

**Weston Preparatory Academy**

**Single Audit Report**

**June 30, 2022**



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## **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 Auditors' Report**

Management and the Board of Directors  
Weston Preparatory Academy  
Detroit, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weston Preparatory Academy, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which comprise Weston Preparatory Academy's basic financial statements, and have issued our report thereon dated October 27, 2022.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Weston Preparatory Academy'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 Weston Preparatory Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of Weston Preparatory Academy'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 or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weston Preparatory 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 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*.

### 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.

Yeo & Yeo, P.C.

Flint, Michigan  
October 27, 2022



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## **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**

### **Independent Auditors' Report**

Management and the Board of Directors  
Weston Preparatory Academy  
Detroit, Michigan

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

##### **Opinion on Each Major Federal Program**

We have audited Weston Preparatory Academy's 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 Weston Preparatory Academy's major federal programs for the year ended June 30, 2022. Weston Preparatory Academy's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Weston Preparatory Academy 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, 2022.

##### **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; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Weston Preparatory Academy 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 Weston Preparatory Academy's compliance with the compliance requirements referred to above.

## Responsibility 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 agreements applicable to Weston Preparatory Academy's federal programs.

## Auditors' Responsibility 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 Weston Preparatory Academy's 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 Weston Preparatory Academy's 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 Weston Preparatory Academy's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Weston Preparatory Academy's 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 Weston Preparatory Academy's 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 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 Auditors' 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 limitations, 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 the governmental activities, each major fund, and the aggregate remaining fund information of Weston Preparatory Academy, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Weston Preparatory Academy's basic financial statements. We issued our report thereon dated October 27, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 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 basic 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 basic financial statements or to the basic 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 basic financial statements as a whole.

*Yeo & Yeo, P.C.*

Flint, Michigan  
October 27, 2022

**Weston Preparatory Academy**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2022**

Federal Grantor Pass Through Grantor Program Title	Federal Assistance Listing Number	Grant Number	Award Grant Entitlement Program Amount	Accrued (Unearned) Revenue at July 1, 2021	Prior Year Expenditures	Current Year Expenditures	Current Year Cash Payments/ In Kind Received	Accrued (Unearned) Revenue at June 30, 2022
U.S. Department of Agriculture Child Nutrition Cluster Passed through Michigan Department of Education Non-Cash Assistance Entitlement Commodities	10.555	21-22	\$ 12,919	\$ -	\$ -	\$ 12,919	\$ 12,919	\$ -
Cash Assistance								
COVID-19 - Seamless Summer Option (SSO) - Breakfast	10.553	211971	2,797	-	-	2,797	2,797	-
COVID-19 - Seamless Summer Option (SSO) - Breakfast	10.553	221971	17,970	-	-	17,970	17,970	-
			<u>20,767</u>	<u>-</u>	<u>-</u>	<u>20,767</u>	<u>20,767</u>	<u>-</u>
COVID-19 - Seamless Summer Option (SSO) - Lunch	10.555	211961	7,638	-	-	7,638	7,638	-
COVID-19 - Emergency Operations - SNP Meals	10.555	211965	27,931	-	-	27,931	27,931	-
COVID-19 - Supply Chain Assistance	10.555	220910	9,600	-	-	9,600	9,600	-
COVID-19 - Seamless Summer Option (SSO) - Lunch	10.555	221961	64,171	-	-	64,171	64,171	-
			<u>109,340</u>	<u>-</u>	<u>-</u>	<u>109,340</u>	<u>109,340</u>	<u>-</u>
COVID-19 - Extended Summer Food Service Program	10.559	210904	49,774	2,684	49,774	-	2,684	-
Total Cash Assistance			<u>179,881</u>	<u>2,684</u>	<u>49,774</u>	<u>130,107</u>	<u>132,791</u>	<u>-</u>
Total Child Nutrition Cluster			<u>192,800</u>	<u>2,684</u>	<u>49,774</u>	<u>143,026</u>	<u>145,710</u>	<u>-</u>
Passed through Michigan Department of Education COVID-19 - Pandemic EBT Local Level Costs	10.582	210980	614	-	-	614	614	-
Total U.S. Department of Agriculture			<u>193,414</u>	<u>2,684</u>	<u>49,774</u>	<u>143,640</u>	<u>146,324</u>	<u>-</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**Weston Preparatory Academy**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2022**

