
Warren Consolidated Schools

**Federal Awards
Supplemental Information
June 30, 2021**

Independent Auditor's Reports

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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
Warren Consolidated Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Warren Consolidated Schools (the "School District") as of and for the year ended June 30, 2021 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 21, 2021, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions 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 October 21, 2021.

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 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 21, 2021

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
Warren Consolidated 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Warren Consolidated Schools (the "School District") as of and for the year ended June 30, 2021 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 October 21, 2021.

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 may exist that have not been identified.

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
Warren Consolidated 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

October 21, 2021

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
Warren Consolidated Schools

Report on Compliance for Each Major Federal Program

We have audited Warren Consolidated Schools' (the "School District") compliance with the types of compliance requirements described in the U.S. 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, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 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"). Those standards and the Uniform Guidance 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 the 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 the School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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 the major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the 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 the 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 the Uniform Guidance, 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.

To the Board of Education
Warren Consolidated Schools

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

October 21, 2021

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	CFDA Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster - U.S. Department of Agriculture - Passed through the Michigan Department of Education: Noncash assistance - National School Lunch Program - Entitlement commodities	N/A	10.555	\$ 418,746	\$ -	\$ -	\$ -	\$ 418,746	\$ 418,746	\$ -	\$ -
Cash Assistance - COVID-19 Unanticipated School Closure - 2019-20	200902	10.555	1,835,566	1,835,566	529,315	-	529,315	-	-	-
Total National School Lunch Program (incl. commodities) subtotal		10.555	2,254,312	1,835,566	529,315	-	948,061	418,746	-	-
Summer Food Service Program 2020-21	200900 210904	10.559	4,830,670	-	-	-	4,610,914	4,830,670	219,756	-
Total Child Nutrition Cluster			7,084,982	1,835,566	529,315	-	5,558,975	5,249,416	219,756	-
Special Education Cluster - U.S. Department of Education - Passed through the Macomb County ISD:										
IDEA Flowthrough:										
IDEA Flowthrough 19-20	200450	84.027	2,576,600	2,576,600	828,006	-	828,006	-	-	-
IDEA Flowthrough 20-21	210450	84.027	2,672,137	-	-	-	1,744,580	2,672,137	927,557	-
Total IDEA Flowthrough			5,248,737	2,576,600	828,006	-	2,572,586	2,672,137	927,557	-
IDEA Preschool Incentive:										
IDEA Preschool 19-20	200460	84.173	89,203	89,203	32,348	-	32,348	-	-	-
IDEA Preschool 20-21	210460	84.173	100,056	-	-	-	62,256	100,056	37,800	-
Total Preschool Incentive			189,259	89,203	32,348	-	94,604	100,056	37,800	-
Total Special Education Cluster			5,437,996	2,665,803	860,354	-	2,667,190	2,772,193	965,357	-
Coronavirus Relief Fund - U.S. Department of Treasury - Passed through Michigan Department of Education:										
COVID-19 103(2) - District COVID Costs	N/A	21.019	166,666	-	-	-	166,666	166,666	-	-
COVID-19 11p - CRF School Aid	N/A	21.019	4,734,860	-	-	-	4,734,860	4,365,859	(369,001)	-
Total CRF Passed Through Michigan Department of Education			4,901,526	-	-	-	4,901,526	4,532,525	(369,001)	-
Passed through Macomb County ISD -										
COVID-19 MISD COVID-19 Technology Grant	N/A	21.019	752,780	-	-	-	752,780	752,780	-	-
Passed through Copper Country ISD:										
COVID-19 CRF MAISA Device Purchasing Grant	N/A	21.019	93,750	-	-	-	93,750	93,750	-	-
COVID-19 CRF MAISA Device Connectivity Purchasing Grant	N/A	21.019	85,705	-	-	-	85,705	85,705	-	-
Total passed through Copper Country ISD			179,455	-	-	-	179,455	179,455	-	-
Total Coronavirus Relief Funds			5,833,761	-	-	-	5,833,761	5,464,760	(369,001)	-

