

# **Marvin L. Winans Academy**

(A Michigan Public School Academy)

**Financial Statements**

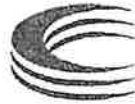
**For the Year Ended**

**June 30, 2022**



**THE CLAIRMOUNT GROUP, PLC**

Certified Public Accountants



THE CLAIRMOUNT GROUP, PLC  
Certified Public Accountants

## Independent Auditor's Report

To the Board of Directors  
Marvin L. Winans Academy

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of Marvin L. Winans Academy as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Marvin L. Winans Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of Marvin L. Winans Academy as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Marvin L. Winans Academy and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

### *Responsibility of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Marvin L. Winans Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditor's Responsibility for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually

schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2022, on our consideration of the Marvin L. Winans Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Marvin L. Winans Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Marvin L. Winans Academy's internal control over financial reporting and compliance.

*The Clairmount Group*

The Clairmount Group  
Detroit, MI 48226  
October 28, 2022

**Marvin L. Winans Academy  
Management's Discussion and Analysis (continued)**

**Reporting the Academy's Governmental Fund – Fund Financial Statements**

The Academy's fund financial statements provide detailed information about the most significant funds - not the Academy as a whole. However, the Academy establishes many other funds to help it control and manage money for particular purposes (the Food Service is an example) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The governmental funds of the Academy use the following accounting approach: The governmental funds of the Academy use the following accounting approach:

**Governmental Funds** - All of the Academy's services are reported in the governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of operations of the Academy and services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Academy's programs. We describe the relationship (or difference) between governmental activities (reported in the statement of net assets and the statement of activities) and the governmental fund reconciliations.

**The Academy as a Whole**

As discussed above, the statement of net position provides information of the Academy as a whole. Table 1 provides a summary of the Academy's net position as of June 30, 2022:

**Table 1- Summary of Marvin L. Winans Academy's Net Position**

	<b>Governmental Activities</b>	
<u>Assets</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 1,372,247	\$ 1,334,139
Capital assets - net of accumulated depreciation	949,122	1,062,163
<b>Total Assets</b>	<u>2,321,369</u>	<u>2,396,302</u>
<u>Liabilities</u>		
Current liabilities	<u>1,097,973</u>	<u>513,595</u>
<u>Net Position</u>		
Invested in capital assets	949,122	1,062,163
Unrestricted	<u>274,274</u>	<u>820,544</u>
<b>Total Net Position</b>	1,223,396	1,882,707
<b>Total Liabilities and Net Position</b>	<u>2,321,369</u>	<u>2,396,302</u>

**Net Position-** The Academy's financial position decreased from the prior period by \$659,311. The decrease in net position is primarily due to a decrease in student enrollment.

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the Academy's governmental activities is discussed below. The Academy's net position was \$1,223,396 on June 30, 2022. Capital assets, recorded at historical cost, net of depreciation totaled \$949,122.

## **The General Fund**

The General Fund had revenues of \$4,671,428 and total expenditures of \$5,271,698. The General Fund balance was \$274,274. As we noted earlier, the Academy uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the Academy is being accountable for the resources the state and others provide to it and may provide insight into the Academy's overall financial health.

### **General Fund Budgetary Highlights:**

Over the course of the year, the Academy revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditure does not exceed appropriations. The final amendment to the budget was actually adopted just before year end. A schedule showing the Academy's original and final budget amounts compared with amounts actually paid and received is provided in the required supplementary information of these financial statements.

There were revisions made to the 2021-2022 General Fund original budgets. Budgeted revenues decreased to represent actual amounts reduction in federal grants. Overall, the budgeted expenditures decreased due to reductions in federal grant funding.

### **Capital Assets**

As of June 30, 2022, the Academy had \$949,122 invested in net capital assets, in furniture and equipment, including leasehold improvements, furniture, and equipment. The amount represents a net decrease, including additions and disposals, of \$113,041 from last year.

### **Economic Factors Affecting Next Year's Budgets:**

The Academy's administration considered many factors when setting the Academy's 2023 fiscal year budget. One of the most important factors affecting the budget is the continued impact of the outbreak of the coronavirus (COVID-19) on enrollment. In an effort to meet the varied concerns of students and parents, the Academy is offering both in-person instruction and virtual instruction. However, the future effects of coronavirus and its potential variants are unknown.

