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# Battle Creek Public Schools

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

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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  
Battle Creek Public Schools

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Battle Creek Public 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 19, 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 19, 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 19, 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  
Battle Creek 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, the business-type activities, each major fund, and the aggregate remaining fund information of Battle Creek Public 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 19, 2021.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Education  
Battle Creek 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 19, 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  
Battle Creek Public Schools

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

We have audited Battle Creek 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, 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  
Battle Creek 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 19, 2021

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	CFDA Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster:										
U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
Noncash assistance (commodities) - Food Distribution - Entitlement Commodities - 2020-21	N/A	10.555	\$ 168,341	\$ -	\$ -	\$ -	\$ 168,341	\$ 168,341	\$ -	\$ -
Cash assistance - National School Lunch Program - COVID-19 - 2019-2020 USC SFSP	200902	10.555	<u>1,604,781</u>	<u>1,604,781</u>	<u>365,239</u>	<u>-</u>	<u>365,239</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total National School Lunch Program (incl. commodities)			<u>1,773,122</u>	<u>1,604,781</u>	<u>365,239</u>	<u>-</u>	<u>533,580</u>	<u>168,341</u>	<u>-</u>	<u>-</u>
Summer Food Service Program:										
Project number 200900	200900	10.559	680,266	-	-	-	680,266	680,266	-	-
Project number 210904	210904	10.559	<u>2,804,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,554,744</u>	<u>2,703,131</u>	<u>148,387</u>	<u>-</u>
Total Summer Food Service Program		10.559	<u>3,485,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,235,010</u>	<u>3,383,397</u>	<u>148,387</u>	<u>-</u>
Total federal programs clusters			<u>5,258,132</u>	<u>1,604,781</u>	<u>365,239</u>	<u>-</u>	<u>3,768,590</u>	<u>3,551,738</u>	<u>148,387</u>	<u>-</u>
Other federal awards:										
U.S. Department of Education:										
Passed through the Michigan Department of Education:										
Title I, Part A:										
Project number 201530-1920	201530-1920	84.010	3,426,338	2,609,767	858,692	3,559	1,050,653	188,402	-	-
Project number 211530-2021	211530-2021	84.010	<u>4,533,874</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,360,806</u>	<u>3,236,106</u>	<u>875,300</u>	<u>-</u>
Total Title I, Part A		84.010	<u>7,960,212</u>	<u>2,609,767</u>	<u>858,692</u>	<u>3,559</u>	<u>3,411,459</u>	<u>3,424,508</u>	<u>875,300</u>	<u>-</u>



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):										
U.S. Department of Education (continued):										
Passed through the Michigan Department of Education (continued):										
Education Stabilization Fund Program:										
COVID-19 - ESSER Formula I	203710-1920	84.425D	\$ 2,441,698	\$ 463,924	\$ 80,005	\$ -	\$ 1,404,730	\$ 1,386,660	\$ 61,935	\$ -
COVID-19 - ESSER Formula II	213712-2021	84.425D	6,072,043	-	-	-	-	156,226	156,226	-
COVID-19 - ESSER Education Equity Fund	203720-1920	84.425D	366,255	-	-	-	325,896	356,320	30,424	-
Total ESSER Program		84.425D	8,879,996	463,924	80,005	-	1,730,626	1,899,206	248,585	-
COVID-19 - GEER - Governors Emergency Education Relief Fund	201200-2021	84.425C	322,131	-	-	-	-	286,166	286,166	-
Total Education Stabilization Fund Program		84.425	9,202,127	463,924	80,005	-	1,730,626	2,185,372	534,751	-
Adult Education:										
Project number 201130-201287	201130-201287	84.002A	95,000	89,628	11,636	-	11,636	-	-	-
Project number 201190-201287	201190-201287	84.002A	14,000	13,948	54	-	54	-	-	-
Project number 211130-211287	201130-211287	84.002A	73,500	-	-	-	46,340	54,429	8,089	-
Project number 211190-211287	201190-211287	84.002A	14,000	-	-	-	-	5,353	5,353	-
Total Adult Education		84.002A	196,500	103,576	11,690	-	58,030	59,782	13,442	-
Title I Part D:										
Project number 201700-1920	201700-1920	84.013	9,324	6,871	6,871	-	6,871	-	-	-
Project number 211700-2021	211700-2021	84.013	4,966	-	-	-	-	25	25	-
Total Title I, Part D		84.013	14,290	6,871	6,871	-	6,871	25	25	-
Title II Part A - Improving Teacher Quality:										
Project number 200520-1920	200520-1920	84.367	604,628	470,009	135,085	-	153,853	18,768	-	-
Project number 210520-2021	210520-2021	84.367	611,483	-	-	-	339,683	503,683	164,000	-
Total Improving Teacher Quality		84.367	1,216,111	470,009	135,085	-	493,536	522,451	164,000	-
Title III - English Language Acquisition:										
Project number 200570-1920	200570-1920	84.365A	17,727	10,384	835	-	835	-	-	-
Project number 200580-1920	200580-1920	84.365A	39,080	33,887	12,957	(399)	12,558	-	-	-
Project number 210570-2021	210570-2021	84.365A	11,888	-	-	-	1,673	2,509	836	-
Project number 210580-2021	210580-2021	84.365A	42,968	-	-	-	26,531	40,896	14,365	-
Total English Language Acquisition		84.365A	111,663	44,271	13,792	(399)	41,597	43,405	15,201	-

