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# Riverside Academy Charter School

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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 the Academy  
Riverside Academy Charter School

We have audited the financial statements of the governmental activities, the major fund, and the remaining fund information of Riverside Academy Charter School (the "Academy") as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements. We issued our report thereon dated October 14, 2021, which contained an unmodified opinion on those 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 14, 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 14, 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 the Academy  
Riverside Academy Charter School

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 major fund, and the remaining fund information of Riverside Academy Charter School (the "Academy") as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated October 14, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Academy'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 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*.

To Management and the Board of the Academy  
Riverside Academy Charter School

**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 & Moreau, PLLC*

October 14, 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 the Academy  
Riverside Academy Charter School

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

We have audited Riverside Academy Charter School's (the "Academy") 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 the Academy's major federal program for the year ended June 30, 2021. The 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the 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 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 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 the Academy's compliance.

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

In our opinion, the Academy complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2021.

**Report on Internal Control Over Compliance**

Management of the 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 the 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 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 Academy's internal control over compliance.

To the Board of the Academy  
Riverside Academy Charter School

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 14, 2021

Year Ended June 30, 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):										
National Lunch Program Bonus Commodities 2020-21	N/A	10.555	\$ 45,648	\$ -	\$ -	\$ -	\$ 31,818	\$ 31,818	\$ -	\$ -
Cash Assistance - National School Lunch Program 2020-21	211960	10.555	154,026	-	-	-	154,026	154,026	-	-
Total National School Lunch Program (incl. commodities)			199,674	-	-	-	185,844	185,844	-	-
National School Breakfast Program 2020-21	211970	10.553	96,626	-	-	-	96,626	96,626	-	-
Total Child Nutrition Cluster			296,300	-	-	-	282,470	282,470	-	-
Special Education Cluster - U.S. Department of Education - Passed through the Wayne County ISD - IDEA Flowthrough - IDEA Flowthrough 2021										
	201450	84.027A	142,831	-	-	-	79,580	142,831	63,251	-
Total clusters			439,131	-	-	-	362,050	425,301	63,251	-
Direct Award - Department of Defense - STARTALK - Preparing Arabic Teachers for Tomorrow										
	H98230-19-1-0161	12.900	66,571	66,380	66,380	-	66,380	-	-	-
Other federal awards:										
Passed through the Michigan Department of Education:										
Title I, Part A:										
Title I, Part A 1920	201530	84.010	688,868	215,000	458,910	-	458,910	-	-	-
Title I, Part A 2021	211530	84.010	678,582	-	-	-	500,000	651,816	151,816	-
Total Title I, Part A			1,367,450	215,000	458,910	-	958,910	651,816	151,816	-
Title II, Part A - Improving Teacher Quality 1920	200520	84.367A	80,866	43,111	18,111	-	55,866	83,700	45,945	-
Title III Immigrant 1920	200570	84.365A	11,475	11,475	11,475	-	11,475	-	-	-
Title III, Limited English:										
Title III, Limited English - 1920	200580	84.365A	83,090	82,827	42,827	-	42,827	-	-	-
Title III, Limited English - 2021	210580	84.365A	65,731	-	-	-	45,000	65,731	20,731	-
Total Title III, Limited English			148,821	82,827	42,827	-	87,827	65,731	20,731	-
Title IV, Part A SSAE:										
Title IV, Part A SSAE 1920	200750	84.424A	56,398	43,567	3,567	-	3,567	-	-	-
Title IV, Part A SSAE 2021	210750	84.424A	61,009	-	-	-	25,000	39,952	14,952	-
Total Title IV, Part A SSAE			117,407	43,567	3,567	-	28,567	39,952	14,952	-



Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 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
Other federal awards (continued):										
Education Stabilization Fund Program - U.S. Department of Education -										
Passed through Michigan Department of Education:										
COVID-19 ESSER Formula Fund I	203710	84.425D	\$ 544,179	\$ -	\$ -	\$ -	\$ 450,000	\$ 540,986	\$ 90,986	\$ -
COVID-19 ESSER Education Equity Fund I	203720	84.425D	100,200	-	-	-	50,000	100,200	50,200	-
Total ESSER			644,379	-	-	-	500,000	641,186	141,186	-
COVID-19 Governor's Emergency Education Relief Fund (GEER)	201200	84.425C	137,375	-	-	-	90,000	120,652	30,652	-
Total Education Stabilization Fund Program		84.425	781,754	-	-	-	590,000	761,838	171,838	-
Coronavirus Relief Fund - U.S. Department of the Treasury -										
Passed through Michigan Department of Education:										
COVID-19 11p - CRF School Aid	20-21	21.019	322,224	-	-	-	322,224	322,224	-	-
COVID-19 103(2) - District COVID Costs	20-21	21.019	11,342	-	-	-	11,342	11,342	-	-
Total CRF passed through Michigan Department of Education		21.019	333,566	-	-	-	333,566	333,566	-	-
U.S. Department of Agriculture -										
Child Nutrition Discretionary Grants Limited Availability -										
NSLP Equipment Assistance Grant 1920	181991	10.579	26,800	26,800	26,800	-	26,800	-	-	-
Total federal awards			\$ 3,373,841	\$ 489,160	\$ 628,070	\$ -	\$ 2,521,441	\$ 2,361,904	\$ 468,533	\$ -

## Riverside Academy Charter School

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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)	\$ 2,428,284
Unavailable revenue for the year ended June 30, 2020, recognized as revenue in the year ended June 30, 2021	<u>(66,380)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 2,361,904</u></u>

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 Riverside Academy Charter School (the "Academy") 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 Academy, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Academy.

**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, except for 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 codified in the Federal Register.

The Academy 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.

**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

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 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
84.425D	COVID-19 Education Stabilization Fund Program (ESSER)
84.425C	COVID-19 Governor's Emergency Education Relief Fund (GEER)

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes    \_\_\_\_\_ No

**Section II - Financial Statement Audit Findings**

**Current Year**    None

**Section III - Federal Program Audit Findings**

**Current Year**    None