

West Bloomfield School District

**Federal Awards
Supplemental Information
June 30, 2015**

West Bloomfield School District

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Report on Schedule of Expenditures of Federal Awards
Required by OMB Circular A-133

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, 2015 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 22, 2015 which contained an unmodified opinion with an emphasis of matter related to the implementation of the GASB Statement Nos. 68 and 71 on the financial statements of the School District. Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 22, 2015.

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 U.S. Office of Management and Budget Circular A133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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

October 22, 2015

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 the 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 as of and for the year ended June 30, 2015 and related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 22, 2015. The report contained an unmodified opinion on those basic financial statements with an emphasis of matter related to the implementation of the GASB Statement Nos. 68 and 71 on the 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.

To Management and the Board of Education
West Bloomfield School District

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.

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 October 22, 2015.

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

Plante & Moran, PLLC

October 22, 2015

Report on Compliance For Each 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 Each Major Federal Program

We have audited West Bloomfield School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015. West Bloomfield 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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of West Bloomfield School District's major federal programs 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 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 on compliance for each 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 each of its major federal programs for the year ended June 30, 2015.

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 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 OMB Circular A133. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

October 22, 2015

West Bloomfield School District

Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2014	Adjustments and Transfers	Federal Funds/		Accrued Revenue at June 30, 2015
						Payments In-kind Received	Expenditures	
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 2014-2015								
	10.555	\$ 82,864	\$ -	\$ -	\$ -	\$ 82,864	\$ 82,864	\$ -
Cash Assistance:								
National School Breakfast Program - 2013-2014	10.553	88,507	88,507	3,302	-	3,302	-	-
National School Lunch Program - 2013-2014	10.555	527,663	527,663	16,332	-	16,332	-	-
National School Breakfast Program - 2014-2015	10.553	99,713	-	-	-	99,713	99,713	-
National School Lunch Program - 2014-2015	10.555	511,194	-	-	-	511,194	511,194	-
National School Summer Food Service Program - 2013-2014	10.559	11,673	11,673	2,361	-	2,361	-	-
National School Summer Food Service Program - 2014-2015	10.559	11,756	-	-	-	8,792	11,756	2,964
Cash Assistance subtotal		1,250,506	627,843	21,995	-	641,694	622,663	2,964
Total Child Nutrition Cluster		1,333,370	627,843	21,995	-	724,558	705,527	2,964
Special Education Cluster - U.S. Department of Education - Passed through the Oakland County ISD - IDEA - Special Education - Grants to States (IDEA, Part B):								
Project number 140450	84.027A	1,204,704	1,204,704	150,573	-	150,573	-	-
Project number 150450		1,296,166	-	-	-	872,021	1,296,166	424,145
Total Special Education - Grants to States (IDEA, Part B)		2,500,870	1,204,704	150,573	-	1,022,594	1,296,166	424,145
Special Education - Preschool Grants (IDEA Preschool):								
Project number 140460	84.173A	22,607	22,607	2,664	-	2,664	-	-
Project number 150460		30,980	-	-	-	22,979	30,980	8,001
Total Special Education - Preschool Grants (IDEA Preschool)		53,587	22,607	2,664	-	25,643	30,980	8,001
Total Special Education Cluster		2,554,457	1,227,311	153,237	-	1,048,237	1,327,146	432,146

West Bloomfield School District

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2015

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2014	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Expenditures	Accrued Revenue at June 30, 2015
Clusters (Continued):								
Medicaid Cluster - Michigan Department of Community Health - Passed through Oakland County ISD - Medicaid Outreach	93.778	\$ 14,441	\$ -	\$ -	\$ -	\$ 14,441	\$ 14,441	\$ -
Other federal awards - U.S. Department of Agriculture - Passed through the Michigan Department of Education:								
National Child and Adult Care Food Program 2013-2014	10.558	4,673	4,673	484	-	484	-	-
National Child and Adult Care Food Program 2014-2015		5,231	-	-	-	4,826	5,231	405
Total National Child and Adult Care Food Program		9,904	4,673	484	-	5,310	5,231	405
Other federal awards - U.S. Department of Education - Passed through the Michigan Department of Education:								
Title I, Part A:								
Project number 141530-1314	84.010	420,283	322,942	56,208	-	94,380	38,172	-
Project number 151530-1415		471,085	-	-	-	252,445	310,567	58,122
Total Title I, Part A		891,368	322,942	56,208	-	346,825	348,739	58,122
Title II, Part A:								
Project number 140520-1314	84.367	136,395	130,423	4,738	-	10,710	5,972	-
Project number 150520-1415		144,103	-	-	-	112,863	115,479	2,616
Total Title II, Part A		280,498	130,423	4,738	-	123,573	121,451	2,616
Adult Education:								
Project number 151130-151127	84.002	70,000	-	-	-	70,000	70,000	-
Project number 151120-155127		30,000	-	-	-	30,000	30,000	-
Total Adult Education		100,000	-	-	-	100,000	100,000	-
Title III:								
Project number 150580-1415 (Passed through Oakland ISD)	84.365	15,000	-	-	-	-	5,617	5,617
Project number 140580-1314		81,533	46,579	8,801	-	28,811	20,010	-
Project number 150580-1415		80,197	-	-	-	40,087	52,041	11,954
Total Title III		176,730	46,579	8,801	-	68,898	77,668	17,571
Total U.S. Department of Education		1,458,500	504,617	70,231	-	644,606	653,089	78,714
Total federal awards		<u>\$ 5,360,768</u>	<u>\$ 2,359,771</u>	<u>\$ 245,463</u>	<u>\$ -</u>	<u>\$ 2,431,842</u>	<u>\$ 2,700,203</u>	<u>\$ 513,824</u>

See Notes to Schedule of Expenditures
Of Federal Awards.

West Bloomfield School District

Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 3,461,166
Federal subsidy interest from qualified school construction bonds	<u>(760,963)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u>\$ 2,700,203</u>

West Bloomfield School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

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, 2015. Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. In addition, expenditures reported on the Schedule are recognized following the cost principles contained in OMB Circular A-87, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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.

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 OMB Circular A-133.

West Bloomfield School District

Schedule of Findings and Questioned Costs Year Ended June 30, 2015

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 No

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

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 No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559 84.010	Child Nutrition Cluster Title IA

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

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None