

---

Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

---

**Federal Awards Supplemental Information**  
**September 30, 2019**

### **Independent Auditor's Reports**

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2-3
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	4-5
<b>Schedule of Expenditures of Federal Awards</b>	6-7
<b>Notes to Schedule of Expenditures of Federal Awards</b>	8
<b>Schedule of Findings and Questioned Costs</b>	9-10

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

**Independent Auditor's Report**

To the Board of Directors  
Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

We have audited the financial statements of Detroit Wayne Integrated Health Network (DWIHN) as of and for the year ended September 30, 2019 and the related notes to the financial statements, which collectively comprise DWIHN's basic financial statements. We issued our report thereon dated March 31, 2020, 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 March 31, 2020.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 basic financial statements as a whole.

*Plante & Moran, PLLC*

March 31, 2020

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 Directors  
Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

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 basic financial statements of Detroit Wayne Integrated Health Network (DWIHN) as of and for the year ended September 30, 2019 and the related notes to the financial statements, which collectively comprise DWIHN's basic financial statements, and have issued our report thereon dated March 31, 2020.

**Internal Control Over Financial Reporting**

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

To Management and the Board of Directors  
Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

**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 DWIHN's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering DWIHN's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

March 31, 2020

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 Directors  
Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

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

We have audited Detroit Wayne Integrated Health Network's (DWIHN) 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 each of the major federal programs for the year ended September 30, 2019. DWIHN's major federal programs are 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 programs.

***Auditor's Responsibility***

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

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

In our opinion, DWIHN 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 the major federal programs for the year ended September 30, 2019.

**Report on Internal Control Over Compliance**

Management of DWIHN 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 DWIHN'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 DWIHN's internal control over compliance.

To the Board of Directors  
Detroit Wayne Integrated Health Network (formerly  
known as Detroit Wayne Mental Health Authority)

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*

March 31, 2020

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>U.S. Department of Housing and Urban Development</b>				
Direct funded -				
Continuum of Care	14.267	MI0058L5F011710/MI0058LF011811, MI0066L5F011710/MI0066L5F011811, MI0074LF011609/MI0074LF011710, MI0075L5F011710/MI0075L5F011811, MI0097L5F21710/MI0097L5F21811, MI0286L5F011608/MI0286L5F011709	\$ 1,877,246	\$ 1,909,261
<b>U.S. Department of Education - Race to the Top Early Learning Challenge</b>				
Passed through the Michigan Department of Health and Human Services - Race to the Top Social Emotional Consultant	84.412	20192485-00	45,482	45,482
<b>U.S. Department of Health and Human Services - Substance Abuse and Mental Health Services</b>				
Passed through the Regents of The University of Michigan - Health Resources and Service Administration	93.243	1M01HP31331-01-00	-	82,841
Passed through the Michigan Department of Health and Human Services: MI Youth Treatment Infrastructure Enhancement	93.243	20193429-00	-	10,572
Partnerships for Success	93.243	18000000755-5	-	152,045
Total Substance Abuse and Mental Health Services			-	245,458
<b>U.S. Department of Health and Human Services</b>				
Passed through the Regents of the University of Michigan - Medicaid Cluster - Medical Assistance Program - Michigan Child Collaborative Care (MC3) Program	93.778	3005345873	67,035	68,017



**Detroit Wayne Integrated Health Network**

**Schedule of Expenditures of Federal Awards (Continued)**

**Year Ended September 30, 2019**

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>U.S. Department of Health and Human Services (Continued)</b>				
Passed through the Michigan Department of Health and Human Services:				
Michigan State Opioid Response	93.000	20193104-00	\$ -	\$ 646,408
Community Health - Medicaid Cluster - Medical Assistance Program - OBRA PASARR	93.778	20193178-00	1,833,263	1,836,896
Opioid State Targeted Response	93.788	18000000755-5	-	1,633,942
Opioid State Targeted Response Supplemental	93.788	20193402-00	-	38,751
<b>U.S Department of Health and Human Services - Block Grants for Community Mental Health Services</b>				
Passed through the Michigan Department of Health and Human Services:				
Drop-In Centers	93.958	20192812-00, 20192811-00	-	9,931
Veteran Navigator Program	93.958	N/A	-	21,729
Integrated Healthcare	93.958	20192752-00	-	155,000
Jail Diversion	93.958	20192483-00	-	175,000
System of Care	93.958	20192897-00	<u>1,004,098</u>	<u>1,009,450</u>
Total Block Grants for Community Mental Health Services			1,004,098	1,371,110
<b>U.S Department of Health and Human Services - Block Grants for Treatment and Prevention of Substance Abuse</b>				
Passed through the Michigan Department of Health and Human Services:				
Veteran Navigator Program	93.959	N/A	-	21,729
Community Grant	93.959	18000000755-5	-	9,723,626
Prevention	93.959	18000000755-5	<u>-</u>	<u>3,130,504</u>
Total Block Grants for Treatment and Prevention of Substance Abuse			<u>-</u>	<u>12,875,859</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>2,904,396</u>	<u>18,716,441</u>
<b>Total Federal Awards</b>			<b>\$ 4,827,124</b>	<b>\$ 20,671,184</b>

**Notes to Schedule of Expenditures of Federal Awards**

---

**Year Ended September 30, 2019**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Detroit Wayne Integrated Health Network (DWIHN) under programs of the federal government for the year ended September 30, 2019. 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 DWIHN, it is not intended to and does not present the financial position, changes in net position, or cash flows of DWIHN.

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

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, 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. Pass-through entity identifying numbers are presented where available.

DWIHN has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

---

## Schedule of Findings and Questioned Costs

---

**Detroit Wayne Integrated Health Network**

**Schedule of Findings and Questioned Costs**

**Year Ended September 30, 2019**

**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:

CFDA Number	Name of Federal Program or Cluster	Opinion
93.778	Medicaid Cluster	Unmodified
93.959	Substance Abuse Prevention and Treatment Block Grant	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
<b>Current Year</b>	None

**Section III - Federal Program Audit Findings**

Reference Number	Finding	Questioned Costs
<b>Current Year</b>	None	