

West Bloomfield School District

**Federal Awards
Supplemental Information
June 30, 2010**

West Bloomfield School District

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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, 2010, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 1, 2010. These basic financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Bloomfield School District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

September 1, 2010

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*

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, 2010, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 1, 2010. We have conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered West Bloomfield School District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To 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 of 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as Finding 2010-1.

West Bloomfield School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit West Bloomfield School District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, others within the School District, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 1, 2010

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Education
West Bloomfield School District

Compliance

We have audited the compliance of West Bloomfield School District (the "School District") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. The major federal programs of West Bloomfield School District are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of West Bloomfield School District's management. Our responsibility is to express an opinion on West Bloomfield School District's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination on West Bloomfield School District's compliance with those requirements.

In our opinion, West Bloomfield School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

To the Board of Education
West Bloomfield School District

Internal Control Over Compliance

The management of West Bloomfield School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered West Bloomfield School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Education, others within the School District, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 1, 2010

West Bloomfield School District

Schedule of Expenditures of Federal Awards Year Ended June 30, 2010

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2009	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2010
Clusters:								
Child Nutrition Cluster:								
U.S. Department of Agriculture - Passed through the Michigan Department of Education:								
Non-Cash Assistance (Commodities) - National School Lunch Program:								
Entitlement Commodities 2008-2009	10.555	\$ 95,258	\$ 38,793	\$ -	\$ (56,465)	\$ -	\$ 56,465	\$ -
Bonus Commodities 2008-2009	10.555	2,825	889	-	(1,936)	-	1,936	-
Entitlement Commodities 2009-2010	10.555	84,871	-	-	-	84,871	84,871	-
Bonus Commodities 2009-2010	10.555	2,635	-	-	-	2,635	2,635	-
Non-Cash Assistance Subtotal		185,589	39,682	-	(58,401)	87,506	145,907	-
Cash Assistance:								
National School Breakfast Program - 2009-2010	10.553	60,775	-	-	-	56,793	60,775	3,982
National School Lunch Program - 2009-2010	10.555	514,364	-	-	-	484,992	514,364	29,372
Cash Assistance Subtotal		575,139	-	-	-	541,785	575,139	33,354
Total Child Nutrition Cluster		760,728	39,682	-	(58,401)	629,291	721,046	33,354
Special Education Cluster - U.S. Department of Education - Passed through the Oakland County ISD - IDEA:								
Special Education - Grants to States (IDEA, Part B):								
IDEA, Part B:								
Project number 090450	84.027A	1,108,542	1,108,542	197,168	-	197,168	-	-
Project number 100450	84.027A	1,215,969	-	-	-	1,010,254	1,215,969	205,715
Subtotal IDEA, Part B		2,324,511	1,108,542	197,168	-	1,207,422	1,215,969	205,715
ARRA - IDEA, Part B, Recovery Act - Project number 100455								
ARRA - IDEA, Part B, Recovery Act - Project number 100455	84.391A	1,490,129	-	-	-	1,029,824	1,113,940	84,116
Total Special Education Cluster - Grants to States (IDEA, Part B)		3,814,640	1,108,542	197,168	-	2,237,246	2,329,909	289,831

See Notes to Schedule of Expenditures of Federal Awards.

West Bloomfield School District

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2010

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2009	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2010
Clusters (Continued):								
Special Education Cluster - U.S. Department of Education - Passed through the Oakland County ISD - IDEA (Continued):								
Special Education - Preschool Grants (IDEA Preschool):								
IDEA Preschool:								
Project number 090460	84.173A	\$ 45,318	\$ 45,318	\$ 7,746	\$ -	\$ 7,746	\$ -	\$ -
Project number 100460	84.173A	46,256	-	-	-	40,326	46,256	5,930
Subtotal IDEA Preschool		91,574	45,318	7,746	-	48,072	46,256	5,930
ARRA - IDEA Preschool, Recovery Act								
Project number 100465 - ARRA Preschool	84.392A	57,522	-	-	-	42,241	57,522	15,281
Total Special Education - Preschool Grants (IDEA Preschool)		149,096	45,318	7,746	-	90,313	103,778	21,211
Total Special Education Cluster		3,963,736	1,153,860	204,914	-	2,327,559	2,433,687	311,042
Title I, Part A Cluster - U.S. Department of Education - Passed through the Michigan Department of Education:								
Title I, Part A:								
Project number 091530-0809	84.010	222,471	222,471	64,458	-	64,458	-	-
Project number 101530-0910	84.010	481,717	-	-	-	368,360	452,885	84,525
ARRA - Title I Grants to Educational Agencies, Recovery Act								
Project number 101535-0910	84.389	266,117	-	-	-	172,562	187,463	14,901
Total Title I, Part A Cluster		970,305	222,471	64,458	-	605,380	640,348	99,426
State Fiscal Stabilization Fund Cluster - U.S. Department of Education - Passed through the Michigan Department of Education -								
ARRA - State Fiscal Stabilization Fund (SFSF) - Education Grants, Recovery Act:								
2009 - Project number 092525-0809	84.394	2,526,258	2,526,258	2,526,258	-	2,526,258	-	-
2010 - Project number 102525-0910	84.394	1,905,004	-	-	-	1,905,004	1,905,004	-
Total State Fiscal Stabilization Fund Cluster		4,431,262	2,526,258	2,526,258	-	4,431,262	1,905,004	-

