

## **Independent Accountant's Report on Applying Agreed-upon Procedures**

To the Detroit Institute of Arts, Inc.  
and the Board Members of the  
Oakland County Art Institute Authority

We have performed the procedures enumerated below, which were agreed to by the Detroit Institute of Arts, Inc. (DIA) and the Oakland County Art Institute Authority board, solely to assist you in determining if the DIA has complied with certain program requirements included in Section 2.4, "Privileges to Oakland County Residents," of the Art Institute Service Agreement between the Oakland County Art Institute Authority and the DIA for the period from January 1, 2022 through December 31, 2022. The Detroit Institute of Arts, Inc. is responsible for the program requirements included in Section 2.4, "Privileges to Oakland County Residents."

The Detroit Institute of Arts, Inc. and the Oakland County Art Institute Authority board have agreed to the procedures performed and acknowledged that they are appropriate to meet the intended purpose of determining if the DIA has complied with certain requirements of Section 2.4, "Privileges to Oakland County Residents." No other parties have agreed to and acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. We make no representation regarding the sufficiency of the procedures, either for the purpose intended or for any other purpose.

An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. Our procedures and the associated findings are reported below in three sections:

- Section 2.4 (B) - Student Curriculum Development
- Section 2.4 (D) - Senior Programs
- Section 2.4 (E) - Community Collaborations

As part of our procedures, we were requested to agree information from the 2022 Oakland County Art Institute Authority report prepared by the DIA to supporting documentation. This report is submitted to the Oakland County Art Institute Authority after our procedures are completed.

### **Section 2.4 (B) - Student Curriculum Development**

The contractual language reads as follows: "The DIA will provide transportation subsidies to Oakland Schools during the 2012-2013 academic year and shall extend transportation subsidies to the curriculum-based grade program participants throughout the entire term during which the millage is levied. Based on past attendance levels and DIA capacity, the DIA is proposing an annual transportation set-aside of at least \$150,000. That amount will ensure free admission and transportation to more than 16,000 students and teachers and approximately 535 classrooms."

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According to the preliminary 2022 Oakland County Art Institute Authority report prepared by the DIA, total spending on school programs was as follows:

Transportation	\$69,882.11
Staff time - Group reservations, gallery teachers, education programs manager	\$83,541.14
Total school program spending	\$153,423.25
Service agreement	\$150,000.00
2022 variance	\$3,423.25
2021 variance	\$(142,073.90)
2020 variance	\$(61,524.17)
Total variance	\$(200,174.82)

The procedures and the associated findings are as follows:

1) Transportation

- a) We obtained the DIA general ledger detail for the Oakland County transportation expense account for the period from January 1, 2022 through December 31, 2022 and agreed the amount to the transportation expense reported in the preliminary Oakland County Art Institute Authority report.
- b) We judgmentally selected a sample of 25 transactions and agreed the amount recorded in the general ledger to the amount on the related invoice or other supporting documentation, as identified in Exhibit I. Sample transaction #13 in Exhibit I for \$219.00 was related to transportation provided for a trip in 2021 that was recorded in the Oakland County expense account in 2022 and not accrued for in the year ended December 31, 2021. No other timing differences were noted.
- c) We obtained the DIA's calculation of the spending for the student curriculum-based tour program and agreed inputs to the amounts recorded in the general ledger. We observed there was no spending shortfall in 2022. We recalculated a cumulative shortfall of \$200,174.82 for 2022, 2021, and 2020.

2) Staff Time

- a) We obtained the DIA general ledger detail for the staff time for the group reservations department, gallery teachers, and education programs manager for the period from January 1, 2022 through December 31, 2022 and agreed the amount to the expense reported in the preliminary Oakland County Art Institute Authority report prepared by the DIA. No exceptions were identified in comparing the amount per the DIA general ledger to the preliminary 2022 Oakland County Art Institute Authority report.
- b) We agreed the amounts reported in the general ledger for total staff time expenses to summary payroll data maintained by the DIA. No exceptions were identified.
- c) We recalculated the staff time expense allocation to Oakland County by obtaining data maintained in the DIA's group reservation system and internal departmental reports. We observed the allocation methodologies described below were utilized. No exceptions were identified in recalculating the expense allocation to Oakland County based on the DIA's methodology.