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	CFDA Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Other federal awards:										
U.S. Department of Education:										
Passed through the Michigan Department of Education:										
Title I, Part A:										
Title I, Part A 19-20	201530	84.010	\$ 3,765,784	\$ 3,762,979	\$ 855,774	\$ -	\$ 858,530	\$ 2,756	\$ -	\$ -
Title I, Part A 20-21	211530	84.010	3,957,514	-	-	-	2,695,338	3,757,793	1,062,455	-
Total Title I, Part A			7,723,298	3,762,979	855,774	-	3,553,868	3,760,549	1,062,455	-
Title II, Part A:										
Title II, Part A 19-20	200520	84.367	731,297	680,950	130,933	(149)	130,784	-	-	-
Title II, Part A 20-21	210520	84.367	688,214	-	-	-	365,035	518,453	153,418	-
Title II, Part A - School Leader Reservation Grant 19-20	190532	84.367	24,780	19,108	20	-	5,692	1,572	(4,100)	-
Total Title II, Part A			1,444,291	700,058	130,953	(149)	501,511	520,025	149,318	-
Title III, Part A:										
Title III, Part A - 19-20	200580	84.365	531,177	436,849	91,789	-	92,033	244	-	-
Title III, Part A - 20-21	210580	84.365	464,648	-	-	-	296,698	404,195	107,497	-
Total Title III, Part A			995,825	436,849	91,789	-	388,731	404,439	107,497	-
Title IV, Part A:										
Title IV, Part A SSAE 19-20	200750	84.424	323,821	308,076	76,751	(34)	76,717	-	-	-
Title IV, Part A SSAE 20-21	210075	84.424	275,896	-	-	-	194,426	249,313	54,887	-
Total Title IV, Part A			599,717	308,076	76,751	(34)	271,143	249,313	54,887	-
Education Stabilization Fund Program:										
COVID-19 ESSER Formula Fund I	203710	84.425D	2,938,071	-	-	-	1,994,534	2,531,021	536,487	-
COVID-19 ESSER Education Equity Fund I	203720	84.425D	440,710	-	-	-	440,710	440,710	-	-
COVID-19 ESSER Formula Fund II	213712	84.425D	4,772,407	-	-	-	-	4,457,318	4,457,318	-
Total ESSER			8,151,188	-	-	-	2,435,244	7,429,049	4,993,805	-
COVID-19 Governor's Emergency Education Relief (GEER) Fund	201200-2021	84.425C	1,219,403	-	-	-	1,173,125	1,219,403	46,278	-
Total Education Stabilization Fund Program			9,370,591	-	-	-	3,608,369	8,648,452	5,040,083	-
Passed through Macomb County ISD:										
Title I Regional Assistance Grant	211570-2021	84.010A	12,706	-	-	-	12,720	12,720	-	-
Vocational Education (Perkins II):										
Vocational Education 18-19	203520 201216	84.048	122,579	122,579	33,043	-	33,043	-	-	-
Vocational Education 19-20	213520 211216	84.048	118,872	-	-	-	91,094	118,872	27,778	-
Total Vocational Education (Perkins II)			241,451	122,579	33,043	-	124,137	118,872	27,778	-
Safe and Drug-free Schools and Communities	082860-0708	84.186	27,614	25,700	(1,914)	-	-	-	(1,914)	-
Total U.S. Department of Education noncluster programs			20,415,493	5,356,241	1,186,396	(183)	8,460,479	13,714,370	6,440,104	-
Public Assistance Program - U.S. Department of Homeland Security - Federal Emergency Management Agency (FEMA) - Passed through the Michigan State Police:										
COVID-19 - FEMA -4494-DR-MI - Public Assistance Grant 19-20	144843	97.036	90,729	-	-	-	-	90,729	90,729	-
COVID-19 - FEMA -4494-DR-MI - Public Assistance Grant 20-21	151819	97.036	118,172	-	-	-	-	118,172	118,172	-
Total FEMA Public Assistance Grant			208,901	-	-	-	-	208,901	208,901	-
Direct programs - Character Education - Learning for Life	2007R215S020105-06-0 607	84.215	713,791	477,493	(45,640)	-	-	-	(45,640)	-
Total federal awards			\$ 39,694,924	\$ 10,335,103	\$ 2,530,425	\$ (183)	\$ 22,520,405	\$ 27,409,640	\$ 7,419,477	\$ -

Warren Consolidated Schools

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

Year Ended June 30, 2021

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 28,191,114
Federal subsidy interest related to qualified school construction bonds	(783,533)
Deferred revenue not reported for the year ended June 30, 2021	183,996
Federal revenue for which the School District is considered a beneficiary rather than a subrecipient	(154,900)
Other differences	<u>(27,037)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 27,409,640</u></u>

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Warren Consolidated Schools (the "School District") under programs of the federal government for the year ended June 30, 2021. 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 Warren Consolidated Schools.

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

CRF does not apply 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*, but rather applies the U.S. Department of Treasury's guidance and frequently asked questions, as codified in the Federal Register.

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 not 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 Cash Management System (CMS) Grant Auditor Report in preparing the schedule of expenditures of federal awards. Unreconciled differences, if any, have been disclosed to the auditor.

Note 4 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance.

Warren Consolidated Schools

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

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:

CFDA Number	Name of Federal Program or Cluster	Opinion
84.010, 84.010A	Title IA Program	Unmodified
21.019	Coronavirus Relief Funds	Unmodified
84.425C, 84.425D	Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$822,289

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

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None