

Orchard View Schools
**SINGLE AUDIT OF FEDERAL
FINANCIAL ASSISTANCE PROGRAMS**

Financial Report and
Independent Auditor's Reports

June 30, 2022



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**INDEPENDENT AUDITOR'S 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***

Board of Education
Orchard View Schools
Muskegon, Michigan

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 Orchard View Schools as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Orchard View Schools' basic financial statements, and have issued our report thereon dated October 13, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Orchard View Schools' 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 Orchard View Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Orchard View Schools' 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 entity'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.

Board of Education
Orchard View Schools
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Orchard View Schools' 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*.

Orchard View Schools' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Orchard View Schools' response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Orchard View Schools' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

A handwritten signature in black ink that reads "Brickley DeLong, P.C." The signature is written in a cursive, flowing style.

Muskegon, Michigan
October 13, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Orchard View Schools
Muskegon, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Orchard View Schools' 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 Orchard View Schools' major federal programs for the year ended June 30, 2022. Orchard View Schools' 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, Orchard View Schools complied, in all material respects, with the 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, 2022.

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 to our report.

We are required to be independent of Orchard View Schools 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 Orchard View Schools' 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 Orchard View Schools' federal programs.

Board of Education
Orchard View Schools
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Auditor's Responsibility 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 Orchard View Schools' 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 Orchard View Schools' 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 Orchard View Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Orchard View Schools' 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 Orchard View Schools' 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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

Board of Education
Orchard View Schools
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Report on Internal Control Over Compliance—Continued

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as **Finding 2022-001**, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures in Orchard View Schools' response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Orchard View Schools' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

We have audited the financial statements of Orchard View Schools as of and for the year ended June 30, 2022, and have issued our report thereon dated October 13, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.



Muskegon, Michigan
October 13, 2022

Orchard View Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2022

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Program or award amount	Accrued (unearned) revenue July 1, 2021	Adjustments and Transfers	Cash or payments in kind received (cash basis)	Expenditures (accrual basis)		Accrued (unearned) revenue June 30, 2022	Passed through to subrecipients
						Prior year(s)	Current year		
<i>U.S. Department of Education</i>									
Passed through Michigan Department of Education:									
Adult Education—Basic Grants to States	84.002A								
211130-211719		\$ 242,165	\$ 97,922	\$ -	\$ 97,922	\$ 242,165	\$ -	\$ -	\$ -
211190-211719		13,700	6,249	-	6,249	13,700	-	-	-
221130-221719		245,906	-	-	80,247	-	245,906	165,659	-
221190-221719		3,182	-	-	-	-	3,182	3,182	-
		504,953	104,171	-	184,418	255,865	249,088	168,841	-
Title I Grants to Local Educational Agencies	84.010A								
211530-2021		723,238	146,984	-	245,985	454,108	99,001	-	-
221530-2122		735,091	-	-	213,276	-	716,266	502,990	-
		1,458,329	146,984	-	459,261	454,108	815,267	502,990	-
Title I Program for Neglected and Delinquent Children	84.013D								
211700-2021		85,478	-	-	580	18,739	580	-	-
Supporting Effective Instruction State Grants	84.367A								
210520-2021		165,633	8,992	-	53,871	56,639	44,879	-	-
220520-2122		147,542	-	-	43,404	-	74,489	31,085	-
		313,175	8,992	-	97,275	56,639	119,368	31,085	-
Student Support and Academic Enrichment Program	84.424A								
210750-2021		73,345	7,268	-	7,565	9,606	297	-	-
220750-2122		91,831	-	-	-	-	25,707	25,707	-
		165,176	7,268	-	7,565	9,606	26,004	25,707	-

Orchard View Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS—Continued
For the year ended June 30, 2022

