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# Wayne-Westland Community Schools

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

### **Independent Auditor's Reports**

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2-3
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	4-5

<b>Schedule of Expenditures of Federal Awards</b>	6-8
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<b>Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards</b>	9
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<b>Notes to Schedule of Expenditures of Federal Awards</b>	10
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<b>Schedule of Findings and Questioned Costs</b>	11-14
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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  
Wayne-Westland Community Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wayne-Westland Community 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  
Wayne-Westland Community 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 Wayne-Westland Community 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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings 2021-001 and 2021-002, that we consider to be material weaknesses.

**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*.

**The School District's Responses to the Findings**

The School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on them.

To Management and the Board of Education  
Wayne-Westland Community 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  
Wayne-Westland Community Schools

**Report on Compliance for Each Major Federal Program**

We have audited Wayne-Westland Community 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  
Wayne-Westland Community 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

Schedule of Expenditures of Federal Awards

Year Ended June 30, 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:										
Direct Program - TRIO Cluster - U.S. Department of Education -										
TRIO Cluster - Upward Bound:										
TRIO Cluster 1819	P047A170868 - 18	84.047	\$ 436,415	\$ 436,415	\$ 6,223	\$ -	\$ 6,223	\$ -	\$ -	\$ -
TRIO Cluster 1920	P047A170868 - 19	84.047	408,917	276,230	48,467	-	134,306	117,763	31,924	-
TRIO Cluster 2021	P047A170868 - 20	84.047	423,229	-	-	-	319,594	328,478	8,884	-
Total TRIO Cluster			1,268,561	712,645	54,690	-	460,123	446,241	40,808	-
Child Nutrition Cluster - U.S. Department of Agriculture -										
Passed through the Michigan Department of Education:										
Noncash Assistance (Commodities) -										
Entitlement Commodities 2020-2021	N/A	10.555	160,475	-	-	-	160,475	160,475	-	-
Cash Assistance:										
COVID-19 Unanticipated School Closure Summer Food Service Program 2019-2020	200902	10.555	743,952	743,952	219,021	-	219,021	-	-	-
National School Lunch Program Subtotal (incl. commodities)			904,427	743,952	219,021	-	379,496	160,475	-	-
Summer Food Service Program 2020-2021	200900	10.559	299,244	-	-	-	299,244	299,244	-	-
Extended Summer Food Service Program 2020-2021	210904	10.559	2,376,206	-	-	-	2,219,164	2,376,206	157,042	-
Summer Food Service Program Subtotal			2,675,450	-	-	-	2,518,408	2,675,450	157,042	-
Total Child Nutrition Cluster			3,579,877	743,952	219,021	-	2,897,904	2,835,925	157,042	-
Special Education Cluster - U.S. Department of Education -										
Passed through Wayne County RESA:										
IDEA Flowthrough:										
IDEA Flowthrough CPO 1920	190450-1920	84.027	314,000	314,000	69,479	-	69,479	-	-	-
IDEA Flowthrough 1920	190450-1920	84.027	3,148,000	3,148,000	691,006	-	691,006	-	-	-
IDEA Flowthrough CPO 2021	190450-2021	84.027	348,315	-	-	-	229,526	348,315	118,789	-
IDEA Flowthrough 2021	190450-2021	84.027	3,333,269	-	-	-	2,577,394	3,333,269	755,875	-
Total IDEA Flowthrough			7,143,584	3,462,000	760,485	-	3,567,405	3,681,584	874,664	-
IDEA Preschool:										
IDEA Preschool 1920	190460-1920	84.173	124,758	124,758	25,080	-	25,080	-	-	-
IDEA Preschool 2021	190460-2021	84.173	158,004	-	-	-	118,667	158,004	39,337	-
Total IDEA Preschool			282,762	124,758	25,080	-	143,747	158,004	39,337	-
Total Special Education Cluster			7,426,346	3,586,758	785,565	-	3,711,152	3,839,588	914,001	-
Head Start - U.S. Department of Health and Human Services -										
Passed through the Wayne Metro Community Action Agency:										
Head Start Program 1920	05CH011175	93.600	2,256,190	703,479	703,479	-	703,479	-	-	-
Head Start Program 2021-002	05CH011175	93.600	2,256,190	-	-	4,384	1,399,281	1,394,897	-	-
Head Start Program 2021-003	05CH011175	93.600	3,015,162	-	-	-	322,688	803,833	481,145	-
COVID-19 Head Start 2021	05CH011175-02-01	93.600	213,500	-	-	-	213,481	213,481	-	-
Total Head Start Cluster			7,741,042	703,479	703,479	4,384	2,638,929	2,412,211	481,145	-
Medicaid Cluster - Medical Assistance Program -										
Passed through Wayne County RESA -										
Medical Assistance Program 2021	N/A	93.778	66,052	-	-	-	66,052	66,052	-	-
Total clusters			20,081,878	5,746,834	1,762,755	4,384	9,774,160	9,600,017	1,592,996	-



Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 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
Other federal awards:										
Direct Award - U.S. Army:										
Project number not available 1920	N/A	12.357	\$ 107,783	\$ 107,783	\$ 9,125	\$ -	\$ 9,125	\$ -	\$ -	\$ -
Project number not available 2021	N/A	12.357	56,389	-	-	-	55,325	56,389	1,064	-
Total U.S. Army			164,172	107,783	9,125	-	64,450	56,389	1,064	-
Title I, Part A - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title I, Part A 1920	201530	84.010	4,570,167	2,917,882	670,258	663	1,363,361	692,440	-	-
Title I, Part A 2021	211530	84.010	4,952,944	-	-	-	3,221,099	4,136,150	915,051	-
Total Title I, Part A			9,523,111	2,917,882	670,258	663	4,584,460	4,828,590	915,051	-
Title II, Part A - U.S. Department of Education - Passed through the Michigan Department of Education - Improving Teacher Quality:										
Title II, Part A 1920	200520	84.367	837,879	450,123	120,806	-	158,002	37,196	-	-
Title II, Part A 2021	210520	84.367	968,560	-	-	-	371,988	508,176	136,188	-
Total Title II, Part A			1,806,439	450,123	120,806	-	529,990	545,372	136,188	-
Title IV, Part A - U.S. Department of Education - Passed through the Michigan Department of Education - Educationally Deprived Children Local Education:										
Title IV, Part A 1920	200750	84.424	529,170	10,480	1,321	-	321,714	320,393	-	-
Title IV, Part A 2021	210750	84.424	455,298	-	-	-	59,276	117,802	58,526	-
Total Title IV, Part A			984,468	10,480	1,321	-	380,990	438,195	58,526	-
Education Stabilization Fund Program - U.S. Department of Education - Passed through the Michigan Department of Education:										
COVID-19 ESSER Formula Fund I 2021	203710	84.425D	2,902,872	-	-	-	762,569	2,828,437	2,065,868	-
COVID-19 ESSER Education Equity Fund I 2021	203720	84.425D	580,574	-	-	-	507,173	519,142	11,969	-
Total ESSER			3,483,446	-	-	-	1,269,742	3,347,579	2,077,837	-
COVID-19 Governor's Emergency Education Relief Fund (GEER) 2021	201200	84.425C	815,678	-	-	-	591,039	674,990	83,951	-
Total Education Stabilization Fund Program			4,299,124	-	-	-	1,860,781	4,022,569	2,161,788	-
Coronavirus Relief Fund - U.S. Department of the Treasury - Passed through Michigan Department of Education:										
COVID-19 11p - CRF School Aid	N/A	21.019	3,621,454	-	-	-	3,621,454	3,585,813	(35,641)	-
COVID-19 103(2) - District COVID Costs	N/A	21.019	127,474	-	-	-	127,474	127,474	-	-
Total Coronavirus Relief Fund			3,748,928	-	-	-	3,748,928	3,713,287	(35,641)	-
Child and Adult Care Food Program - U.S. Department of Education - Passed through the Michigan Department of Education:										
Child Care Food Program 2021	211920	10.558	89,075	-	-	-	4,856	4,904	48	-
Child Care Food Program Supper 2021	212010	10.558	4,152	-	-	-	270	270	-	-
Total Child Care Food Program			93,227	-	-	-	5,126	5,174	48	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 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
Other federal awards (continued):										
Fresh Fruit and Vegetable Program - U.S. Department of Education - Passed through the Michigan Department of Education - Fresh Fruit and Vegetable Program 2021	210950	10.582	\$ 55,093	\$ -	\$ -	\$ -	\$ 46,676	\$ 55,093	\$ 8,417	\$ -
Total noncluster programs passed through the Michigan Department of Education			20,510,390	3,378,485	792,385	663	11,156,951	13,608,280	3,244,377	-
Vocational Education - U.S. Department of Education - Basic Grants to States (Perkins II) - Passed through the Wayne County RESA:										
Vocational Education 1920	193520-191225	84.048	331,288	331,288	75,041	-	75,041	-	-	-
Vocational Education 2021	193520-191225	84.048	297,489	-	-	-	262,943	297,489	34,546	-
Total Vocational Education			628,777	331,288	75,041	-	337,984	297,489	34,546	-
U.S. Environmental Protection Agency - Passed through Michigan Department of Environmental Quality Clean Diesel Bus Replacement										
	5086	66.040	135,545	-	-	(135,545)	135,545	135,545	-	-
U.S. Department of Justice - Passed through Office of Community Oriented Policing Services COPS Office School Violence Prevention Program										
	2020SVWX0127	16.710	478,836	-	-	-	-	315,751	315,751	-
Total federal awards			\$ 41,999,598	\$ 9,564,390	\$ 2,639,306	\$ (130,498)	\$ 21,469,090	\$ 24,013,471	\$ 5,188,734	\$ -

