
Grand Rapids Public Schools

Federal Awards Supplemental Information
June 30, 2019

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
Schedule of Expenditures of Federal Awards	6-9
Notes to Schedule of Expenditures of Federal Awards	10
Schedule of Findings and Questioned Costs	11

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education
Grand Rapids Public Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Rapids Public Schools (the "School District") as of and for the year ended June 30, 2019 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 18, 2019, 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 18, 2019.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, 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 financial statements as a whole.

Plante & Moran, PLLC

October 18, 2019

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
Grand Rapids Public 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 Grand Rapids Public Schools (the "School District") as of and for the year ended June 30, 2019 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 18, 2019.

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) 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 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 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*.

To Management and the Board of Education
Grand Rapids Public 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 18, 2019

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
Grand Rapids Public Schools

Report on Compliance for Each Major Federal Program

We have audited Grand Rapids Public 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, 2019. 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, 2019.

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
Grand Rapids Public 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 18, 2019

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

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, 2018	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2019	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster - U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
Noncash Assistance -										
USDA Entitlement Commodities 2018-2019	N/A	10.555	\$ 915,739	\$ -	\$ -	\$ -	\$ 915,739	\$ 897,683	\$ (18,056)	\$ -
Cash Assistance:										
National School Lunch Program:										
2017-2018	181960	10.555	7,258,139	5,970,585	179,110	-	1,466,664	1,287,554	-	-
2018-2019	191960	10.555	6,198,258	-	-	-	6,168,005	6,198,258	30,253	-
Total National School Lunch Program			13,456,397	5,970,585	179,110	-	7,634,669	7,485,812	30,253	-
Snack Program:										
2017-2018	181980	10.555	104,068	95,093	-	-	8,975	8,975	-	-
2018-2019	191980	10.555	66,120	-	-	-	66,120	66,120	-	-
Total Snack Program			170,188	95,093	-	-	75,095	75,095	-	-
Total National School Lunch Program (including commodities)			14,542,324	6,065,678	179,110	-	8,625,503	8,458,590	12,197	-
National School Breakfast Program:										
2017-2018	181970	10.553	2,759,553	2,292,998	75,944	-	542,499	466,555	-	-
2018-2019	191970	10.553	2,327,709	-	-	-	2,318,113	2,327,709	9,596	-
Total National School Breakfast Program			5,087,262	2,292,998	75,944	-	2,860,612	2,794,264	9,596	-
National School Lunch Summer Program:										
2017-2018	180900	10.559	182,777	46,234	46,234	-	182,777	136,543	-	-
2017-2018	181900	10.559	19,163	4,867	4,867	-	19,163	14,296	-	-
2018-2019	190900	10.559	79,768	-	-	-	-	79,768	79,768	-
2018-2019	191900	10.559	8,319	-	-	-	-	8,319	8,319	-
Total National School Lunch Summer Program			290,027	51,101	51,101	-	201,940	238,926	88,088	-
Total Child Nutrition Cluster			19,919,613	8,409,777	306,155	-	11,688,055	11,491,780	109,881	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