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):										
U.S. Department of Education (continued):										
Passed through the Michigan Department of Education (continued):										
Title IV Part A - Student Support and Academic Enrichment:										
Project number 200750-1920	200750-1920	84.424	\$ 275,212	\$ 169,429	\$ 25,904	\$ -	\$ 49,652	\$ 23,748	\$ -	\$ -
Project number 210750-2021	210750-2021	84.424	298,205	-	-	-	163,252	238,508	75,256	-
Total Student Support and Academic Enrichment		84.424	573,417	169,429	25,904	-	212,904	262,256	75,256	-
21st Century Community Learning Centers:										
Project number 202110-L-194271	202110-L-194271	84.287C	540,000	416,184	69,383	56,713	126,096	-	-	-
Project number 202110-K-181479	202110-K-181479	84.287C	675,000	548,664	59,831	-	59,831	-	-	-
Project number 212110-L-194271	212110-L-194271	84.287C	540,000	-	-	-	400,492	479,940	79,448	-
Project number 212110-K-181479	212110-K-181479	84.287C	675,000	-	-	-	473,111	554,953	81,842	-
Total 21st Century Community Learning Centers		84.287C	2,430,000	964,848	129,214	56,713	1,059,530	1,034,893	161,290	-
Total U.S. Department of Education noncluster programs			21,704,320	4,832,695	1,261,253	59,873	7,014,553	7,532,692	1,839,265	-
U.S. Department of Treasury:										
Passed through Michigan Department of Education -										
Coronavirus Relief Fund:										
COVID-19 - 103(2) - District Covid Costs	20-21	21.019	48,155	-	-	8	48,163	48,155	-	-
COVID-19 - 11p - CRF School Aid	20-21	21.019	1,368,042	-	-	-	1,368,042	1,368,042	-	-
Passed through Copper Country ISD -										
COVID-19 - CRF MiConnect/MAISA	20-21	21.019	87,500	-	-	-	87,500	87,500	-	-
Total Coronavirus Relief Fund		21.019	1,503,697	-	-	8	1,503,705	1,503,697	-	-
U.S. Department of Agriculture -										
Passed through the Calhoun Intermediate School District:										
Child Care Food Program:										
Project number 201920	201920	10.558	108,242	102,352	-	-	5,890	5,890	-	-
Project number 202010	202010	10.558	10,023	9,612	-	-	411	411	-	-
Project number 211920	211920	10.558	94,777	-	-	-	94,477	94,477	-	-
Project number 212010	212010	10.558	21,512	-	-	-	6,264	15,248	8,984	-
Total Child Care Food Program		10.558	234,554	111,964	-	-	107,042	116,026	8,984	-
Fresh Fruit and Vegetables - Project number 210950-1920	210950-2021	10.582	30,637	-	-	-	17,946	30,637	12,691	-
Total U.S. Department of Agriculture noncluster programs			265,191	111,964	-	-	124,988	146,663	21,675	-
Total federal awards			\$ 28,731,340	\$ 6,549,440	\$ 1,626,492	\$ 59,881	\$ 12,411,836	\$ 12,734,790	\$ 2,009,327	\$ -

**Battle Creek Public 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)	\$ 12,791,503
Adjustment from the 2018-19 Final Expenditure Report for 21st Century Community Learning Century grant (CFDA #84.287C)	<u>(56,713)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><b>\$ 12,734,790</b></u>

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**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 Battle Creek Public 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 financial statements. Such expenditures, except 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 outlined in the 2020 Compliance Supplement Addendum.

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. The grantee received no noncash assistance during the year ended June 30, 2021 that is not included in the schedule of expenditures of federal awards.

**Note 5 - Adjustments and Transfers**

During the year ended June 30, 2021, there were adjustments of \$3,559 in the Title I, Part A Grant (CFDA #84.010); \$399 in the Title III, English Language Acquisition Grant (CFDA #84.365A); and \$8 in the Coronavirus Relief Fund (CFDA #21.019), reflecting adjustments made during the year for revenue that will not be received and adjustments to expenditures recorded.

During the year ended June 30, 2021, there was an adjustment of \$56,713 in the 21st Century Community Learning Centers Grant (CFDA #84.287C) related to an adjustment from the 2018-2019 Final Expenditure Report, which was settled during the year ended June 30, 2021.

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2021**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
84.010	Title 1, Part A	Unmodified
84.425C,		
84.425D	Education Stabilization Fund	Unmodified
84.287	21st Century Community Learning Center	Unmodified
20.019	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

**Section II - Financial Statement Audit Findings**

Reference Number	Finding
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**Current Year**    None

**Section III - Federal Program Audit Findings**

Reference Number	Finding
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**Current Year**    None