## Wayne-Westland Community Schools

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

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Year Ended June 30, 2021

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 24,416,377
Revenue deferred in current year for financial statement purposes as not meeting the available criteria of GASB Statement No. 33	337,962
Revenue deferred in the prior year for financial statement purposes as not meeting the available criteria of GASB Statement No. 33	(703,479)
Federal revenue for which the School District is considered a beneficiary rather than a subrecipient	(33,000)
Adjustments to expenditures reported in the prior year	(4,384)
Other differences	<u>(5)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 24,013,471</u></u>

**Notes to Schedule of Expenditures of Federal Awards**

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**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 Wayne-Westland Community 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 the School District.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures, except for those related to CFDA 21.019, Coronavirus Relief Fund (CRF), 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 the Treasury's guidance and frequently asked questions, as codified in the Federal Register.

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.

**Note 5 - Adjustments and Transfers**

During the year ended June 30, 2021, there were adjustments in Title I, Part A (CFDA #84.010) and the Head Start Cluster (CFDA #93.600) to reflect an adjustment to the 2019-2020 grant period and carryover to the 2020-2021 grant period. There was also an adjustment of \$135,545 in the Diesel Emissions Reduction Act (CFDA #66.040) to report amounts not included in the 2019-2020 schedule of expenditures of federal awards.

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## Schedule of Findings and Questioned Costs

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**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?  X  Yes   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
93.600	Head Start Cluster	Unmodified
84.425	Education Stabilization Fund	Unmodified
21.019	Coronavirus Relief Fund	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   Yes  X  No