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- i. In the group reservations department, there were 170 trips booked to the DIA from Oakland County for the period from January 1, 2022 through December 31, 2022. The costs recorded for these trips were assigned by multiplying the number of trips by the average time needed to create a reservation by the average hourly salary/fringe rate of the group reservation staff. For the period from January 1, 2022 through December 31, 2022, \$14,416.20 was recorded for Oakland County.
- ii. In the learning and audience engagement department, there is an education program manager position whose wages and fringes were partially allocated to the counties of Oakland, Wayne, and Macomb, Michigan under the student curriculum development section of the service agreement with the Oakland County Art Institute Authority. The portion of wages and fringes of this position allocated to the counties was split evenly amongst the three counties. For the period from January 1, 2022 through December 31, 2022, 60 percent of the education program manager's wages and fringes was allocated to the counties of Oakland, Wayne, and Macomb, Michigan. The total wages and fringes allocated for this position was \$34,957.34, with \$11,652.45 allocated to Oakland County.
- iii. Gallery teacher positions had wages and fringes allocated to the counties of Oakland, Wayne, and Macomb, Michigan under the Student Curriculum Development section of the service agreement with the Oakland County Art Institute Authority. Gallery teachers' wages and fringe benefits were allocated to the counties of Oakland, Wayne, and Macomb, Michigan based on the percentage of school group tours per county during the period from April 2022 through December 2022 compared to total school tours. For the period from January 1, 2022 through December 31, 2022, \$180,686.88 of the gallery teachers' wages and fringes expenses was allocated to the counties of Oakland, Wayne, and Macomb, Michigan. Of the \$180,686.88 approximately 31.81 percent, or \$57,472.49, was allocated to Oakland County.

**Section 2.4 (D) - Senior Programs**

The contractual language reads as follows: "The DIA shall initiate a subsidized tour program for Oakland County seniors. Based on past attendance, the museum will initially set aside \$100,000 annually for a subsidized senior program. This will fund 60 senior tours, including transportation, a 30-minute lecture by a museum volunteer or staff member, and access to the galleries."

According to the preliminary 2022 Oakland County Art Institute Authority report prepared by the DIA, total spending on senior programs was as follows:

Senior program - Transportation and hospitality	\$64,151.25
Staff time - Group reservations	\$6,360.09
Total senior program spending	\$70,511.34
Service agreement	\$100,000.00
2022 variance	\$(29,488.66)
2021 variance	\$(96,853.00)
2020 variance	\$(72,405.20)
Total variance	\$(198,746.86)

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The procedures and the associated findings are as follows:

1) Senior Program

- a) We obtained the DIA general ledger detail for the Oakland County expenses related to the senior program for the period from January 1, 2022 through December 31, 2022 and agreed the amount to the program expenses reported in the preliminary 2022 Oakland County Art Institute Authority report prepared by the DIA. We observed that the program expenses consisted of transportation and hospitality for senior museum program.
- b) We judgmentally selected a sample of 25 transactions and agreed the amounts recorded in the general ledger to the related invoice or other supporting documentation for all transactions, as identified in Exhibit II. No exceptions were identified.
- c) We obtained the DIA's calculation of the spending for the senior program and agreed inputs to the amounts recorded in the general ledger. We recalculated a spending shortfall of \$29,488.66 in 2022, and the cumulative shortfall totaled \$198,746.86 for 2022, 2021, and 2020.

2) Staff Time

- a) We obtained the DIA general ledger detail for the staff time for the group reservations department expense account for the period from January 1, 2022 through December 31, 2022 and agreed the amount to the expense reported in the preliminary Oakland County Art Institute Authority report prepared by the DIA. No exceptions were identified. For the fiscal year 2022, there were no allocations for Learning and Audience Engagement or Community & Public Affairs.
- b) We agreed the amounts reported in the general ledger for total staff time expenses to summary payroll data maintained by the DIA. No exceptions were identified.
- c) We recalculated the staff time expense allocation to Oakland County by inspecting data maintained in the DIA's group reservation system and internal departmental reports. We observed the allocation methodologies described below were utilized. No exceptions were identified in recalculating the expense allocation to Oakland County based on the DIA's methodology.
  - i) In the group reservations department, there were 75 trips booked to the DIA from Oakland County for the period January 1, 2022 through December 31, 2022. The costs recorded for these trips were assigned by multiplying the number of trips by the average time needed to create a reservation by the average hourly salary/fringe rate of the group reservation staff. For the period from January 1, 2022 through December 31, 2022, \$6,360.09 was recorded for Oakland County.

