

Oakridge Public 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
Oakridge Public 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 Oakridge Public Schools as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Oakridge Public Schools' basic financial statements, and have issued our report thereon dated November 1, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Oakridge Public 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 Oakridge Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Oakridge Public 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
Oakridge Public Schools
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Report on Compliance and Other Matters


As part of obtaining reasonable assurance about whether Oakridge Public 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*.

Oakridge Public Schools’ Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Oakridge Public Schools’ response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Oakridge Public 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.



Muskegon, Michigan
November 1, 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
Oakridge Public Schools
Muskegon, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Oakridge Public 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 Oakridge Public Schools' major federal programs for the year ended June 30, 2022. Oakridge Public 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, Oakridge Public 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 Oakridge Public 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 Oakridge Public 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, implantation, 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 Oakridge Public Schools' federal programs.

Report on Compliance for Each Major Federal Program—Continued

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 Oakridge Public 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 Oakridge Public 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 Oakridge Public 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 Oakridge Public 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 Oakridge Public 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs, as **Finding 2022-001**. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Oakridge Public Schools’ response to noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Oakridge Public 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.

Board of Education
Oakridge Public Schools
Page 3

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 Compliance section above 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.

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 Oakridge Public Schools as of and for the year ended June 30, 2022, and have issued our report thereon dated November 1, 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
November 1, 2022

Oakridge Public 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 | Entitlement program or award amount | Accrued (unearned) revenue July 1, 2021 | Adjustments and transfers | Cash/ payments in kind received (cash basis) | Expenditures (accrual basis) | | Accrued (unearned) revenue June 30, 2022 | Passed through to subrecipients |
|--|---------------------------------|--|--|---------------------------------|--|---------------------------------|-----------------|---|---------------------------------------|
| | | | | | | Prior year(s) | Current year | | |
| U.S. Department of Education | | | | | | | | | |
| Passed through Michigan Department of Education | | | | | | | | | |
| Title I, Grants to Local Educational Agencies | 84.010A | | | | | | | | |
| 211530-2021 | | \$ 569,456 | \$ 290,646 | \$ - | \$ 290,646 | \$ 527,646 | \$ - | \$ - | \$ - |
| 221530-2122 | | 417,381 | - | - | 186,124 | - | 317,597 | 131,473 | - |
| | | <u>986,837</u> | <u>290,646</u> | <u>-</u> | <u>476,770</u> | <u>527,646</u> | <u>317,597</u> | <u>131,473</u> | <u>-</u> |
| English Language Acquisition State Grants | 84.365A | | | | | | | | |
| 210570-2021 | | 4,116 | 1,511 | - | 1,511 | 1,511 | - | - | - |
| 220570-2122 | | 3,039 | - | - | 320 | - | 1,278 | 958 | - |
| | | <u>7,155</u> | <u>1,511</u> | <u>-</u> | <u>1,831</u> | <u>1,511</u> | <u>1,278</u> | <u>958</u> | <u>-</u> |
| Supporting Effective Instruction State Grants | 84.367A | | | | | | | | |
| 210520-2021 | | 115,465 | 17,319 | - | 17,319 | 28,269 | - | - | - |
| 220520-2122 | | 135,467 | - | - | 131,961 | - | 133,701 | 1,740 | - |
| | | <u>250,932</u> | <u>17,319</u> | <u>-</u> | <u>149,280</u> | <u>28,269</u> | <u>133,701</u> | <u>1,740</u> | <u>-</u> |
| Student Support and Academic Enrichment Program | 84.424A | | | | | | | | |
| 220750-2122 | | 66,600 | - | - | 13,434 | - | 44,190 | 30,756 | - |
| Education Stabilization Fund | | | | | | | | | |
| Governor's Emergency Education Relief Fund | 84.425C | | | | | | | | |
| COVID-19 201200-2021 | | 134,517 | 126,212 | - | 126,212 | 126,212 | - | - | - |
| COVID-19 211202-2122 | | 47,500 | - | - | 47,290 | - | 47,290 | - | - |
| | | <u>182,017</u> | <u>126,212</u> | <u>-</u> | <u>173,502</u> | <u>126,212</u> | <u>47,290</u> | <u>-</u> | <u>-</u> |
| Elementary and Secondary School Emergency Relief Fund | 84.425D | | | | | | | | |
| COVID-19 203710-1920 | | 377,428 | 305,369 | - | 305,369 | 377,428 | - | - | - |
| COVID-19 213712-2021 | | 1,434,597 | - | - | - | - | 62,628 | 62,628 | - |
| COVID-19 213722-2122 | | 134,750 | - | - | 93,886 | - | 101,241 | 7,355 | - |
| COVID-19 213742-2122 | | 53,708 | - | - | 12,517 | - | 14,480 | 1,963 | - |
| | | <u>2,000,483</u> | <u>305,369</u> | <u>-</u> | <u>411,772</u> | <u>377,428</u> | <u>178,349</u> | <u>71,946</u> | <u>-</u> |
| Elementary and Secondary School Emergency Relief Fund | 84.425U | | | | | | | | |
| COVID-19 213713-2122 | | 2,147,882 | - | - | 286,655 | - | 468,879 | 182,224 | - |
| Total Education Stabilization Fund | | <u>4,330,382</u> | <u>431,581</u> | <u>-</u> | <u>871,929</u> | <u>503,640</u> | <u>694,518</u> | <u>254,170</u> | <u>-</u> |
| Total passed through Michigan Department of Education | | 5,641,906 | 741,057 | - | 1,513,244 | 1,061,066 | 1,191,284 | 419,097 | - |

