

VOYAGEUR ACADEMY

**FEDERAL AWARDS
SUPPLEMENTAL INFORMATION**

JUNE 30, 2017

VOYAGEUR ACADEMY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Voyageur Academy
Detroit, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Voyageur Academy (the Academy) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements. We issued our report thereon dated October 23, 2017 which contained unmodified opinions on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information. Our audit was conducted 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 and reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 and reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Alan C. Young & Assoc.

Detroit, Michigan
October 23, 2017



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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 the Board of Directors of
Voyageur 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 governmental activities, each major fund and the aggregate remaining fund information of Voyageur Academy (the Academy) as of and for the year ended June 30, 2017, 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 23, 2017.

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 opinion 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. 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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

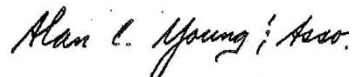
**Independent Auditor's Report on Internal
Control over Financial Reporting and on
Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with Government Auditing Standards
(Continued)**

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Detroit, Michigan
October 23, 2017



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

To the Board of Directors of
Voyageur Academy
Detroit, Michigan

Report on Compliance for Each Major Federal Program

We have audited Voyageur Academy's (the Academy) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Academy's major federal programs for the year ended June 30, 2017. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Academy's major federal program 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 (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 major federal program. However, our audit does not provide a legal determination of the Academy's compliance.

Opinion on Major Federal Programs

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 its major federal program for the year ended June 30, 2017.

**Independent Auditor's Report on
Compliance for Each Major Program
And On Internal Control over Compliance
Required by the Uniform Guidance
(Continued)**

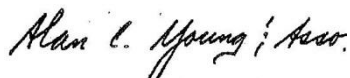
Report on Internal Control over Compliance

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.

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 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 in internal control over compliance is a deficiency or 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 preceding paragraph 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 or significant deficiencies. However, material weaknesses or significant deficiencies 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.



Detroit, Michigan
October 23, 2017

VOYAGEUR ACADEMY

Schedule of Expenditures of Federal Awards June 30, 2017

Federal Grantor Pass Through Grantor Program Title Grant Number	Federal CFDA Num ber	Approved Grant Award Amount	(Memo Only) Prior Year Expenditures	Accrued or (Deferred) Revenue at July 1 2016	Adjustments and Transfers	Federal Funds/ Payments In-Kind	Current Year Expenditures	Accrued or (Deferred) Revenue at June 30,2017	Passed Through to Subrecipients
Department of Agriculture									
Passed through the Michigan Dept of Education									
National School Breakfast Program									
Program Number 161970	10.553	\$ 81,180	\$ 81,180	\$ 4,850	\$ -	\$ 4,850	\$ -	\$ -	\$ -
Program Number 171970	10.553	163,743	-	-	-	151,576	158,894	7,318	-
Total		<u>244,923</u>	<u>81,180</u>	<u>4,850</u>	<u>-</u>	<u>156,426</u>	<u>158,894</u>	<u>7,318</u>	<u>-</u>
National School Lunch Program									
Program Number 161960	10.555	395,938	362,376	21,275	-	21,275	-	-	-
Program Number 171960	10.555	470,333	-	-	-	424,916	449,057	24,141	-
Total		<u>866,271</u>	<u>362,376</u>	<u>21,275</u>	<u>-</u>	<u>446,191</u>	<u>449,057</u>	<u>24,141</u>	<u>-</u>
USDA Commodities									
Program Number 171960	10.555	29,624	-	-	-	29,624	29,624	-	-
Total		<u>29,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,624</u>	<u>29,624</u>	<u>-</u>	<u>-</u>
Total Food and Nutrition Cluster		<u>1,140,818</u>	<u>443,556</u>	<u>26,125</u>	<u>-</u>	<u>632,241</u>	<u>637,575</u>	<u>31,459</u>	<u>-</u>
Department of Education									
Passed through the Michigan Dept of Education									
Title 1 , Part A- Improving Basic Programs Program Number 151530	84.010								
Program Number 161530		716,309	608,522	365,819	-	399,195	33,376	-	-
Program Number 171530		698,800	-	-	-	540,000	622,487	82,487	-
Total		<u>1,415,109</u>	<u>608,522</u>	<u>365,819</u>	<u>-</u>	<u>939,195</u>	<u>655,863</u>	<u>82,487</u>	<u>-</u>
Title II Part A- Teacher/Principal Training	84.367								
Program Number 160520		33,444	30,732	-	(360)	-	(360)	-	-
Program Number 170520		33,955	-	-	-	33,955	33,955	-	-
Total		<u>67,399</u>	<u>30,732</u>	<u>-</u>	<u>(360)</u>	<u>33,955</u>	<u>33,595</u>	<u>-</u>	<u>-</u>
Title III Limited English	84.365								
Program Number 170580		11,140	-	-	-	11,140	11,140	-	-
Total		<u>11,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,140</u>	<u>11,140</u>	<u>-</u>	<u>-</u>
Total Passed through Michigan Department of Education		<u>2,634,466</u>	<u>1,082,810</u>	<u>391,944</u>	<u>(360)</u>	<u>1,616,531</u>	<u>1,338,173</u>	<u>113,946</u>	<u>-</u>
Passed through Wayne County RESA	84.027 A								
Special Educational Grants to State									
IDEA Regular Flow Through 2016		217,269	217,269	217,269	-	217,269	-	-	-
IDEA Regular Flow Through 2017		179,550	-	-	-	164,439	179,550	15,111	-
Total		<u>396,819</u>	<u>217,269</u>	<u>217,269</u>	<u>-</u>	<u>381,708</u>	<u>179,550</u>	<u>15,111</u>	<u>-</u>
TOTAL FEDERAL AWARDS		<u>\$3,031,285</u>	<u>\$ 1,300,079</u>	<u>\$ 609,213</u>	<u>\$ (360)</u>	<u>\$ 1,998,239</u>	<u>\$ 1,517,723</u>	<u>\$ 129,057</u>	<u>\$ -</u>