**Section 2.4 (E) - Community Collaborations**

The contractual language reads as follows: "The DIA will set aside at least \$300,000 annually to support community partnership projects that assist in bringing DIA programming to communities where there is a demonstrated commitment to increasing local arts programs. These collaborations will be developed cooperatively between the DIA and local organizations to respect and sustain the mission of the local organization and preserve the local character of each program."

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According to the preliminary 2022 Oakland County Art Institute Authority report prepared by the DIA, total spending on community programs was as follows:

Community partnership programs	\$110,080.42
Staff time - Community engagement, group reservations, studio	\$34,903.40
Total investment	\$144,983.82
Service agreement	\$300,000.00
2022 variance	\$(155,016.18)
2021 variance	\$(158,379.13)
2020 variance	\$(134,145.16)
Total variance	\$(447,540.47)

The procedures and the associated findings are as follows:

1) Community Partnership Programs

- a) We obtained the DIA general ledger detail for the Oakland County expenses related to community partnership programs, including Inside | Out, for the period from January 1, 2022 through December 31, 2022 and agreed the amount to the expenses reported in the preliminary Oakland County Art Institute Authority report prepared by the DIA.
- b) We judgmentally selected a sample of 10 transactions and agreed the amounts recorded in the general ledger to the related invoice or other supporting documentation for a sample of transactions, as identified in Exhibit III. Samples #3 and #4 in Exhibit III were related to mural protection services in 2021 that were recorded in the Oakland County expense account in 2022 and not accrued for in the year ended December 31, 2021. Sample #9 in Exhibit III was related to senior programming transportation expenses for a group from Oakland County and was not recorded as a senior expense but rather a community partnership expense. We noted no other exceptions.
- c) We obtained the DIA's calculation of the spending for the community partnership programs and agreed inputs to the amounts recorded in the general ledger. We recalculated a spending shortfall of \$155,016.18 in 2022, and the cumulative shortfall totaled \$447,540.47 for 2022, 2021, and 2020.

2) Staff Time

- a) We obtained the DIA general ledger detail for community engagement staff time for the period from January 1, 2022 through December 31, 2022 and compared the amount to the expense reported in the preliminary 2022 Oakland County Art Institute Authority report prepared by the DIA. No exceptions were identified.
- b) We agreed the amounts reported in the general ledger for total staff time expenses to summary payroll data maintained by the DIA. No exceptions were identified. We recalculated the staff time expense allocation to Oakland County by obtaining data maintained in the DIA's group reservation system and internal departmental reports.

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- c) We observed the staff time allocation methodologies described below were utilized. No exceptions were identified in recalculating the staff time expense allocation to Oakland County based on the DIA's methodology described below.
- i) In the group reservations department, there were seven trips booked to the DIA from Oakland County for the period from January 1, 2022 through December 31, 2022. The costs recorded for these trips were assigned by multiplying the number of trips by the average time needed to create a reservation by the average hourly salary/fringe rate of the group reservation staff. For the period from January 1, 2022 through December 31, 2022, \$593.61 was recorded for Oakland County.
  - ii) For the community engagement department, there were three community engagement manager positions whose wages and fringes were partially allocated to the county of Oakland, Michigan under the community collaborations section of the service agreement with the Oakland County Art Institute Authority. The community engagement managers' time is allocated 60 percent to community partnerships. The total wages and fringes allocated for these positions were \$96,871.75, with \$32,290.58 allocated to Oakland County.
  - iii) In the studio department, there were 68.5 hours of studio staff hours dedicated to Oakland County for the period from January 1, 2022 through December 31, 2022. The costs recorded for studio time is assigned by multiplying the number of county specific staff hours by the average studio hourly salary and fringe rate. For the period from January 1, 2022 through December 31, 2022, \$2,019.21 was recorded for Oakland County.

We were engaged by the DIA and the Oakland County Art Institute Authority board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the DIA's compliance with certain program requirements included in Section 2.4, "Privileges to Oakland County Residents," of the Art Institute Service Agreement between the Oakland County Art Institute Authority and the DIA for the period from January 1, 2022 through December 31, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the DIA and the Oakland County Art Institute Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the DIA and the Oakland County Art Institute Authority board and is not intended to be and should not be used by anyone other than these specified parties.