See Notes to Schedule of Expenditures of
Federal Awards.

West Bloomfield School District

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2010

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2009	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2010
Other federal awards:								
U.S. Department of Education - Passed through the Michigan Department of Education:								
Safe and Drug-free Schools and Communities:								
Project number 092860-0809	84.186	\$ 15,797	\$ 15,797	\$ 1,046	\$ -	\$ 1,046	\$ -	\$ -
Project number 102860-0910	84.186	15,694	-	-	-	11,830	15,694	3,864
Total Safe and Drug-free Schools and Communities		31,491	15,797	1,046	-	12,876	15,694	3,864
Title II, Part A:								
Project number 090520-0809	84.367	168,286	168,286	38,242	-	38,242	-	-
Project number 100520-0910	84.367	176,221	-	-	-	147,031	155,793	8,762
Total Title II, Part A		344,507	168,286	38,242	-	185,273	155,793	8,762
Adult Education:								
Project number 101120-105127	84.002A	45,000	-	-	-	45,000	45,000	-
Project number 101130-101127		81,000	-	-	-	81,000	81,000	-
Total Adult Education		126,000	-	-	-	126,000	126,000	-
Title III:								
Project number 100570-0910	84.365A	37,910	-	-	-	2,230	35,598	33,368
Project number 090580-0809		63,871	63,141	760	-	760	-	-
Project number 100580-0910		89,439	-	-	-	5,771	89,298	83,527
Total Title III		191,220	63,141	760	-	8,761	124,896	116,895
Total U.S. Department of Education		693,218	247,224	40,048	-	332,910	422,383	129,521
Total federal awards		\$ 10,819,249	\$ 4,189,495	\$ 2,835,678	\$ (58,401)	\$ 8,326,402	\$ 6,122,468	\$ 573,343

See Notes to Schedule of Expenditures of Federal Awards.

West Bloomfield School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2010

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Bloomfield School District and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of OMB Circular A-133.

Note 3 - Grant Section Auditor's Report

Management has utilized Form R-7120 and 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 4 - Adjustments and Transfers

During the year ended June 30, 2010, adjustments of \$56,465 and \$1,936 were recorded to the Entitlement Commodities and Bonus Commodities programs, respectively, to report commodities received in 2009 as a result of an adjustment to the in-kind payments received.

West Bloomfield School District

Schedule of Findings and Questioned Costs Year Ended June 30, 2010

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

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 No

Federal Awards

Internal control over major program(s):

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

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program(s):

CFDA Numbers	Name of Federal Program or Cluster
84.027A/84.391A/ 84.173A/84.392A 84.389/84.010 84.394	Special Education Cluster Title I Cluster State Fiscal Stabilization Cluster

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

West Bloomfield School District

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2010

Section II - Financial Statement Audit Findings

Reference Number	Findings
2010-1	<p>Finding Type - Material noncompliance condition</p> <p>Criteria - Public Act 621 prohibits the adoption of a budget deficit.</p> <p>Condition and Context - West Bloomfield School District adopted a budget deficit during the year and had a deficit in the General Fund at June 30, 2010. Accordingly, a deficit elimination plan has been filed with the State of Michigan.</p> <p>Cause and Effect - West Bloomfield School District's budget reflects an estimate of actual revenues, expenditures, and ending fund balance, which resulted in a projected deficit budget. West Bloomfield School District had a deficit in the General Fund at June 30, 2010.</p> <p>Recommendation - We recommended that West Bloomfield School District continue to adhere to its budget deficit elimination plan.</p> <p>Views of Responsible Officials and Planned Corrective Actions - West Bloomfield School District concurs and will continue to file any required submissions and revisions to its deficit elimination plan in a timely manner as required by the State of Michigan.</p>

Section III - Federal Program Audit Findings

None