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Program or award amount	Accrued (unearned) revenue July 1, 2021	Adjustments And Transfers	Cash or payments in kind received (cash basis)	Expenditures (accrual basis)		Accrued (unearned) revenue June 30, 2022	Passed through to subrecipients
						Prior year(s)	Current year		
<i>U.S. Department of Education—Continued</i>									
Passed through Michigan Department of Education—Continued:									
Education Stabilization Fund									
Governor's Emergency Education Relief Fund	84.425C								
COVID-19 201200-2021		\$ 178,865	\$ 13,205	\$ -	\$ 13,205	\$ 178,865	\$ -	\$ -	\$ -
COVID-19 211202-2122		48,000	-	-	48,000	-	48,000	-	-
		226,865	13,205	-	61,205	178,865	48,000	-	-
Elementary and Secondary School Emergency Relief Fund	84.425D								
COVID-19 203710-1920		521,063	56,452	-	56,452	521,063	-	-	-
COVID-19 213712-2021		1,975,677	-	-	1,352,319	-	1,496,954	144,635	-
COVID-19 213722-2122		243,100	-	-	243,100	-	243,100	-	-
COVID-19 213742-2122		27,500	-	-	27,500	-	27,500	-	-
		2,767,340	56,452	-	1,679,371	521,063	1,767,554	144,635	-
American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U								
COVID-19 213713-2122		4,440,247	-	-	405,440	-	551,779	146,339	-
Total Education Stabilization Fund		7,434,452	69,657	-	2,146,016	699,928	2,367,333	290,974	-
Total passed through Michigan Department of Education		9,961,563	337,072	-	2,895,115	1,494,885	3,577,640	1,019,597	-
Passed through Muskegon Area Intermediate School District:									
Title I—Grants to Local Educational Agencies	84.010A								
S010A180022-2021		117,000	37,783	-	45,828	80,401	8,045	-	-
S010A180022-2122		116,000	-	-	25,448	-	42,659	17,211	-
		233,000	37,783	-	71,276	80,401	50,704	17,211	-
Total U.S. Department of Education		10,194,563	374,855	-	2,966,391	1,575,286	3,628,344	1,036,808	-

Orchard View Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS—Continued
For the year ended June 30, 2022

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Program or award amount	Accrued	Adjustments And Transfers	Cash or	Expenditures		Accrued	Passed through to subrecipients
			(unearned) revenue July 1, 2021		payments in kind received (cash basis)	(accrual basis)		(unearned) revenue June 30, 2022	
						Prior year(s)	Current year		
<i>U.S. Department of Agriculture</i>									
Passed through Michigan Department of Education:									
Child Nutrition Cluster									
National Breakfast Program	10.553								
COVID-19 211971		\$ 65,993	\$ -	\$ -	\$ 65,993	\$ -	\$ 65,993	\$ -	\$ -
COVID-19 221971		399,654	-	-	328,834	-	399,654	70,820	-
		465,647	-	-	394,827	-	465,647	70,820	-
National School Lunch Program	10.555								
COVID-19 211961		170,990	-	-	170,990	-	170,990	-	-
COVID-19 211965		252	-	-	252	-	252	-	-
COVID-19 220910		44,723	-	-	44,723	-	44,723	-	-
COVID-19 221961		1,020,612	-	-	852,329	-	1,020,612	168,283	-
Entitlement Commodities		108,548	-	-	78,806	-	78,806	-	-
		1,345,125	-	-	1,147,100	-	1,315,383	168,283	-
Summer Food Service Program for Children	10.559								
COVID-19 210904		1,759,941	108,002	-	225,207	1,642,736	117,205	-	-
Total Child Nutrition Cluster		3,570,713	108,002	-	1,767,134	1,642,736	1,898,235	239,103	-
Child and Adult Care Food Program	10.558								
211920		120,401	12,472	-	15,298	117,575	2,826	-	-
211925		257	-	-	257	-	257	-	-
212010		1,427	76	-	125	1,378	49	-	-
221920		95,067	-	-	69,741	-	95,067	25,326	-
222010		4,175	-	-	2,981	-	4,175	1,194	-
		221,327	12,548	-	88,402	118,953	102,374	26,520	-
Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs	10.649								
COVID-19 21980-2021		3,063	-	-	3,063	-	3,063	-	-
Total passed through Michigan Department of Education and U.S. Department of Agriculture		3,795,103	120,550	-	1,858,599	1,761,689	2,003,672	265,623	-

Orchard View Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS—Continued
For the year ended June 30, 2022

