

Oakridge Public Schools
**SINGLE AUDIT OF FEDERAL
FINANCIAL ASSISTANCE PROGRAMS**
Financial Report and
Independent Auditor's Reports
June 30, 2023



C O N T E N T S

FINANCIAL REPORT AND INDEPENDENT AUDITOR’S REPORTS

INTERNAL CONTROL AND COMPLIANCE REPORTS

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.....1

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.....3

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....6

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....9

SCHEDULE OF FINDINGS AND QUESTIONED COSTS10

CLIENT DOCUMENTS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS13

CORRECTIVE ACTION PLAN14

**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 (*Government Auditing Standards*), 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, 2023, and the related notes to the financial statements, which collectively comprise Oakridge Public Schools' basic financial statements, and have issued our report thereon dated October 30, 2023.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as **Finding 2023-001** that we consider to be a significant deficiency.

Board of Education
Oakridge Public Schools
Page 2

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
October 30, 2023

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, 2023. 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, 2023.

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 of 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, 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 Oakridge Public Schools' federal programs.

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 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.

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.

Board of Education
Oakridge Public Schools
Page 3

Report on Internal Control Over Compliance—Continued

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 limitation, 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, 2023, and have issued our report thereon dated October 30, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.



Muskegon, Michigan
October 30, 2023

Oakridge Public Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2023

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Entitlement program or award amount	Accrued (unearned) revenue July 1, 2022	Adjustments and transfers	Cash/ payments in kind received (cash basis)	Expenditures (accrual basis)		Accrued (unearned) revenue June 30, 2023	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								
221530-2122		\$ 417,381	\$ 131,473	\$ -	\$ 211,138	\$ 317,597	\$ 79,665	\$ -	\$ -
231530-2223		461,690	-	-	203,874	-	340,805	136,931	-
		<u>879,071</u>	<u>131,473</u>	<u>-</u>	<u>415,012</u>	<u>317,597</u>	<u>420,470</u>	<u>136,931</u>	<u>-</u>
English Language Acquisition State Grants	84.365A								
220570-2122		3,039	958	-	958	1,278	-	-	-
230570-2223		1,919	-	-	1,117	-	1,117	-	-
		<u>4,958</u>	<u>958</u>	<u>-</u>	<u>2,075</u>	<u>1,278</u>	<u>1,117</u>	<u>-</u>	<u>-</u>
Supporting Effective Instruction State Grants	84.367A								
220520-2122		135,467	1,740	-	1,740	133,701	-	-	-
230520-2223		64,203	-	-	39,843	-	64,073	24,230	-
		<u>199,670</u>	<u>1,740</u>	<u>-</u>	<u>41,583</u>	<u>133,701</u>	<u>64,073</u>	<u>24,230</u>	<u>-</u>
Student Support and Academic Enrichment Program	84.424A								
220750-2122		66,600	30,756	-	30,756	44,190	-	-	-
230750-2223		52,845	-	-	36,194	-	52,845	16,651	-
		<u>119,445</u>	<u>30,756</u>	<u>-</u>	<u>66,950</u>	<u>44,190</u>	<u>52,845</u>	<u>16,651</u>	<u>-</u>
Education Stabilization Fund									
Governor's Emergency Education Relief Fund	84.425C								
COVID-19 211202-2122		47,500	-	-	210	47,290	210	-	-
Elementary and Secondary School Emergency Relief Fund	84.425D								
COVID-19 213712-2021		1,434,597	62,628	-	879,461	62,628	1,371,969	555,136	-
COVID-19 213722-2122		134,750	7,355	-	40,864	101,241	33,509	-	-
COVID-19 213742-2122		53,708	1,963	-	31,027	14,480	29,064	-	-
COVID-19 213782-2223		98,443	-	-	-	-	71,814	71,814	-
		<u>1,721,498</u>	<u>71,946</u>	<u>-</u>	<u>951,352</u>	<u>178,349</u>	<u>1,506,356</u>	<u>626,950</u>	<u>-</u>
Elementary and Secondary School Emergency Relief Fund	84.425U								
COVID-19 213713-2122		2,732,027	182,224	-	452,610	468,879	372,651	102,265	-
American Rescue Plan-Homeless II	84.425W								
COVID-19 211012-2122		22,588	-	-	-	-	22,423	22,423	-
Total Education Stabilization Fund		<u>4,523,613</u>	<u>254,170</u>	<u>-</u>	<u>1,404,172</u>	<u>694,518</u>	<u>1,901,640</u>	<u>751,638</u>	<u>-</u>
Total passed through Michigan Department of Education		<u>5,726,757</u>	<u>419,097</u>	<u>-</u>	<u>1,929,792</u>	<u>1,191,284</u>	<u>2,440,145</u>	<u>929,450</u>	<u>-</u>