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, 2018	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2019	Current Year Cash Transferred to Subrecipients
Clusters (continued):										
Special Education Cluster - U.S. Department of Education -										
Passed through the Kent County ISD -										
IDEA:										
Resource Room	180450-1718	84.027	\$ 3,907,151	\$ 3,907,151	\$ 976,829	\$ -	\$ 976,829	\$ -	\$ -	\$ -
Resource Room	190450-1819	84.027	3,842,771	-	-	-	3,047,547	3,842,771	795,224	-
SXI/POHI/VI	180450-1718	84.027	28,047	28,047	6,805	-	6,805	-	-	-
Hearing Impaired	180450-1718	84.027	56,095	56,095	15,217	-	15,217	-	-	-
Hearing Impaired	190450-1819	84.027	45,000	-	-	-	44,528	45,000	472	-
Hearing Impaired	180450-1718	84.027	177,980	177,980	41,997	-	41,997	-	-	-
Hearing Impaired	190450-1819	84.027	177,980	-	-	-	131,363	142,657	11,294	-
Ken-O-Sha	180450-1718	84.027	186,982	186,982	46,618	-	46,618	-	-	-
Ken-O-Sha	190450-1819	84.027	150,000	-	-	-	118,699	150,000	31,301	-
Lincoln SXI/TMI	180450-1718	84.027	336,568	336,568	105,660	-	105,660	-	-	-
Lincoln SXI/TMI	190450-1819	84.027	450,000	-	-	-	336,946	450,000	113,054	-
SEI	180450-1718	84.027	252,426	252,426	75,871	-	75,871	-	-	-
SEI	190450-1819	84.027	250,000	-	-	-	199,811	250,000	50,189	-
Disproportionate 15%	180450-1718	84.027	714,000	714,000	184,111	-	184,111	-	-	-
Disproportionate 15%	190450-1819	84.027	918,499	-	-	-	701,813	779,622	77,809	-
Total IDEA			11,493,499	5,659,249	1,453,108	-	6,033,815	5,660,050	1,079,343	-
Special Education Cluster - U.S. Department of Education -										
Passed through Kent County ISD - Preschool										
Pre-primary Impaired Teachers	180460-1718	84.173	154,541	154,541	34,045	-	34,045	-	-	-
Pre-primary Impaired Teachers	190460-1819	84.173	168,479	-	-	-	128,456	168,501	40,045	-
Pre-primary Impaired Teachers-Center Programs	180460-1718	84.173	134,852	134,852	32,431	-	32,431	-	-	-
Pre-primary Impaired Teachers-Center Programs	190460-1819	84.173	120,642	-	-	-	95,720	120,620	24,900	-
Total Preschool			578,514	289,393	66,476	-	290,652	289,121	64,945	-
Total Special Education Cluster			12,072,013	5,948,642	1,519,584	-	6,324,467	5,949,171	1,144,288	-
Medicaid Cluster - U.S. Department of Health and Human Services -										
Passed through Kent County ISD - Medicaid-Outreach										
	N/A	93.778	41,856	-	-	-	-	41,856	41,856	-
Total federal cluster programs			43,526,981	20,017,668	3,278,847	-	24,046,337	23,142,857	2,375,368	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

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, 2018	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2019	Current Year Cash Transferred to Subrecipients
Other federal awards:										
U.S. Department of Education:										
Direct Programs:										
Indian Education Formula Grant Program	S090A172152	84.060A	\$ 74,265	\$ 65,063	\$ 36,545	\$ -	\$ 36,545	\$ -	\$ -	\$ -
Indian Education Formula Grant Program	S060A182152	84.060A	64,293	-	-	-	35,075	61,466	26,391	-
Total Noncluster Direct Programs			138,558	65,063	36,545	-	71,619	61,466	26,392	-
Passed through the Michigan Department of Education:										
Title I, Part A	181530-1718	84.010	13,350,349	10,210,639	3,034,768	-	4,531,853	1,497,085	-	-
Title I, Part A	191530-1819	84.010	11,621,565	-	-	-	7,506,864	9,497,777	1,990,913	-
Total Title I, Part A			24,971,914	10,210,639	3,034,768	-	12,038,717	10,994,862	1,990,913	-
Migrant Education Summer	181830-1718	84.011	13,992	2,011	2,011	-	8,721	6,710	-	-
Migrant Education Summer	191830-1819	84.011	16,963	-	-	-	-	3,255	3,255	-
Migrant Education	181890-1718	84.011	43,794	2,317	790	-	790	-	-	-
Migrant Education	191890-1819	84.011	43,032	-	-	-	11,513	13,829	2,316	-
Total Migrant Education			117,781	4,328	2,801	-	21,023	23,794	5,572	-
Title I, Part D	181700-1718	84.013	160,036	88,435	62,810	-	81,473	18,663	-	-
Title I, Part D	191700-1819	84.013	127,226	-	-	-	22,698	49,384	26,686	-
Total Title I, Part D			287,262	88,435	62,810	-	104,171	68,047	26,686	-
Twenty-First Century Community Learning Center:										
Community Learning Center	182110-H13036	84.287C	675,000	609,281	196,903	-	196,903	-	-	-
Community Learning Center	182110-H13037	84.287C	540,000	507,541	141,392	-	141,392	-	-	-
Community Learning Center	182110-I14022	84.287C	675,000	605,072	153,244	-	153,244	-	-	-
Community Learning Center	182110-I14023	84.287C	675,000	600,252	166,772	-	166,772	-	-	-
Community Learning Center	182110-I14024	84.287C	540,000	452,357	113,173	-	113,173	-	-	-
Community Learning Center	182110-I14026	84.287C	540,000	474,706	115,488	-	115,488	-	-	-
Community Learning Center	192110-I14022	84.287C	675,000	-	-	-	534,101	650,564	116,463	-
Community Learning Center	192110-I14023	84.287C	675,000	-	-	-	493,334	592,307	98,973	-
Community Learning Center	192110-I14024	84.287C	540,000	-	-	-	366,591	449,369	82,778	-
Community Learning Center	192110-I14026	84.287C	540,000	-	-	-	391,290	497,077	105,787	-
Community Learning Center	192110-K181504	84.287C	675,000	-	-	-	427,114	543,424	116,310	-
Total Twenty-First Century Community Learning Center			6,750,000	3,249,209	886,972	-	3,099,403	2,732,741	520,311	-
Title III - Immigrant Students	190570-1819	84.365	43,749	-	-	-	41,361	41,361	-	-
Title III - Limited English Proficiency	180580-1718	84.365	687,439	412,202	45,590	-	58,355	12,765	-	-
Title III - Limited English Proficiency	190580-1819	84.365	687,371	-	-	-	191,413	299,180	107,767	-
Total Title III			1,418,559	412,202	45,590	-	291,129	353,306	107,767	-
Title II, Part A	180520-1718	84.367	2,221,510	1,899,458	590,878	-	659,878	69,000	-	-
Title II, Part A	190520-1819	84.367	1,957,633	-	-	-	745,670	988,392	242,722	-
Title II, Part A Competitive	180523-18	84.367A	400,000	-	-	-	-	148,309	148,309	-
Total Title II, Part A (Improving Teacher Quality)			4,579,143	1,899,458	590,878	-	1,405,548	1,205,701	391,031	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