Oakridge Public 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 | Entitlement program or award amount | Accrued (unearned) revenue July 1, 2021 | Adjustments and transfers | Cash/ payments in kind received (cash basis) | Expenditures (accrual basis) | | Accrued (unearned) revenue June 30, 2022 | Passed through to subrecipients |
|--|---------------------------------|--|--|---------------------------------|--|---------------------------------|-----------------|---|---------------------------------------|
| | | | | | | Prior year(s) | Current year | | |
| Passed through Muskegon Area Intermediate School District | | | | | | | | | |
| McKinney-Vento Education for Homeless Children and Youth Program 222320-2122 | 84.196A | \$ 368 | \$ - | \$ - | \$ 368 | \$ - | \$ 368 | \$ - | \$ - |
| Special Education - Grant to States 210450-2021 | 84.027A | 195,333 | 31,184 | - | 31,184 | 195,333 | - | - | - |
| 220450-2122 | | 213,782 | - | - | 179,758 | - | 213,782 | 34,024 | - |
| | | 409,115 | 31,184 | - | 210,942 | 195,333 | 213,782 | 34,024 | - |
| English Language Acquisition State Grants 210580-2021 | 84.365A | 3,445 | 283 | - | 283 | 3,445 | - | - | - |
| 220580-2122 | | 3,772 | - | - | 406 | - | 406 | - | - |
| | | 7,217 | 283 | - | 689 | 3,445 | 406 | - | - |
| Total passed through Muskegon Area Intermediate School District | | 416,700 | 31,467 | - | 211,999 | 198,778 | 214,556 | 34,024 | - |
| Total U.S. Department of Education | | 6,058,606 | 772,524 | - | 1,725,243 | 1,259,844 | 1,405,840 | 453,121 | - |
| <i>U.S. Department of Agriculture</i> | | | | | | | | | |
| Passed through Michigan Department of Education | | | | | | | | | |
| Child Nutrition Cluster | | | | | | | | | |
| National School Breakfast Program COVID-19 211971 | 10.553 | 32,360 | - | - | 32,360 | - | 32,360 | - | - |
| COVID-19 221971 | | 317,123 | - | - | 300,985 | - | 317,123 | 16,138 | - |
| | | 349,483 | - | - | 333,345 | - | 349,483 | 16,138 | - |
| National School Lunch Program COVID-19 211961 | 10.555 | 91,509 | - | - | 91,509 | - | 91,509 | - | - |
| COVID-19 221961 | | 833,006 | - | - | 794,330 | - | 833,006 | 38,676 | - |
| Entitlement Commodities | | 48,636 | - | - | 48,636 | - | 48,636 | - | - |
| | | 973,151 | - | - | 934,475 | - | 973,151 | 38,676 | - |
| Summer Food Service Program for Children COVID-19 210904 | 10.559 | 1,116,277 | 64,347 | - | 101,231 | 1,079,393 | 36,884 | - | - |
| COVID-19 220904 | | 9,303 | - | - | - | - | 9,303 | 9,303 | - |
| | | 1,125,580 | 64,347 | - | 101,231 | 1,079,393 | 46,187 | 9,303 | - |
| Total Child Nutrition Cluster | | 2,448,214 | 64,347 | - | 1,369,051 | 1,079,393 | 1,368,821 | 64,117 | - |

