
Chippewa Valley Schools

Federal Awards Supplemental Information
June 30, 2022

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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
Chippewa Valley Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Chippewa Valley Schools (the "School District") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated September 29, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion 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 September 29, 2022.

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 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 and the reconciliation of basic financial statements federal revenue with the 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

September 29, 2022

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
Chippewa Valley Schools

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 Chippewa Valley Schools (the "School District") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 29, 2022.

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
Chippewa Valley Schools

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

September 29, 2022

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
Chippewa Valley Schools

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chippewa Valley Schools' (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, 2022. 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, 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; 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 programs.

To the Board of Education
Chippewa Valley Schools

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
Chippewa Valley Schools

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

September 29, 2022

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, 2021	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	(Deferred) Accrued Revenue at June 30, 2022	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 2021-2022	N/A	10.555	\$ 368,580	\$ -	\$ -	\$ -	\$ 368,580	\$ 368,580	\$ -	\$ -
Cash Assistance:										
Seamless Summer Option (SSO) - Lunch	211961	10.555	5,137,533	-	-	-	5,137,533	5,137,533	-	-
Emergency Operations - SNP Meals 21-22	211965	10.555	85,558	-	-	-	85,558	85,558	-	-
Supply Chain Assistance	220910	10.555	263,089	-	-	-	263,089	164,515	(98,574)	-
Total National School Lunch program (incl. commodities)			5,854,760	-	-	-	5,854,760	5,756,186	(98,574)	-
Seamless Summer Option (SSO) - Breakfast	221971	10.553	1,195,483	-	-	-	1,195,483	1,195,483	-	-
Total Child Nutrition Cluster			7,050,243	-	-	-	7,050,243	6,951,669	(98,574)	-
Special Education Cluster - U.S. Department of Education - Passed through the Macomb ISD:										
IDEA Flowthrough:										
IDEA Flowthrough 2021	210450	84.027	3,103,693	3,103,693	823,136	-	823,136	-	-	-
IDEA Flowthrough 2022	220450	84.027	3,093,849	-	-	-	2,234,464	3,093,849	859,385	-
COVID-19 American Rescue Plan - IDEA	221280	84.027X	666,092	-	-	-	302,339	302,339	-	-
IDEA Flowthrough subtotal			6,863,634	3,103,693	823,136	-	3,359,939	3,396,188	859,385	-
IDEA Preschool Incentive:										
IDEA Preschool 2021	210460	84.173	124,827	124,827	28,489	-	28,489	-	-	-
IDEA Preschool 2022	220460	84.173	124,652	-	-	-	92,925	124,652	31,727	-
COVID-19 American Rescue Plan - IDEA Preschool	221285	84.173X	61,413	-	-	-	44,506	61,413	16,907	-
IDEA Preschool Incentive subtotal			310,892	124,827	28,489	-	165,920	186,065	48,634	-
Total Special Education Cluster			7,174,526	3,228,520	851,625	-	3,525,859	3,582,253	908,019	-
Total Clusters			14,224,769	3,228,520	851,625	-	10,576,102	10,533,922	809,445	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2022