The State foundation allowance for the 2023 fiscal year is \$9,150. The 2022 budget was adopted in June 2022, based on the estimated number of students that will be enrolled in September 2022. Approximately 68 percent of the total general fund revenue is from the foundation allowance up from the prior year due to the federal CARES grant funding passed by the US Congress in late 2000 and early 2001. As a result, the Academy funding is primarily dependent on the state's ability to fund local school operations; thus, the Academy is focused on maintaining its historical levels of enrollment. The Academy is also looking to receive more grants and private revenues. This will allow the Academy to place more funds in the classroom and enhance its financial position.

### **Request of Information**

The financial report is designed to give an overview of the financial conditions of Marvin L. Winans Academy. If you should desire additional financial information, it can be obtained by contacting the Financial Director at 313-873-7625.

**Marvin L. Winans Academy  
Statement of Activities  
For the Year Ended June 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary government-Governmental Activities:				
Instruction	\$ 2,684,348	\$ -	\$ 1,851,983	\$ (832,365)
Support services				
Pupil	55,527	-	-	(55,527)
Instructional	27,647	-	41,804	14,157
General administration	408,454	-	-	(408,454)
School administration	462,264	-	-	(462,264)
Business services	161,753	-	-	(161,753)
Operation and maintenance	1,338,575	-	-	(1,338,575)
Pupil transportation and services	43,330	-	-	(43,330)
Central services	35,800	-	-	(35,800)
Depreciation unallocated	113,041	-	-	(113,041)
Total Governmental Activities	<u>\$ 5,330,739</u>	<u>\$ -</u>	<u>\$ 1,893,787</u>	<u>(3,436,952)</u>
General Revenues:				
State aid not restricted to specific purposes				2,733,171
Other income				44,470
Total general revenues				<u>2,777,641</u>
Change in net position				(659,311)
Net Position, beginning of year				<u>1,882,707</u>
Net Position, end of year				<u>\$ 1,223,396</u>

**See accompanying notes to the financial statements.**

**Marvin L. Winans Academy  
 Reconciliation of the Governmental  
 Fund Balance to Statement of Net Position of Governmental Activities  
 Year Ended June 30, 2022**

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**Fund Balance** - Total governmental funds \$ 274,274

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported in governmental funds

Cost of capital assets	4,552,174	
Accumulated depreciation	<u>(3,603,052)</u>	<u>949,122</u>

**Total Net Position** - Governmental activities \$ 1,223,396

**Marvin L. Winans Academy**  
**Reconciliation of the Statement of Revenue, Expenditures and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2022**

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**Net Change in Fund Balance - Total governmental funds** \$ (546,270)

Amounts reported for governmental activities in the  
statement of activities are different because:

Depreciation and amortization expense (113,041)

**Change in Net Position of Governmental Activities** \$ (659,311)



**Marvin L. Winans Academy**  
**Notes to Financial Statements (Continued)**  
**June 30, 2022**

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**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Financial Statements** – Fund financial statements report detailed information about the Academy. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The Academy's major governmental fund is the General Fund.

Governmental funds utilize the modified accrual basis of accounting. Modifications in such method from the accrual basis are as follows:

- Revenue that is both measurable and available for use to finance operations is recorded as revenue when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Academy considers revenues available if they are collected within sixty days of the end of the current fiscal period.
- Payments for inventorable types of supplies, which are not significant at year-end, are recorded as expenditures at the time of purchase.
- The State of Michigan utilizes a foundation allowance funding approach, which provides for a specific annual amount of revenue per student based on a state-wide formula. The foundation allowance is funded from a combination of state and local sources. Income from state sources is primarily governed by the School Aid Act and the School Code of Michigan. The state portion of the foundation is provided from the State's School Aid Fund and is recognized as revenue by state law. A significant portion of the Academy's revenue is derived from this state aid. As such, the academy is economically dependent on this aid. The Academy's existence is dependent upon the qualification of such aid.

The Academy reports the following major governmental fund:

**General Fund** - The General Fund is the Academy's primary operating fund. It accounts for all financial resources of the Academy, except those required to be accounted for in another fund.

**Assets, Liabilities and Net Position**

**Cash and Investments** – Cash and investments include cash on hand, demand deposits, and short-term investments with a maturity of twelve months or less when acquired. Investments are stated at fair value.

**Receivables**– Receivables on June 30, 2022, consist primarily of state school aid and grant revenue due from the State of Michigan and the Federal Government, respectively. All receivables are expected to be fully collected in July and August of 2022 and are considered current for the purposes of this financial statement.

