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# Lake Orion Community Schools

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**Federal Awards Supplemental Information**  
**June 30, 2025**

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

**Independent Auditor's Report**

To the Board of Education  
 Lake Orion Community Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Orion Community Schools (the "School District") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated October 23, 2025, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 23, 2025.

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 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 the reconciliation of basic financial statements federal revenue with schedule of expenditures of federal award are fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

December 4, 2025

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Education  
Lake Orion Community Schools

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Orion Community Schools (the "School District") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 23, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

To Management and the Board of Education  
Lake Orion Community Schools

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

October 23, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

**Independent Auditor's Report**

To the Board of Education  
Lake Orion Community Schools

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

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

We have audited Lake Orion Community Schools' (the "School District") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the School District's major federal program for the year ended June 30, 2025. The School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

***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 (*Government Auditing Standards*); 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"). 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 the School District 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 the School District'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 the School District's federal program.

To the Board of Education  
Lake Orion Community Schools

### ***Auditor's Responsibilities 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 the School District'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 the School District'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 the School District'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 the School District'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 the School District'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 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 *Auditor's 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.

To the Board of Education  
Lake Orion Community Schools

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*

December 4, 2025

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2025	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 Entitlement Commodities 2024-25	N/A	10.555	\$ 208,317	\$ -	\$ -	\$ -	208,317	208,317	\$ -	\$ -
Cash Assistance:										
National School Lunch Program 2023-2024	241960	10.555	915,874	808,162	18,638	-	126,350	107,712	-	-
National School Lunch Program 2024-2025	251960	10.555	<u>692,040</u>	-	-	-	<u>669,851</u>	<u>692,040</u>	<u>22,189</u>	-
Total National School Lunch Program			1,616,231	808,162	18,638	-	1,004,518	1,008,069	22,189	-
School Breakfast Program 2023-2024	241970	10.553	273,302	243,800	7,332	-	36,834	29,502	-	-
School Breakfast Program 2024-2025	251970	10.553	<u>224,281</u>	-	-	-	<u>215,018</u>	<u>224,281</u>	<u>9,263</u>	-
Total School Breakfast Program			<u>497,583</u>	<u>243,800</u>	<u>7,332</u>	-	<u>251,852</u>	<u>253,783</u>	<u>9,263</u>	-
Total Child Nutrition Cluster			2,313,814	1,051,962	25,970	-	1,256,370	1,261,852	31,452	-
Special Education Cluster - U.S. Department of Education - Passed through the Michigan Department of Education - Special Education Grants to States IDEA Part B, Section 611 Grant Funded Initiatives										
	240470	84.027A	8,653	-	-	-	8,653	8,653	-	-
Special Education Cluster - U.S. Department of Education - Passed through the Oakland County ISD: Special Education Grants to States:										
IDEA Flowthrough 2024-2025	250450	84.027	1,665,704	-	-	-	1,299,748	1,665,704	365,956	-
IDEA Flowthrough 2023-2024	240450	84.027	<u>1,653,935</u>	<u>1,653,935</u>	<u>422,201</u>	-	<u>422,201</u>	-	-	-
Total IDEA Flowthrough			3,319,639	1,653,935	422,201	-	1,721,949	1,665,704	365,956	-
Special Education Preschool Grants:										
IDEA Preschool 2024-2025	250460	84.173	53,827	-	-	-	50,447	53,827	3,380	-
IDEA Preschool 2023-2024	240460	84.173	<u>54,396</u>	<u>54,396</u>	<u>5,287</u>	-	<u>5,287</u>	-	-	-
Total IDEA Preschool			<u>108,223</u>	<u>54,396</u>	<u>5,287</u>	-	<u>55,734</u>	<u>53,827</u>	<u>3,380</u>	-
Total Special Education Cluster			3,436,515	1,708,331	427,488	-	1,786,336	1,728,184	369,336	-
Medicaid Cluster - U.S. Department of Health and Human Services - Medical Assistance Program - Medicaid Administrative - Passed through the Oakland County ISD - Outreach Program - 2024-2025										
	2024AOP	93.778	68,516	-	-	-	68,516	68,516	-	-
Headstart Cluster - U.S. Department of Health and Human Services - Passed through Oakland Livingston Human Service Agency - Headstart:										
Head Start Program 2025 CH0920	JG4KGG A62BJ2	93.600	280,296	-	-	-	125,975	148,628	22,653	-
Head Start Program 2024 CH0920	JG4KGG A62BJ2	93.600	373,584	177,219	41,220	-	237,585	196,365	-	-
Early Head Start Program - 2025	JG4KGG A62BJ2	93.600	153,616	-	-	-	67,459	83,950	16,491	-