Oakridge Public Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS—Continued
For the year ended June 30, 2023

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Entitlement program or award amount	Accrued (unearned) revenue July 1, 2022	Adjustments and transfers	Cash/ payments in kind received (cash basis)	Expenditures (accrual basis)		Accrued (unearned) revenue June 30, 2023	Passed through to subrecipients
						Prior year(s)	Current year		
Passed through Muskegon Area Intermediate School District									
Title I Technical Assistance Grant (TAG) S010A220022	84.010A	\$ 20,000	\$ -	\$ -	\$ 2,593	\$ -	\$ 2,593	\$ -	\$ -
Special Education Cluster									
Special Education - Grant to States 220450-2122	84.027A	213,782	34,024	-	34,024	213,782	-	-	-
230450-2223		226,553	-	-	139,870	-	226,553	86,683	-
		440,335	34,024	-	173,894	213,782	226,553	86,683	-
Special Education—ARP Grants to States COVID-19 221280-21-22	84.027X	43,190	-	-	-	-	43,190	43,190	-
Special Education—ARP Preschool Grants COVID-19 221285-21-22	84.173X	7,316	-	-	-	-	7,316	7,316	-
Total Special Education Cluster		490,841	34,024	-	173,894	213,782	277,059	137,189	-
English Language Acquisition State Grants 230580-2223	84.365A	6,625	-	-	5,913	-	8,751	2,838	-
Total passed through Muskegon Area Intermediate School District		517,466	34,024	-	182,400	213,782	288,403	140,027	-
Total U.S. Department of Education		6,244,223	453,121	-	2,112,192	1,405,066	2,728,548	1,069,477	-
U.S. Department of Agriculture									
Passed through Michigan Department of Education									
Child Nutrition Cluster									
National School Breakfast Program									
221970	10.553	32,523	-	-	32,523	-	32,523	-	-
221971		317,123	16,138	-	16,138	317,123	-	-	-
231970		311,747	-	-	289,891	-	311,747	21,856	-
		661,393	16,138	-	338,552	317,123	344,270	21,856	-
National School Lunch Program									
221960	10.555	97,679	-	-	97,679	-	97,679	-	-
221961		833,006	38,676	-	38,676	833,006	-	-	-
231960		857,425	-	-	802,188	-	857,425	55,237	-
Entitlement Commodities		98,984	-	-	98,984	-	98,984	-	-
Bonus Commodities		5,139	-	-	5,139	-	5,139	-	-
		1,892,233	38,676	-	1,042,666	833,006	1,059,227	55,237	-
Summer Food Service Program for Children									
220904	10.559	9,303	9,303	-	9,303	9,303	-	-	-
220900		18,199	-	-	18,199	-	18,199	-	-
230900		6,086	-	-	-	-	6,086	6,086	-
		33,588	9,303	-	27,502	9,303	24,285	6,086	-
Total Child Nutrition Cluster		2,587,214	64,117	-	1,408,720	1,159,432	1,427,782	83,179	-

Oakridge Public Schools
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS—Continued
For the year ended June 30, 2023

Federal grantor/pass-through grantor/ program or cluster title/identifying number	Assistance Listing Number	Entitlement program or award amount	Accrued (unearned) revenue July 1, 2022	Adjustments and transfers	Cash/ payments in kind received (cash basis)	Expenditures (accrual basis)		Accrued (unearned) revenue June 30, 2023	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								
221920		\$ 27,065	\$ 506	\$ -	\$ 5,292	\$ 22,279	\$ 4,786	\$ -	\$ -
222010		1,293	28	-	267	1,054	239	-	-
231920		46,406	-	-	45,000	-	46,406	1,406	-
232010		2,391	-	-	2,314	-	2,391	77	-
		<u>77,155</u>	<u>534</u>	<u>-</u>	<u>52,873</u>	<u>23,333</u>	<u>53,822</u>	<u>1,483</u>	<u>-</u>
Pandemic Electronic Benefit Transfer (P-EBT)	10.649								
Administrative Costs									
COVID-19 220980-2022		3,135	-	-	3,135	-	3,135	-	-
		<u>3,135</u>	<u>-</u>	<u>-</u>	<u>3,135</u>	<u>-</u>	<u>3,135</u>	<u>-</u>	<u>-</u>
Total passed through Michigan Department of Education and U.S. Department of Agriculture		<u>2,667,504</u>	<u>64,651</u>	<u>-</u>	<u>1,464,728</u>	<u>1,182,765</u>	<u>1,484,739</u>	<u>84,662</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE		<u>\$ 8,911,727</u>	<u>\$ 517,772</u>	<u>\$ -</u>	<u>\$ 3,576,920</u>	<u>\$ 2,587,831</u>	<u>\$ 4,213,287</u>	<u>\$ 1,154,139</u>	<u>\$ -</u>