Oakridge Public 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 | Entitlement program or award amount | Accrued (unearned) revenue July 1, 2021 | Adjustments and transfers | Cash/ 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 Agriculture-continued</i> | | | | | | | | | |
| Passed through Michigan Department of Education-continued | | | | | | | | | |
| Child and Adult Care Food Program | 10.558 | | | | | | | | |
| 211920 | | \$ 13,469 | \$ 1,436 | \$ - | \$ 3,740 | \$ 11,165 | \$ 2,304 | \$ - | \$ - |
| 211925 | | 6,460 | - | - | 6,460 | - | 6,460 | - | - |
| 212010 | | 546 | 55 | - | 163 | 438 | 108 | - | - |
| 221920 | | 22,279 | - | - | 21,773 | - | 22,279 | 506 | - |
| 222010 | | 1,054 | - | - | 1,026 | - | 1,054 | 28 | - |
| | | <u>43,808</u> | <u>1,491</u> | <u>-</u> | <u>33,162</u> | <u>11,603</u> | <u>32,205</u> | <u>534</u> | <u>-</u> |
| Pandemic Electronic Benefit Transfer (P-EBT) | 10.649 | | | | | | | | |
| Administrative Costs | | | | | | | | | |
| 210980-2021 | | 3,063 | - | - | 3,063 | - | 3,063 | - | - |
| | | <u>3,063</u> | <u>-</u> | <u>-</u> | <u>3,063</u> | <u>-</u> | <u>3,063</u> | <u>-</u> | <u>-</u> |
| Total passed through Michigan Department of Education and U.S. Department of Agriculture | | 2,495,085 | 65,838 | - | 1,405,276 | 1,090,996 | 1,404,089 | 64,651 | - |
| <i>U.S. Department of Treasury</i> | | | | | | | | | |
| Passed through Michigan Department of Education | | | | | | | | | |
| Coronavirus Relief Fund | 21.019 | | | | | | | | |
| COVID-19 103(2) District COVID Costs | | 24,677 | (66) | - | - | 24,611 | 66 | - | - |
| | | <u>24,677</u> | <u>(66)</u> | <u>-</u> | <u>-</u> | <u>24,611</u> | <u>66</u> | <u>-</u> | <u>-</u> |
| <i>U.S. Department of Health and Human Services</i> | | | | | | | | | |
| Passed through Muskegon Area Intermediate School District | | | | | | | | | |
| Medicaid Cluster | | | | | | | | | |
| Medical Assistance Program | 93.778 | | | | | | | | |
| 393 | | 2,348 | - | - | 2,348 | - | 2,348 | - | - |
| | | <u>2,348</u> | <u>-</u> | <u>-</u> | <u>2,348</u> | <u>-</u> | <u>2,348</u> | <u>-</u> | <u>-</u> |
| TOTAL FEDERAL ASSISTANCE | | \$ 8,580,716 | \$ 838,296 | \$ - | \$ 3,132,867 | \$ 2,375,451 | \$ 2,812,343 | \$ 517,772 | \$ - |

The accompanying notes are an integral part of this statement.