See notes to Schedule of Expenditure of Federal Awards.

VOYAGEUR ACADEMY

Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards Year Ended June 30, 2017

Revenue from Federal Sources - As Reported on Financial Statements (includes all funds).	\$ 1,546,904
Amount included as Revenue in Financial Statements, but not Subject to Single Audit Requirements therefore Excluded from Schedule of Expenditures of Federal Awards	<u>(29,181)</u>
Federal Expenditures per the Schedule of Expenditures of Federal Awards.	<u>\$ 1,517,723</u>

See notes to Schedule of Expenditure of Federal Awards.

1) BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Voyageur Academy (the Academy). 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 the Academy and therefore it is not intended to and does not present the financial position, changes in net assets of the Academy for year ended June 30, 2017. Expenditures reported on the schedule are reported on the accrual basis of accounting. In addition, expenditures reported on the schedule are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditure are not allowed or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2) GRANT SECTION AUDITOR'S REPORT

Management has utilized the Cash Management System (CMS) Grant Auditor's Report preparing the Schedule of Expenditures of Federal Awards. Unreconciled differences, if any, have been disclosed to the auditor.

3) INDIRECT COST RATE

The Academy has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

4) SUBSEQUENT EVENTS

All subsequent events related to the major programs were evaluated through October 23, 2017, the date the accompanying reports were available to be issued. No significant event was noted that required adjustment or disclosure in the accompanying reports.

VOYAGEUR ACADEMY

Schedule of Findings and Questioned Costs Year Ended June 30, 2017

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 Deficiencies Identified? _____ Yes X No
- Non-Compliance Material to Financial Statements noted? _____ Yes X No

Federal Awards

Internal Control over Major Programs:

- Material Weakness (es) Identified? _____ Yes X No
- Significant Deficiencies Identified? _____ Yes X No

Type of Auditor's Report issued on Compliance for Major Programs: Unmodified

Any Audit Findings Disclosed that is Required to be Reported in Accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.556	Child Nutrition Cluster

Dollar Threshold used to Distinguish between Type A and B Programs: \$750,000

Auditee Qualified as Low Risk Auditee? X Yes _____ No

VOYAGEUR ACADEMY

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2017

SECTION II – FINANCIAL STATEMENT AUDIT FINDINGS

No Financial Statement audit findings noted.

SECTION III – FEDERAL PROGRAM AUDIT FINDINGS

No Federal Program audit findings noted.

VOYAGEUR ACADEMY

Status of Prior Year Findings Year Ended June 30, 2017

There were no Financial Statement or Federal Award Findings for the year ended June 30, 2016.