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, 2023

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, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position or change in net position of the School District.
2. Please see the financial statement footnotes for the significant accounting policies used in preparing this schedule. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The School District is not using the ten-percent de minimis indirect cost rate as allowed under the Uniform Guidance.
3. Management has utilized the Michigan Department of Education NexSys Grant Auditor Report in preparing the Schedule of Expenditures of Federal Awards.
4. Cash or payments in kind received (cash basis) for certain federal programs do not match the Grant Auditor Report because the following payments in the Grant Auditor Report for the year ended June 30, 2023 were received by the School District prior to July 1, 2022

National School Breakfast Program	221971	\$	23,133
National School Lunch Program	221961		61,140
5. Reconciliation of revenues from federal sources per governmental funds financial statements and expenditures per single audit report Schedule of Expenditures of Federal Awards.

Revenues from federal sources per June 30, 2023

Governmental Funds financial statements			
General Fund		\$ 2,637,446	
Other governmental funds		1,549,311	\$ 4,186,757
Plus: deferred inflows of resources—unavailable revenues			
American Rescue Plan—Homeless II	211012-2122	22,423	
	COVID-19		
Elementary and Secondary School Emergency Relief Fund	213782-2223	71,814	94,237
Less: Qualified School Construction Bonds federal			
is not subject to single audit			(67,707)
Expenditures per single audit report			
Schedule of Expenditures of Federal Awards			\$ 4,213,287

Oakridge Public Schools
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the year ended June 30, 2023

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? _____ X yes _____ 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)? _____ yes X no

4. Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425C, 84.425D, 84.425U, and 84.425W	U.S. Department of Education • Education Stabilization Fund

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

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2023-001: SIGNIFICANT DEFICIENCY – Year End Closing Procedures

Criteria: General ledger balances should be in agreement with detailed supporting documentation as of year-end.

Condition: General ledger balances were not in agreement with detailed supporting documentation as of year-end.

Cause: The adjustments necessary to have the general ledger balances be in agreement with supporting documentation were not all recorded.

Oakridge Public Schools
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—Continued
For the year ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS—Continued

Finding 2023-001: SIGNIFICANT DEFICIENCY – Year End Closing Procedures—Continued

Effect: The School District records required year-end audit adjustments.

Repeat Finding: This is not a repeat finding.

Recommendation: General ledger balances should be reconciled and adjusted to the underlying support on the School District’s general ledger system at year-end.

Views of Responsible Officials: The School District agrees with the finding. The School District continues to implement better procedures to improve year-end closing procedures and to ensure that general ledger balances are in agreement with detailed supporting documentation by June 30, 2024.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

CLIENT DOCUMENTS



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

October 30, 2023

Michigan Department of Education
Lansing, Michigan

Oakridge Public Schools respectfully submits the following summary of the current status of prior audit findings contained in the single audit report for the year ended June 30, 2022 dated November 1, 2022.

SECTION II – FINANCIAL STATEMENT FINDINGS

There were *no* findings reported in relation to the financial statement for the year ended June 30, 2022.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2022-001: Child Nutrition Cluster Resource Management Procedures

Assistance Listing Number(s): 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 210904 and Entitlement Commodities

Award Year End: June 30, 2022

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 the maximum allowable amount.

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

Current Status: The Michigan Department of Education has determined that this condition is no longer considered a federal award finding. School District management has controls in place to monitor for excess fund balance.

Sincerely,

Todd Hronek
Director of Finance



CORRECTIVE ACTION PLAN

October 30, 2023

Michigan Department of Education
Lansing, Michigan

Oakridge Public Schools respectfully submits the following Corrective Action Plan for the year ended June 30, 2023.

Name and address of independent public accounting firm:

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

Audit period: June 30, 2023

The findings from the Schedule of Findings and Questioned Costs for the year ended June 30, 2023 are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2023-001: SIGNIFICANT DEFICIENCY – Year End Closing Procedures

Recommendation: General ledger balances should be reconciled and adjusted to the underlying support on the School District's general ledger system at year-end.

Action Taken: A fund balance worksheet will be included in the audit process. This will include the beginning and ending fund balances as reported by the auditing firm and the district.

Responsible Person and Anticipated Completion Date: The Director of Finance will be responsible for the above mentioned schedule which will be completed and provided to the audit firm before or upon arrival of the financial audit.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were *no* findings in relation to the major federal award programs.

If the Michigan Department of Education has questions regarding this plan, please call Todd Hronek at (231) 788-7109.

Sincerely,

Todd Hronek
Director of Finance