Early Head Start Program - 2024	JG4KGG A62BJ2	93.600	<u>150,088</u>	<u>81,943</u>	<u>22,013</u>	-	<u>90,158</u>	<u>68,145</u>	-	-
Total Headstart Cluster			<u>957,584</u>	<u>259,162</u>	<u>63,233</u>	-	<u>521,177</u>	<u>497,088</u>	<u>39,144</u>	-
Total clusters			6,776,429	3,019,455	516,691	-	3,632,399	3,555,640	439,932	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Other federal awards:										
U.S. Department of Education - Passed through the Michigan Department of Education:										
Title I, Part A - Grants to Local Educational Agencies:										
Title I Part A 2024-2025	251530	84.010	\$ 155,517	\$ -	\$ -	\$ -	\$ 78,859	\$ 148,268	\$ 69,409	\$ -
Title I Part A 2023-2024	241530	84.010	198,835	168,505	7,477	-	29,056	21,579	-	-
Total Title I, Part A			354,352	168,505	7,477	-	107,915	169,847	69,409	-
English Language Acquisition State Grants - Title III Part A Immigrant Students:										
Title III, Immigrant 2024-2025	250570	84.365	10,948	-	-	-	-	10,948	10,948	-
Title III, Immigrant 2023-2024	240570	84.365	6,124	747	747	-	867	120	-	-
Total Title III Part A Immigrant Students			17,072	747	747	-	867	11,068	10,948	-
English Language Acquisition State Grants:										
Title III, English Learners 2024-2025	250580	84.365	45,232	-	-	-	36,785	45,232	8,447	-
Title III, English Learners 2023-2024	240580	84.365	46,049	26,297	2,955	-	15,830	12,875	-	-
Total Title III Part A English Learners			91,281	26,297	2,955	-	52,615	58,107	8,447	-
Total Title III English Language Acquisition State Grants			108,353	27,044	3,702	-	53,482	69,175	19,395	-
Supporting Effective Instruction State Grants (Formerly Improving Teacher Quality State Grants)										
U.S. Department of Education:										
Title II Part A 2024-2025	250520	84.367	95,832	-	-	-	41,016	95,832	54,816	-
Title II Part A 2023-2024	240520	84.367	93,127	78,316	18,525	-	18,525	-	-	-
Total Title II, Part A			188,959	78,316	18,525	-	59,541	95,832	54,816	-
Student Support & Academic Enrichment Program U.S. Department of Education:										
Title IV Part A 2024-2025	250750	84.424	18,187	-	-	-	7,005	18,100	11,095	-
Title IV Part A 2023-2024	240750	84.424	22,651	17,023	279	-	279	-	-	-
Total Title IV - Student Support			40,838	17,023	279	-	7,284	18,100	11,095	-
Education Stabilization Fund Grants - U.S. Department of Education - Passed through the Michigan Department of Education:										
COVID-19 ESSER III Funds - Formula	213713	84.425U	1,346,792	1,346,792	39,321	-	39,321	-	-	-
COVID-19 ESSER III Funds - Section 11t Equalization	213723	84.425U	6,537,837	6,277,427	64,715	-	325,124	260,409	-	-
COVID-19 MV ARP Homeless II	211012	84.425W	19,797	5,909	4,470	-	9,822	5,352	-	-
Total Education Stabilization Fund			7,904,426	7,630,128	108,506	-	374,267	265,761	-	-
Total noncluster programs passed through the Michigan Department of Education			8,596,928	7,921,016	138,489	-	602,489	618,715	154,715	-
U.S. Department of the Treasury - Coronavirus State and Local Fiscal Recovery Fund - Passed through the Michigan Department of Education - COVID-19 ARP Grow your Own Program										
	232423	21.027	76,372	43,933	-	-	4,733	10,398	5,665	-
Total federal awards			\$ 15,449,729	\$ 10,984,404	\$ 655,180	\$ -	\$ 4,239,621	\$ 4,184,753	\$ 600,312	\$ -

## Lake Orion Community Schools

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### Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards

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**Year Ended June 30, 2025**

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 4,201,422
IDEA proportionate share being reported through Oakland County ISD	<u>(16,669)</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 4,184,753</u></u>

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Notes to Schedule of Expenditures of Federal Awards

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Year Ended June 30, 2025

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Lake Orion Community Schools (the "School District") under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

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

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures 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. 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. The pass-through entity identifying numbers are presented where available.

The School District has elected not to use the *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

**Note 3 - Grant Auditor Report**

Management has utilized the Michigan Department of Education NexSys Grant Auditor Report (GAR) in preparing the schedule of expenditures of federal awards. Differences, if any, between the GAR and the schedule of expenditures of federal awards relate to the timing of payments and the fiscal year to which the payments relate.

**Note 4 - Noncash Assistance**

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance.

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## Schedule of Findings and Questioned Costs

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**Lake Orion Community Schools**

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2025**

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

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

**Federal Awards**

Internal control over major programs:

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

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
84.027, 84.027A, 84.173	Special Education Cluster	Unmodified

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**

Reference Number	Finding
Current Year	None

**Section III - Federal Program Audit Findings**

Reference Number	Finding	Questioned Costs
Current Year	None	