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Program or award amount	Accrued	Adjustments And Transfers	Cash or	Expenditures		Accrued	Passed through to subrecipients
			(unearned) revenue July 1, 2021		payments in kind received (cash basis)	(accrual basis)	(unearned) revenue June 30, 2022	Prior year(s)	
U.S. Department of Health and Human Services									
Passed through Muskegon Area Intermediate									
School District:									
Head Start Cluster									
Head Start	93.600								
COVID-19 05CH010377-05-04		\$ 30,023	\$ 30,023	\$ -	\$ 30,023	\$ 30,023	\$ -	\$ -	\$ -
05CH011882-01		856,036	79,550	-	463,905	441,657	384,355	-	-
05CH011882-02		846,038	-	-	301,538	-	538,942	237,404	-
		1,732,097	109,573	-	795,466	471,680	923,297	237,404	-
Medicaid Cluster									
Medical Assistance Program	93.778								
393		5,635	-	-	5,635	-	5,635	-	-
Total passed through Muskegon Area Intermediate and U.S. Department of Health and Human Services		1,737,732	109,573	-	801,101	471,680	928,932	237,404	-
TOTAL FEDERAL ASSISTANCE		\$ 15,727,398	\$ 604,978	\$ -	\$ 5,626,091	\$ 3,808,655	\$ 6,560,948	\$ 1,539,835	\$ -

The accompanying notes are an integral part of this schedule.

Orchard View Schools
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2022

1. The accompanying Schedule of Expenditures of Federal Awards (the “schedule”) includes the federal award activity of the School District under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (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 or change in net position of the School District.
2. Please see the financial statement footnotes for the significant accounting policies used in preparing this schedule. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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 School District is not using the ten-percent de minimis indirect cost rate as allowed under the Uniform Guidance.
3. Management has utilized the Michigan Department of Education NexSys Grant Auditor Report in preparing the Schedule of Expenditures of Federal Awards.
4. Cash or payments in kind received (cash basis) for certain federal programs do not match the Grant Auditor Report because the following payments in the Grant Auditor Report as of June 30, 2022 were not received by the School District until July 2022.

National Breakfast Program	COVID-19 221971	\$ 60,806
National School Lunch Program	COVID-19 221961	147,300

5. Reconciliation of revenues from federal sources per governmental funds financial statements and expenditures per single audit report Schedule of Expenditures of Federal Awards.

Revenues from federal sources per June 30, 2022

Governmental Funds financial statements

General Fund	\$ 3,387,954	
Community Service Fund	1,172,385	
Other governmental funds (including Food Service Fund)	<u>2,000,609</u>	<u>\$ 6,560,948</u>

Expenditures per single audit report

Schedule of Expenditures of Federal Awards	<u><u>\$ 6,560,948</u></u>
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Orchard View Schools
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2022

SECTION I—SUMMARY OF AUDITOR’S RESULTS

A. Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified**
2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes **X** no
 - Significant deficiency(ies) identified? _____ yes **X** none reported
3. Noncompliance material to financial statements noted? _____ yes **X** no

B. Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes **X** no
 - Significant deficiency(ies) identified? **X** yes _____ none reported
2. Type of auditor’s report issued on compliance for major federal programs: **Unmodified**
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **X** yes _____ no
4. Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program/Cluster

U.S. Department of Education

84.425C, 84.425D and 84.425U

• Education Stabilization Fund

5. Dollar threshold used to distinguish between type A and type B programs: **\$750,000**
6. Auditee qualified as low-risk auditee? **X** yes _____ no

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

Orchard View Schools
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—Continued
For the year ended June 30, 2022

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. Department of Education

Finding 2022-001: Education Stabilization Fund—Governor’s Emergency Education Relief (GEER) and Elementary and Secondary School Emergency Relief (ESSER) Fund Semi-Annual Certification Procedures

Pass-through entity: Michigan Department of Education (MDE)

Assistance Listing Number(s): 84.425C and 84.425D

Award Numbers: COVID-19 211202-2122, COVID-19 213712-2021, COVID-19 213722-2122 and COVID-19 213742-2122

Award Year End: September 30, 2023

Specific Requirement: Allowable Costs/Cost Principles

Criteria: Section 200.430 of the Cost Principles of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200—*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* requires charges to federal award for salaries and wages to be based on records that accurately reflect the work performed. These records must (1) be supported by a system of internal controls which provide reasonable assurance that charges are accurate, allowable and properly allocated, (2) reasonably reflect total activity for which the employee is compensated, (3) encompass both federally assisted and all other activities compensated by the entity, (4) support the distribution of the employee’s wages among specific cost objectives if the employee works on more than one federal award, (5) be reconciled with payroll budget estimates with necessary adjustments made to accounting records to ensure that excess costs are not charged to federal programs. Appendix B to 2 CFR, Part 225—*Selected Items of Cost* indicates that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

Questioned Costs: None.

Condition: During our detailed testing of time-and-effort reporting for the Education Stabilization Fund—GEER/ESSER programs, we noted that semi-annual certifications were prepared to comply with federal time and effort requirements. However, the reports were not timely prepared or timely reviewed by the program supervisor with documented approval.

