

West Village Academy

**Federal Awards
Supplemental Information
June 30, 2014**

Independent Auditor's Reports:

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Report on Schedule of Expenditures of Federal Awards
Required by OMB Circular A-133
Independent Auditor's Report

To the Board of Directors
West Village Academy

We have audited the financial statements of the governmental activities, the major fund, and the remaining fund information of West Village Academy (the "Academy") as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements. We issued our report thereon dated August 15, 2014, which contained unmodified opinions on the basic 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 August 15, 2014.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is 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 basic financial statements as a whole.

Plante & Moran, PLLC

Auburn Hills, Michigan
August 15, 2014

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 Directors
West Village Academy

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, the major fund, and the remaining fund information of West Village Academy (the "Academy") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated August 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Village Academy's internal control over financial reporting (internal control) to determine the 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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity'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 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 may exist that have not been identified.

To Management and the Board of Directors
West Village Academy

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Village Academy'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 determination of financial statement amounts. 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*.

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 Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

Auburn Hills, Michigan
August 15, 2014

Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance
Independent Auditor's Report

To the Board of Directors
West Village Academy

Report on Compliance for Each Major Federal Program

We have audited West Village Academy's (the "Academy") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2014. West Village Academy's major federal program is 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 the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of West Village Academy'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 West Village Academy'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 West Village Academy's compliance.

To the Board of Directors
West Village Academy

Opinion on Each Major Federal Program

In our opinion, West Village Academy complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of West Village Academy 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 West Village Academy'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 OMB Circular A-133, 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 entity's 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

Auburn Hills, Michigan
August 15, 2014

West Village Academy

Schedule of Expenditures of Federal Awards Year Ended June 30, 2014

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2013	Federal Funds/ Payments In-kind Received	Expenditures	(Deferred) Accrued Revenue at June 30, 2014
Clusters:							
Child Nutrition Cluster - U.S. Department of Agriculture - Passed through the Michigan Department of Education:							
Noncash Assistance (Commodities) - National School Lunch Program - Entitlement Commodities - 2013/2014							
	10.555	\$ 10,192	\$ -	\$ -	\$ 10,192	\$ 10,192	\$ -
Cash Assistance:							
National School Breakfast Program - 2013/2014	10.553	57,751	-	-	57,751	57,751	-
National School Lunch Program - 2013/2014	10.555	142,579	-	-	142,579	142,579	-
Summer Food Service Program for Children - 2013/2014	10.559	26,058	-	-	26,058	-	(26,058)
Total Child Nutrition Cluster		236,580	-	-	236,580	210,522	(26,058)
Special Education Cluster - U.S. Department of Education - Passed through the Wayne Regional Education Service Agency							
Special Education - Grants to States (IDEA, Part B):							
Project number 2012/2013	84.027	79,993	79,992	915	915	-	-
Project number 2013/2014		88,079	-	-	40,026	88,079	48,053
Total Special Education Cluster		168,072	79,992	915	40,941	88,079	48,053

See Notes to Schedule of Expenditures
of Federal Awards.

West Village Academy

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2014

Program Title/Project Number/Subrecipient Name	CFDA Number	Approved Awards Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2013	Federal Funds/ Payments In-kind Received	Expenditures	(Deferred) Accrued Revenue at June 30, 2014
Other federal awards - Passed through the Michigan Department of Education:							
21st Century Community Learning Centers:	84.287C						
Project number 132110E08068		\$ 266,040	\$ 266,040	\$ 17,512	\$ 17,512	\$ -	\$ -
Project number 142110E08068		540,000	-	-	425,176	538,125	112,949
Total 21st Century Community Learning Centers		806,040	266,040	17,512	442,688	538,125	112,949
Improving Teacher Quality - Title II Part A:	84.367						
Project number 1305201213		24,895	24,895	5,278	5,278	-	-
Project number 1405201314		22,732	-	-	16,172	21,830	5,658
Total Improving Teacher Quality - Title II Part A		47,627	24,895	5,278	21,450	21,830	5,658
CACFP Meals - 2012/2013	10.558	42,735	37,748	-	4,987	4,987	-
CACFP Meals - 2013/2014	10.558	81,292	-	-	80,062	81,292	1,230
Total CACFP Meals		124,027	37,748	-	85,049	86,279	1,230
Title I, Part A:	84.010						
Project number 11915301213		312,442	302,941	62,241	63,153	912	-
Project number 11915301314		279,779	-	-	207,884	251,711	43,827
Total Title I, Part A		592,221	302,941	62,241	271,037	252,623	43,827
Total noncluster programs passed through the Michigan Department of Education		1,569,915	631,624	85,031	820,224	898,857	163,664
Total federal awards		<u>\$ 1,974,567</u>	<u>\$ 711,616</u>	<u>\$ 85,946</u>	<u>\$ 1,097,745</u>	<u>\$ 1,197,458</u>	<u>\$ 185,659</u>

See Notes to Schedule of Expenditures of Federal Awards.

West Village Academy

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2014

Note 1 - Basis of Presentation and Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of West Village Academy (the "Academy") under programs of the federal government for the year ended June 30, 2014. Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. In addition, expenditures reported on the Schedule are recognized following the cost principles contained in OMB Circular A-87, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Because the Schedule presents only a selected portion of the operations of West Village Academy, it is not intended to and does not present the financial position, changes in net position, or cash flows, if applicable, of West Village Academy. Pass-through entity identifying numbers are presented where available.

Note 2 - 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 3 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of OMB Circular A-133.

Note 4 - Subrecipient Awards

Of the federal expenditures presented in the Schedule, federal awards were provided to subrecipients as follows:

<u>Federal Program Title</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
CACFP Meals - Project number 14210 - Passed through to the Dearborn Academy	10.558	\$ 22,115

West Village Academy

Schedule of Findings and Questioned Costs Year Ended June 30, 2014

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 No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
84.287C	21st Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

West Village Academy

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2014

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None

West Village Academy

Summary Schedule of Prior Audit Findings Year Ended June 30, 2014

<u>Prior Year Finding Number</u>	<u>Federal Program</u>	<u>Original Finding Description</u>	<u>Status</u>	<u>Planned Corrective Action</u>
2013-1	N/A	The Academy improperly calculated the accrued wages and fringe benefits at year end, resulting in an overstatement of accrued payroll and related liabilities.	Fully corrected	Not applicable
2013-2		The Academy failed to maintain certifications on a semiannual basis for a teacher who had 100 percent of the teacher's time charged to Title I.	Fully corrected	Not applicable