**Marvin L. Winans Academy**  
**Notes to Financial Statements (Continued)**  
**June 30, 2022**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information-** Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all Special Revenue Funds. All annual appropriations lapse at fiscal year-end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the Academy to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law.

State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. The Academy increased budgeted amounts during the year in response to changes in enrollment and related revenues and expenditures.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

The Academy did not have significant expenditure budget variances.

**NOTE 3 – DEPOSITS AND INVESTMENTS**

State statutes and the Academy's investment policy authorize the Academy to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan; the Academy is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, banker's acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Academy's deposits are in accordance with statutory authority. The Academy has designated one bank for the deposit of its funds. The Academy's cash and investments are subject to several types of risks, which are examined in more detail below:

**Custodial Credit Risk of Bank Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the Academy's deposits may not be returned to it. The Academy's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level are used for the Academy's deposits. As a result, the Academy evaluates the financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. At year end, the Academy's deposit balance was within the limits of FDIC insurance, it is impractical to insure all deposits.

**NOTE 4 – RECEIVABLES**

Receivables as of year end for the Academy's individual major funds and the non-major funds in the aggregate, including the applicable allowances for uncollectible accounts. At the end of the fiscal year, receivables were as shown below:

	<u>2022</u>
State of Michigan	\$ 538,575
Federal	744,693
Other	87,478
	<u>\$ 1,370,746</u>

**Marvin L. Winans Academy**  
**Notes to Financial Statements (Continued)**  
**June 30, 2022**

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**NOTE 8 – DEFINED PENSION PLAN**

The Academy did not participate in the Michigan Public School Employees' Retirement System (MPERS). The Academy's employees are leased from Academy Management Company. Therefore, no pension plan disclosure is deemed necessary.

**NOTE 9 – LEASED EMPLOYEES**

The Academy leases its entire staff from Solid Rock Management Company, (the "Solid Rock"). Solid Rock Management is responsible for providing personnel to the Academy and the Academy shall reimburse Solid Rock Management for its payment of all such compensation as approved by the Board and provided for in the budget.

**NOTE 10 – CONTINGENCIES**

The Academy received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds.

**Note 11 – SUBSEQUENT EVENTS**

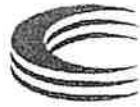
On September 1, 2022, the Academy participated in the State Aid Borrowing Program and borrowed \$400,000 at a rate of 5.4 percent

Subsequent events have been evaluated through October 28, 2022, which is the date the financial statements were available to be issued. Events occurring after the date have not been evaluated to determine whether a change in the financial statements would be required.

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**Marvin L. Winans Academy Required  
Supplemental Information  
Budget Comparison Schedule - General Fund  
June 30, 2022**

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
<b>Revenue</b>				
Local sources	\$ 7,500	\$ 9,217	\$ 44,470	\$ 35,253
State sources	4,005,686	3,008,804	3,002,096	(6,708)
Federal sources	2,642,163	1,438,412	1,624,862	186,450
Incoming Transfers & Other Transactions	400,000	400,000	-	(400,000)
	<u>7,055,349</u>	<u>4,856,433</u>	<u>4,671,428</u>	<u>(185,005)</u>
Total Revenue				
<b>Expenditures</b>				
Current				
Instruction:				
Basic programs	1,690,596	1,080,000	1,787,127	707,127
Added needs	1,540,116	1,422,177	897,221	(524,956)
Total Instruction	<u>3,230,712</u>	<u>2,502,177</u>	<u>2,684,348</u>	<u>182,171</u>
Support Services:				
Pupil	-	-	55,527	55,527
Instructional	82,020	153,238	27,647	(125,591)
General administration	577,492	408,709	408,454	(255)
School administration	447,717	424,131	462,264	38,133
Business support	154,500	143,930	161,753	17,823
Operation and maintenance	1,226,410	1,230,887	1,338,575	107,688
Pupil transportation and services	60,000	37,240	43,330	6,090
Central services	20,000	26,406	35,800	9,394
Other services	15,000	15,179	-	(15,179)
Outgoing Transfers & Other Transactions	436,500	472,872	-	(472,872)
Total Support Services	<u>3,019,639</u>	<u>2,912,592</u>	<u>2,533,350</u>	<u>(379,242)</u>
<b>Total Expenditures</b>	<u>6,250,351</u>	<u>5,414,769</u>	<u>5,217,698</u>	<u>(197,071)</u>
<b>Net Change in Fund Balance</b>	804,998	(558,336)	(546,270)	12,066
<b>Fund Balance - July 1, 2021</b>	<u>739,858</u>	<u>739,858</u>	<u>739,858</u>	<u>-</u>
<b>Fund Balance - June 30, 2022</b>	<u>\$ 1,544,856</u>	<u>\$ 181,522</u>	<u>\$ 193,588</u>	<u>\$ 12,066</u>