Context: Ninety-five employees working in the federal program were eligible for semi-annual certifications because their payroll costs were fully allocated to a single federal program or cost objective. One certification was prepared by each building supervisor for each six-month period during the fiscal year. In total, the certifications properly listed all eligible 95 employees that worked in the federal program during the respective semesters. While the certifications contained the proper components, including documented supervisor approval, they were not prepared timely as they were completed and certified during the audit process. The sample was not a statistically valid sample.

Effect: Failure to timely and properly prepare and review time-and-effort reporting could allow improper payroll expenses to be charged to the School District’s federal programs. As a result, payroll compensation and fringe benefits charged for these employees could be disallowed, or there could be missed opportunities for reimbursement.

Orchard View Schools
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—Continued
For the year ended June 30, 2022

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS—Continued

U.S. Department of Education

Finding 2022-001: Education Stabilization Fund—Governor’s Emergency Education Relief (GEER) and Elementary and Secondary School Emergency Relief (ESSER) Fund Semi-Annual Certification Procedures—Continued

Cause: The School District program personnel overlooked the federal requirements for time-and-effort reporting and the semi-annual certifications were not timely prepared.

Repeat Finding: This is **not** a repeat finding.

Recommendation: The School District should provide training to educate all employees working in federal programs of the requirements for documenting personnel expenses under Uniform Grant Guidance, and the School District should require proper time-and-effort documentation to be timely prepared and certified by the appropriate program supervisor.

Views of Responsible Officials: The School District agrees with this finding.

CLIENT DOCUMENTS



ORCHARD VIEW SCHOOLS
35 S. SHERIDAN DRIVE
MUSKEGON, MICHIGAN 49442

Orchard View Early
Elementary
760-1850

Cardinal Elementary
760-1700

OV Middle School
760-1500

OV High School
760-1400

OV Alternative Ed
760-1692

OV HeadStart
760-1787

Central Office
231-760-1300

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

October 13, 2022

Michigan Department of Education
Lansing, Michigan

Orchard View Schools respectfully advises you that there were ***no*** audit findings reported in our single audit report, dated October 1, 2021, for the year ended June 30, 2021.

Sincerely,

Jim Nielsen
Superintendent



ORCHARD VIEW SCHOOLS
35 S. SHERIDAN DRIVE
MUSKEGON, MICHIGAN 49442

Orchard View Early
Elementary
760-1850

Cardinal Elementary
760-1700

OV Middle School
760-1500

OV High School
760-1400

OV Alternative Ed
760-1692

OV HeadStart
760-1787

Central Office
231-760-1300

CORRECTIVE ACTION PLAN

October 13, 2022

Michigan Department of Education
Lansing, Michigan

Orchard View Schools respectfully submits the following Corrective Action Plan for the year ended June 30, 2022.

Name and address of independent public accounting firm:

Brickley DeLong, P.C.
P.O. Box 999
Muskegon, Michigan 49443

Audit period: June 30, 2022

The findings from the Schedule of Findings and Questioned Costs for the year ended June 30, 2022 are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

SECTION II – FINANCIAL STATEMENT FINDINGS

There were ***no*** findings in relation to the financial statement audit.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. Department of Education

Finding 2022-001: Education Stabilization Fund—Governor’s Emergency Education Relief (GEER) and Elementary and Secondary School Emergency Relief (ESSER) Fund Semi-Annual Certification Procedures—Continued

Pass-through entity: Michigan Department of Education (MDE)

Assistance Listing Number(s): 84.425C and 84.425D

Award Numbers: COVID-19 211202-2122, COVID-19 213712-2021, COVID-19 213722-2122 and COVID-19 213742-2122

Award Year End: September 30, 2023

Recommendation: The School District should provide training to educate all employees working in federal programs of the requirements for documenting personnel expenses under Uniform Grant Guidance, and the School District should require proper time-and-effort documentation to be timely prepared and certified by the appropriate program supervisor.

Action taken: The School District will implement controls to ensure the appropriate time-and-effort documentation is completed timely and approved by the appropriate program supervisor by adding the topic to management meeting agendas and utilizing Outlook calendar events.

Responsible Person and Anticipated Completion Date: Superintendent, December 2022.

If the Michigan Department of Education has questions regarding this plan, please call Jim Nielsen at (231) 760-1309.

Sincerely,



Jim Nielsen
Superintendent