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, 2021	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	(Deferred) Accrued Revenue at June 30, 2022	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	210980	10.649	\$ 5,814	\$ -	\$ -	\$ -	\$ 5,814	\$ 5,814	\$ -	\$ -
Title I, Part A - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title I, Part A 2021	211530	84.010	1,534,580	1,129,711	234,389	-	332,441	98,052	-	-
Title I, Part A 2122	221530	84.010	1,564,706	-	-	-	873,839	1,230,881	357,042	-
Total Title I, Part A			3,099,286	1,129,711	234,389	-	1,206,280	1,328,933	357,042	-
Improving Teacher Quality, Title II, Part A - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title II, Part A 2021	210520	84.367A	694,311	266,127	112,647	-	112,647	-	-	-
Title II, Part A 2122	220520	84.367A	628,852	-	-	-	216,144	284,254	68,110	-
Total Title II Part A			1,323,163	266,127	112,647	-	328,791	284,254	68,110	-
English Language Acquisition Grant - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title III 2021	210580	84.365A	214,902	70,858	13,074	-	13,074	-	-	-
Title III 2122	220580	84.365A	210,121	-	-	-	45,740	76,100	30,360	-
Total Title III			425,023	70,858	13,074	-	58,814	76,100	30,360	-
Language Instruction for Immigrant Students - U.S. Department of Education - Passed through the Michigan Department of Education - Title III 2122										
	220570	84.365A	33,306	-	-	-	852	13,810	12,958	-
Student Support & Academic Enrichment, Title IV, Part A - U.S. Department of Education - Passed through the Michigan Department of Education - Title IV, Part A 2122										
	220750	84.424	107,258	-	-	-	14,703	41,158	26,456	-
Adult Education - State Administered - U.S. Department of Education - Passed through the Michigan Department of Education - Adult Education 2122										
	221130 221703	84.002A	85,298	-	-	-	80,839	85,298	4,459	-
Education Stabilization Fund (ESF):										
COVID-19 GEER Funds K-12-Sec 23c	211202-2122	84.425C	64,750	-	-	-	64,750	64,750	-	-
COVID-19 GEER II Benchmark Assessments	211222-2022	84.425C	115,725	-	-	-	115,725	115,725	-	-
COVID-19 ESSER II Before & After School Programs	213752-2122	84.425D	25,000	-	-	-	-	25,000	25,000	-
COVID-19 ESSER II Funds - Formula	213712-2021	84.425D	4,694,557	-	-	-	-	4,694,557	4,694,557	-
COVID-19 ESSER II 23b Summer School	213722-2122	84.425D	332,200	-	-	-	-	53,235	53,235	-
COVID-19 ARP ESSER III Formula	213713-2122	84.425U	10,550,806	-	-	-	-	10,550,806	10,550,806	-
COVID-19 ARP ESSER III Equalization Section 11t	213723-2122	84.425U	6,397,962	-	-	-	-	5,079,980	5,079,980	-
Total ESF passed through the Michigan Department of Education			22,181,000	-	-	-	180,475	20,584,053	20,403,578	-
Passed through the Department of Labor and Economic Opportunity, Workforce Development - COVID-19 Futures 4 Frontliners - GEER										
		84.425C	50,000	-	-	-	3,750	3,750	-	-
Total Education Stabilization Fund			22,231,000	-	-	-	184,225	20,587,803	20,403,578	-
Total U.S. Department of Education noncluster programs			27,304,334	1,466,696	360,110	-	1,874,504	22,417,356	20,902,963	-

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, 2021	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	(Deferred) Accrued Revenue at June 30, 2022	Current Year Cash Transferred to Subrecipients
Other federal awards (continued):										
Passed through Macomb County ISD - Title I Regional Assistance Grant	221570-2122	84.010A	\$ 3,850	\$ -	\$ -	\$ -	\$ 3,850	\$ 3,850	\$ -	\$ -
Vocational Education (Perkins IV) - U.S. Department of Education - Passed through the Macomb County ISD:										
Vocational Education 2021	213520/211216	84.048A	145,331	145,331	14,162	-	14,162	-	-	-
Vocational Education 2022	223520/221216	84.048A	130,278	-	-	-	119,571	130,278	10,707	-
Total Vocational Education			275,609	145,331	14,162	-	133,733	130,278	10,707	-
Indian Education - U.S. Department of Education - Grants to Local Educational Agencies:										
Indian Education 2021	#S060A 202342	84.060A	69,024	29,380	7,938	-	47,582	39,644	-	-
Indian Education 2022	#S060A 212342	84.060A	67,425	-	-	-	-	33,508	33,508	-
Total Indian Education			136,449	29,380	7,938	-	47,582	73,152	33,508	-
U.S. Department of Health and Human Services - Passed through the Prevention Network - COVID-19 ARP - Substance Abuse Block Grant	09MBCE12	93.959	48,932	-	-	-	21,207	21,207	-	-
Total federal awards			\$ 41,999,757	\$ 4,869,927	\$ 1,233,835	\$ -	\$ 12,662,792	\$ 33,185,579	\$ 21,756,623	\$ -

Chippewa Valley Schools

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

Year Ended June 30, 2022

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 36,102,879
Federal revenue for which the School District is considered a beneficiary rather than a subrecipient	(2,627,251)
Federal revenue for which the School District is considered a vendor rather than a subrecipient	(257,618)
Other differences	<u>(32,431)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u>\$ 33,185,579</u>

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Chippewa Valley Schools (the "School District") under programs of the federal government for the year ended June 30, 2022. 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 modified accrual of accounting. 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.

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 to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Grant Auditor Report

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

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

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
84.027, 84.173	Special Education (IDEA) Cluster	Unmodified
84.425	Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$995,567

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None