THE CLAIRMOUNT GROUP, PLC  
Certified Public Accountants

**INDEPENDENT AUDITOR'S 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**

To Board of Directors  
Marvin L. Winans Academy

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marvin L. Winans Academy, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Marvin L. Winans Academy's basic financial statements, and have issued our report thereon dated October 28, 2022.

**Report on 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) 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 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. There were no material weaknesses discovered. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be material weaknesses.



THE CLAIRMOUNT GROUP, PLC  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To Board of Directors  
Marvin L. Winans Academy

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

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

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

In our opinion, Marvin L. Winans Academy 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 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; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Marvin L. Winans 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 Marvin L. Winans Academy's compliance with the compliance requirements referred to above.

***Responsibilities 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 grant agreements applicable to Marvin L. Winans Academy federal programs.

subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

*The Clairmount Group*

Detroit, MI  
October 28, 2022

**Marvin L Winans Academy  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

Program Title/Project Number Subrecipient Name	CFDA Number	Approved Awards Amount	Accrued (Deferred) Revenue at July 1, 2021	Federal Funds/ Payments In-kind Received	Expenditures	Accrued (Deferred) Revenue at June 30, 2022
Passed through the Michigan Department of Education: Title IV, Part A	84.424					
Project number 210750		45,164	2,492	2,492	-	-
Project number 220750		64,492	-	34,855	45,403	10,548
Total Title IV, Part A		109,656	2,492	37,347	45,403	10,548
Passed through the Michigan Department of Education: Governor's Emergency Education Relief Fund	84.425C					
Project number 2001200		31,954	4,429	4,429	22,675	22,675
Elementary and secondary school emergency relief funds	84.425D					
Project number 203720		57,274	20,000	20,000	-	-
Project number 213712		754,828	207,646	730,743	571,580	48,483
Project number 213722		187,000	78,506	79,152	71,146	70,500
Project number 213752		25,000	-	9,796	9,796	-
American Rescue Plan-Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U					
Project number 213713		1,636,443	-	-	380,000	380,000
Total ESR		2,660,545	306,152	839,691	1,032,522	498,983
Special Education Cluster: Passed through the Wayne County ISD - IDEA:	84.027					
Project number 201450		55,526	42,000	77,312	64,070	28,758
Total federal awards		\$ 3,945,147	\$ 552,956	\$ 1,433,125	\$ 1,624,862	\$ 744,693



**Marvin L Winans Academy**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 22**

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**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?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   No

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 weaknesses?        Yes   X   No

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 CRF Section 200.516(a)?        Yes   X   No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster:
84.425	Educational Stabilization Fund
84.425D	Elementary and Secondary School Emergency Relief (ESSERS II)
84.425U	American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)

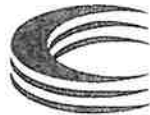
Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes        No

**Marvin L. Winans Academy  
(Public School Academy)**

MANAGEMENT LETTER

JUNE 30, 2022



**THE CLAIRMOUNT GROUP, PLC**  
Certified Public Accountants



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## MARVIN L. WINANS ACADEMY OF PERFORMING ARTS

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### Corrective Action Plan

Findings	Responsible Individual	Management Views	Corrective Action Plan	Anticipated Date
2022-001	Business Manager	Management Agrees with the findings.	The Academy will implement a monthly close process that will include reconciling all balance sheet accounts as well as bank account. This process will ensure that the reconciliations agrees with the general ledger.	Immediately



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## MARVIN L. WINANS ACADEMY OF PERFORMING ARTS

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December 19, 2022

To Whom It May Concern:

In reply to the Audit Finding, The Marvin L. Winans Academy of the Performing Arts will implement the for following corrective plan:

1. The Academy will implement a monthly closing process that will include reconciling all balance sheet accounts. This process will ensure that the reconciliations agree with the general ledger.

If you have any questions, please feel free to contact Solid Rock Management Company at (313) 873-7625

Sincerely,

A handwritten signature in black ink that reads "Charles E. Murphy". The signature is written in a cursive, flowing style.

Charles Murphy  
President

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DETROIT, MICHIGAN, 48224  
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