Federal Grantor Pass Through Grantor Program Title	Federal Assistance Listing Number	Grant Number	Award Grant Entitlement Program Amount	Accrued (Unearned) Revenue at July 1, 2021	Prior Year Expenditures	Current Year Expenditures	Current Year Cash Payments/ In Kind Received	Accrued (Unearned) Revenue at June 30, 2022
U.S. Department of Education								
Title I Cluster								
Passed through the Michigan Department of Education								
Title I, Part A - Grants to Local Educational Agencies	84.010	211530	\$ 167,515	\$ 49,042	\$ 122,563	\$ -	\$ 49,042	\$ -
Title I, Part A - Grants to Local Educational Agencies	84.010	221530	178,973	-	-	155,460	133,635	21,825
Total Title I Cluster			<u>346,488</u>	<u>49,042</u>	<u>122,563</u>	<u>155,460</u>	<u>182,677</u>	<u>21,825</u>
Special Education Cluster								
Passed through the Wayne RESA								
Special Education Grants to States	84.027	210450	71,774	20,669	71,774	-	20,669	-
Special Education Grants to States	84.027	220450	60,187	-	-	60,187	60,187	-
Total Special Education Cluster			<u>131,961</u>	<u>20,669</u>	<u>71,774</u>	<u>60,187</u>	<u>80,856</u>	<u>-</u>
Passed through the Michigan Department of Education								
Title II, Part A - Supporting Effective Instruction State Grants	84.367	210520	23,029	7,661	17,401	-	7,661	-
Title II, Part A - Supporting Effective Instruction State Grants	84.367	220520	25,179	-	-	8,008	8,008	-
			<u>48,208</u>	<u>7,661</u>	<u>17,401</u>	<u>8,008</u>	<u>15,669</u>	<u>-</u>
Passed through the Michigan Department of Education								
Title IV, Part A - Student Support and Academic Enrichment Program	84.424	210750	13,549	7,776	13,549	-	7,776	-
Title IV, Part A - Student Support and Academic Enrichment Program	84.424	220750	11,435	-	-	1,135	1,135	-
			<u>24,984</u>	<u>7,776</u>	<u>13,549</u>	<u>1,135</u>	<u>8,911</u>	<u>-</u>
Passed through the Michigan Department of Education								
Education Stabilization Funds								
COVID-19 - GEER Fund	84.425C	201200	24,859	6,688	13,915	-	6,688	-
COVID-19 - GEER Fund II	84.425C	211202	7,250	-	-	7,250	7,250	-
			<u>32,109</u>	<u>6,688</u>	<u>13,915</u>	<u>7,250</u>	<u>13,938</u>	<u>-</u>
COVID-19 - ESSER Formula I	84.425D	203710	128,618	72,237	128,618	-	72,237	-
COVID-19 - ESSER Formula II	84.425D	213712	486,721	-	-	362,352	362,352	-
COVID-19 - ESSER Formula II - 23b(2a)	84.425D	213722	41,800	-	-	41,800	-	41,800
COVID-19 - ESSER Formula II - 23b(2c)	84.425D	213752	10,000	-	-	10,000	-	10,000
			<u>667,139</u>	<u>72,237</u>	<u>128,618</u>	<u>414,152</u>	<u>434,589</u>	<u>51,800</u>
Total Education Stabilization Funds			<u>699,248</u>	<u>78,925</u>	<u>142,533</u>	<u>421,402</u>	<u>448,527</u>	<u>51,800</u>
Total U.S. Department of Education			<u>1,250,889</u>	<u>164,073</u>	<u>367,820</u>	<u>646,192</u>	<u>736,640</u>	<u>73,625</u>
Total Federal Awards			<u>\$ 1,444,303</u>	<u>\$ 166,757</u>	<u>\$ 417,594</u>	<u>\$ 789,832</u>	<u>\$ 882,964</u>	<u>\$ 73,625</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**Weston Preparatory Academy**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2022**

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**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of Weston Preparatory Academy under programs of the federal government for the year ended June 30, 2022. 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 Weston Preparatory Academy, it is not intended to and does not present the financial position or changes in fund balances of Weston Preparatory Academy.

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

**Expenditures**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where 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.

**Indirect Cost Rate**

Weston Preparatory Academy has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3 - Reconciliation to the Financial Statements**

The federal revenues per the financial statements are in agreement with the schedule of expenditures of federal awards.

**Note 4 - Subrecipients**

The Academy did not transfer any federal funds to subrecipients during the fiscal year.

**Weston Preparatory Academy**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2022**

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**Note 5 - Michigan Department of Education Disclosures**

Management has reported the expenditures in the SEFA equal to those amounts reported in the annual or final cost reports that have been submitted for that particular grant year.

The federal amounts reported on the Grant Auditor Report (GAR) are in agreement with the SEFA, except for the following:

<b>AL#</b>	<b>Grant</b>	<b>Per GAR</b>	<b>Per SEFA</b>	<b>Difference</b>
84.010	211530	\$ 163	\$ 49,042	\$ (48,879)
84.367	210520	\$ 4,888	\$ 7,661	\$ (2,773)
84.424	210750	\$ -	\$ 7,776	\$ (7,776)
84.425C	201200	\$ 2,553	\$ 6,688	\$ (4,135)
84.425D	203710	\$ 13,623	\$ 72,237	\$ (58,614)

Difference due to timing of cash receipts by the Academy and payment by the Grantor.

The amounts reported on the Recipient Entitlement Balance Report (PAL Report) agree with the SEFA for USDA donated food commodities.

**Weston Preparatory Academy**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

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**Section I - Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued on whether the financial statements were prepared in accordance with Generally Accepted Accounting Principles:

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 \_\_\_\_\_ No

*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 weakness(es)? \_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ None reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516(a)? \_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ No

**Weston Preparatory Academy**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

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Identification of major programs:

Assistance Listing Numbers  
84.425C / 84.425D

Name of Federal Program  
Education Stabilization Fund

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 Findings**

No matters were noted.

**Section III - Federal Award Findings and Questioned Costs**

No matters were noted.

**Weston Preparatory Academy**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2022**

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**Section IV - Prior Audit Findings**

Weston Preparatory Academy did not have a Single Audit for the year ended June 30, 2021. There were no *Governmental Auditing Standards* findings and no findings or questioned costs for Federal Awards for the year ended June 30, 2021.