Oakridge Public 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. 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 | \$ 1,411,317 | |
| Other governmental funds | <u>1,662,455</u> | \$ 3,073,772 |

Qualified School Construction Bonds federal interest subsidy
 is not subject to single audit

(261,429)

Expenditures per single audit report

Schedule of Expenditures of Federal Awards

\$ 2,812,343

Oakridge Public 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? _____ yes X 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:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program/Cluster</u> |
|-------------------------------------|--|
| 10.553, 10.555 and 10.559 | U.S. Department of Agriculture |
| | • Child Nutrition Cluster |

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

Oakridge Public 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 Agriculture

Finding 2022-001: Child Nutrition Cluster Resource Management Procedures

Pass-through entity: Michigan Department of Education

Assistance Listing Number: 10.553, 10.555, and 10.559

Award Numbers: COVID-19 211971, COVID-19 221971, COVID-19 211961, COVID-19 221961, COVID-19 210904, COVID-19 220904, and Entitlement Commodities

Award Year End: June 30, 2022

Specific Requirement: Resource Management and Special Tests – General Program Management

Criteria: Section 210.14(b) and 210.19(a)(1) of the Cost Principles of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires a School District to limit its net cash resources in the Food Service Fund to the maximum allowable amount of three months of average expenditures.

Questioned Costs: None.

Condition: During our testing of the Child Nutrition Cluster net cash resources, we noted that the School District Food Service Fund net cash resources were in excess of maximum allowable amount.

Context: As of June 30, 2022, the School District Food Service Fund net cash resources were in excess of the maximum allowable amount.

Effect: The School District could receive reduced funding in future years if the condition continues.

Cause: The School District had planned to reduce its Food Service Fund net cash resources below the maximum threshold, but it was unable to get proper approvals, order and receive purchased items and/or services by the end of the fiscal year.

Repeat Finding: No.

Recommendation: The School District should continue its spend-down plan to ensure it reduces its Food Service Fund net cash resources below the maximum allowable amount.

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

CLIENT DOCUMENTS



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

November 1, 2022

Michigan Department of Education
Lansing, Michigan

Oakridge Public Schools respectfully advises you that there were *no* audit findings reported in our single audit report, dated October 29, 2022, for the year ended June 30, 2021.

Sincerely,

A handwritten signature in black ink that reads "Todd M. Hronek". The signature is written in a cursive, slightly slanted style.

Todd M. Hronek
Director of Finance



CORRECTIVE ACTION PLAN

November 1, 2022

Michigan Department of Education
Lansing, Michigan

Oakridge Public 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, MI 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 Agriculture

Finding 2022-001: Child Nutrition Cluster Resource Management Procedures

Pass-through entity: Michigan Department of Education

Assistance Listing Number: 10.553, 10.555, and 10.559

Award Numbers: COVID-19 211971, COVID-19 221971, COVID-19 211961, COVID-19 221961, COVID-19 210904, COVID-19 220904, and Entitlement Commodities

Award Year End: June 30, 2022

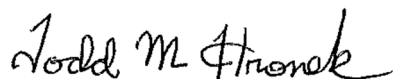
Recommendation: The School District should continue its spend-down plan to ensure it reduces its Food Service Fund net cash resources below the maximum allowable amount.

Action Taken: The School District has ordered equipment totaling approximately \$390,000 that was not received by June 30, 2022. Once the equipment is received and paid for the School District will be in compliance with this requirement.

Responsible Person and Anticipated Completion Date: Director of Finance, June 30, 2023

If the Michigan Department of Education has questions regarding this plan, please call Todd M. Hronek at (231) 788-7100.

Sincerely,



Todd M. Hronek
Director of Finance