207	-
Total Title IV, Part A			55,042	26,135	26,135	-	26,135	19,207	19,207	-
Education Stabilization Fund Program -										
Passed through Michigan Department of Education:										
COVID-19 ESSER II - Summer Programming	213722	84.425D	165,000	104,029	104,029	-	165,000	60,971	-	-
COVID-19 ESSER II - Credit Recovery	213742	84.425D	116,600	100,918	100,918	-	108,298	7,380	-	-
COVID-19 ESSER II - Before and After School Programs	213752	84.425D	25,000	18,438	18,438	-	18,438	-	-	-
COVID-19 GEER II - Teacher & Support Staff Payments	211202	84.425C	45,500	45,500	45,500	-	45,500	-	-	-
COVID-19 Benchmark Assessment Funding	211222	84.425C	14,163	14,163	14,163	-	14,163	-	-	-
COVID-19 ESSER Formula Funds II	213712	84.425D	1,118,605	817,320	817,320	-	1,101,259	227,660	(56,279)	-
COVID-19 ESSER Formula Funds III	213713	84.425U	2,514,014	-	-	-	-	1,250,518	1,250,518	-
Total Education Stabilization Fund Program			3,998,882	1,100,368	1,100,368	-	1,452,658	1,546,529	1,194,239	-
U.S. Department of the Treasury -										
Passed through the Oakland County Board of Commissioners										
Coronavirus State and Local Fiscal Recovery Fund										
Oakland County Mental Health Grant	SLRFP2640	21.027	350,000	-	-	-	350,000	159,737	(190,263)	-
Total federal awards			\$ 9,254,826	\$ 3,445,919	\$ 1,741,544	\$ -	\$ 4,278,233	\$ 4,036,689	\$ 1,500,000	\$ -

Clarenceville School District of Oakland and Wayne Counties

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

Year Ended June 30, 2023

Revenue from federal sources - As reported on the basic financial statements (includes all funds)	\$ 3,958,894
Federal revenue for which the School District is considered a beneficiary rather than a subrecipient	(179,943)
Revenue deferred in the prior year for financial statement purposes as not meeting the available criteria of GASB Statement No. 33	(18,223)
Revenue deferred in the current year for financial statement purposes as not meeting the available criteria of GASB Statement No. 33	<u>275,961</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 4,036,689</u></u>

Clarenceville School District of Oakland and Wayne Counties

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Clarenceville School District of Oakland and Wayne Counties (the "School District") under programs of the federal government for the year ended June 30, 2023. 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 have been disclosed to the auditor.

Note 4 - Noncash Assistance

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

Note 5 - Deferred Revenue

During the year ended June 30, 2023, the School District received a refund of virtual learning tuition in the amount of \$72,834 that was previously charged to COVID-19 ESSER Formula Funds II during the prior year. The School District has reduced federal revenue and expenditures for the refund and has recorded deferred revenue of \$72,834, which is included in the net deferred revenue for ESSER Formula Funds II totaling \$56,279, as presented on the schedule of expenditures of federal awards at June 30, 2023.

Schedule of Findings and Questioned Costs

Clarenceville School District of Oakland and Wayne Counties

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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 None reported

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
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
10.553, 10.555, 10.559 84.425D, 84.425C, 84.425U	Child Nutrition Cluster Education Stabilization Fund	Unmodified Unmodified

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

Reference Number	Finding
Current Year	None

Clarenceville School District of Oakland and Wayne Counties

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	