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, 2018	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2019	Current Year Cash Transferred to Subrecipients
Other federal awards (continued):										
U.S. Department of Education (continued):										
Passed through the Michigan Department of Education (continued):										
Title IV, Part A	180750-1718	84.424A	\$ 164,823	\$ 20,350	\$ 20,350	\$ -	\$ 21,871	\$ 1,521	\$ -	\$ -
Title IV, Part A	190750-1819	84.424A	896,659	-	-	-	122,791	255,763	132,972	-
Total Title IV, Part A			1,061,482	20,350	20,350	-	144,662	257,284	132,972	-
Temp. Emergency Impact Aid for Displaced Students	192520-1819R1	84.938C	1,689	-	-	-	1,689	1,689	-	-
Temp. Emergency Impact Aid for Displaced Students	192510-1819R1	84.938C	62,375	-	-	-	62,375	62,375	-	-
Total Temp. Emergency Impact Aid for Displaced Students			64,064	-	-	-	64,064	64,064	-	-
Total noncluster programs passed through the Michigan Department of Education			39,250,205	15,884,621	4,644,169	-	17,168,717	15,699,799	3,175,252	-
Total U.S. Department of Education Noncluster Programs			39,388,763	15,949,684	4,680,714	-	17,240,336	15,761,265	3,201,644	-
U.S. Department of Defense - Direct Program:										
Army JROTC Program	Title 10 Section 2031	12.401	149,598	134,197	15,401	-	15,401	-	-	-
Army JROTC Program	Title 10 Section 2031	12.401	152,797	-	-	-	145,921	152,797	6,876	-
Total U.S. Department of Defense			302,395	134,197	15,401	-	161,322	152,797	6,876	-
U.S. Department of Commerce -										
Passed through Grand Valley State University:										
Groundswell FORCES Project	GVSU-204205-02	11.429	7,428	6,834	785	-	785	-	-	-
Groundswell FORCES Project	GVSU-204205-02	11.429	7,379	-	-	-	5,701	5,701	-	-
Total U.S. Department of Commerce			14,807	6,834	785	-	6,486	5,701	-	-
Total federal awards			\$ 71,739,447	\$ 30,449,134	\$ 6,522,639	\$ -	\$ 35,420,666	\$ 33,402,570	\$ 4,504,545	\$ -

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Grand Rapids Public Schools (the "School District") under programs of the federal government for the year ended June 30, 2019. 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.

The School District did not have any payments to subrecipients during the reporting period.

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 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. 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. 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.

Grand Rapids Public Schools

Schedule of Findings and Questioned Costs

Year Ended June 30, 2019

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	Title I, Part A - Improving Basic Programs	Unmodified
84.367, 84.367A	Title II, Part A - Supporting Effective Instruction	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$1,002,077

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

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	