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2021

Section II - Financial Statement Audit Findings

Reference Number	Finding
2021-001	<p data-bbox="362 533 769 558"><b>Finding Type</b> - Material weakness</p> <p data-bbox="362 583 1479 667"><b>Criteria</b> - The School District's internal control structure should ensure that financial information is complete, accurate, and made available to management and those charged with governance in a timely and orderly manner.</p> <p data-bbox="362 693 1479 903"><b>Condition</b> - Several account balances in the School District's books and records for the 2021 fiscal year were identified either by the School District or as part of the audit process to be improperly recorded. Several adjustments and reclassifications that were deemed to be material were discussed with and recorded by management to the School District's general ledger during our audit process. The most significant of these adjustments related to federal grant revenue, accounts receivable, and unavailable revenue. There were also adjustments made to the schedule of expenditures of federal awards.</p> <p data-bbox="362 928 1479 1012"><b>Context</b> - Adjustments and reclassifications that were identified during the audit, either by management or as a result of audit procedures, were corrected by management and are reflected in the School District's June 30, 2021 financial statements.</p> <p data-bbox="362 1037 1479 1121"><b>Cause</b> - The School District's oversight and review did not identify all of the various adjustments needed to appropriately reflect account balances prior to the commencement of the audit.</p> <p data-bbox="362 1146 1479 1209"><b>Effect</b> - Account balances were not completely and accurately adjusted prior to commencement of the audit.</p> <p data-bbox="362 1234 1479 1381"><b>Recommendation</b> - We recommended that the School District continue to review and revise its accounting procedures and controls, especially those related to federal grant revenue, accounts receivable, and unavailable revenue, to make certain that account balances and the schedule of expenditures of federal awards are completely and accurately reconciled, reviewed, and adjusted prior to the commencement of the annual audit.</p> <p data-bbox="362 1407 1479 1577"><b>Views of Responsible Officials and Planned Corrective Actions</b> - The School District will review and revise its accounting procedures and controls related to federal grant revenue, accounts receivable, and unavailable revenue to ensure accounts are reviewed, reconciled, and adjusted in a timely fashion. The School District intends to invest in training and enhancements to its financial reporting software and continue to evaluate procedures and the allocation of responsibilities among its team.</p>

**Wayne-Westland Community Schools**

**Schedule of Findings and Questioned Costs (Continued)**

**Year Ended June 30, 2021**

**Section II - Financial Statement Audit Findings (Continued)**

Reference Number	Finding
2021-002	<p><b>Finding Type</b> - Material weakness</p> <p><b>Criteria</b> - The School District's internal control structure should ensure that accounting data is properly calculated and reported in accordance with generally accepted accounting principles.</p> <p>As described in Section 200.510(b) and Section 500.508(b) of Title 2, Subtitle A, Chapter II, Part 200, Subpart F, auditees must complete the schedule of expenditures of federal awards (SEFA) and include CFDA numbers provided in federal awards/subawards and associated expenditures.</p> <p><b>Condition</b> - The School District's general ledger contained several material errors within accounts receivable, revenue, unavailable revenue, and expenditures. Several adjustments were discussed with and recorded by management during our audit process to adjust the School District's general ledger to the appropriate balances.</p> <p><b>Context</b> - Management mad a significant number of adjustments to the aforementioned ledger accounts and the SEFA in the course of preparing the SEFA during the audit as a result of auditor recommendations and the audit procedures performed.</p> <p><b>Cause</b> - The School District did not have sufficient controls in place to properly reconcile and record accounts receivable, revenue, unavailable revenue, and expenditures or to ensure that the SEFA was accurately prepared and reviewed.</p> <p><b>Effect</b> - Amounts due from other governmental units and revenue balances were initially understated by approximately \$2.2 million on a combined basis for all funds. Unavailable revenue was initially understated by \$0.7 million for amounts collected more than 60 days after the end of the current fiscal period. These items were corrected by management during the audit process.</p> <p><b>Recommendation</b> - We recommend that the business office implement proper cutoff procedures to ensure that all accounts receivable, revenue, unavailable revenue, and expenditures are properly recorded and reconciled. In addition, the School District should review its grant management controls and implement procedures to ensure that the SEFA is complete and accurate and is reviewed as part of the year-end closing process.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The School District will implement procedures to evaluate all grant processes and procedures, which will lead to ensuring that the SEFA is adequately prepared prior to the 2022 annual audit and that accounts receivable, revenue, unavailable revenue, and expenditures are properly recorded on the general ledger and SEFA.</p>

**Section III - Federal Program Audit Findings**

Reference Number	Finding	Questioned Costs
<b>Current Year</b>	None	