*Plante & Moran, PLLC*

May 16, 2023

## Exhibit I

Item	Financial Row	Description	City of Performance	Amount	Check No.	Invoice No.	Invoice Date	Vendor
1	6750	Bus Reimbursement for WLN HS 4/6/2022	Walled Lake	\$ 996.40	500975	WLN040622	4/25/2022	Walled Lake Northern High School
2	6750	Bus Reimbursement for Oxford Elementary School 10/12/2022	Oxford	\$ 663.60	502393	2023013	10/25/2022	Oxford Community Schools Transportation Department
3	6750	Bus Reimbursement for West Bloomfield HS 10/11/22	West Bloomfield	\$ 580.40	1067630	120522	12/5/2022	West Bloomfield School District
4	6750	Bus Reimbursement for The Montessori School Rochester 2/24/22	Rochester Hills	\$ 1,275.00	500822	39760	2/24/2022	The Montessori School Rochester
5	6750	Bus Reimbursement for St. Catherine of Siena 3/24/22	Wixom	\$ 1,160.00	501307	DIA-001	3/30/2022	St. Catherine of Siena Academy
6	6750	Bus Reimbursement for Berkshire Elem 4/18/22	Birmingham	\$ 330.07	501297	A0003133	4/18/2022	Birmingham Public Schools
7	6750	Bus Reimbursement for Seaholm HS 1/12/22	Birmingham	\$ 226.00	501047	62206	5/12/2022	DHT Transportation
8	6750	Bus Reimbursement for Farmington Adult ESL 5/3/22	Farmington	\$ 425.00	501231	AR105215	5/12/2022	Farmington Public Schools
9	6750	Bus Reimbursement for Hillel Day School 5/17/22	Farmington Hills	\$ 972.00	501439	51722	5/17/2022	Hillel Day School Lunch Program
10	6750	Bus reimbursement for Beechview Elementary 4/13/22	Farmington	\$ 417.50	501231	AR105217	5/19/2022	Farmington Public Schools
11	6750	Bus Reimbursement for Springfield Plains Elementary 4/29/22	Clarkston	\$ 3,440.00	501232	APR14-MAY26/22	5/20/2022	Clarkston Community Schools
12	6750	Bus Reimbursement for North Sashabaw Elementary 5/3/22	Clarkston	\$ 3,440.00	501232	APR14-MAY26/22	5/20/2022	Clarkston Community Schools
13	6750	Bus Reimbursement for Bloomfield Hills Middle School 10/20/21	Bloomfield Hills	\$ 219.00	501466	A0003221	6/20/2022	Bloomfield Hills Schools
14	6750	Bus Reimbursement for International Academy OKMA 6/10/22	Bloomfield Hills	\$ 441.50	501466	A0003223	6/21/2022	Bloomfield Hills Schools
15	6750	Bus Reimbursement for Harlan Elementary 5/13/22	Birmingham	\$ 660.84	501533	A0003171	7/20/2022	Birmingham Public Schools
16	6750	Bus Reimbursement for West Maple 5/18/22	Birmingham	\$ 565.76	501533	A0003171	7/20/2022	Birmingham Public Schools
17	6750	Bus Reimbursement for Bradford Academy 7/8/22	Southfield	\$ 226.00	501747	62988	8/23/2022	DHT Transportation
18	6750	Bus Reimbursement for Pierce Middle School 10/11/22	Waterford	\$ 1,816.00	502488	44240	10/17/2022	Trinity Transportation
19	6750	Bus Reimbursement for Wood Creek Elementary 10/19/22	Farmington Hills	\$ 1,700.00	502488	44423	10/20/2022	Trinity Transportation
20	6750	Bus Reimbursement for Farmington High School 10/7/22	Farmington	\$ 881.00	502595	AR105240	11/3/2022	Farmington Public Schools
21	6750	Bus Reimbursement for Berkley HS 10/28/22	Berkley	\$ 340.00	502509	A0000062	11/9/2022	Berkley Schools
22	6750	Bus Reimbursement for Brooklands Elementary 11/22/22	Rochester Hills	\$ 1,734.00	502503	44884	11/28/2022	Trinity Transportation
23	6750	Bus Reimbursement for Groves High School 11/1/22	Birmingham	\$ 334.62	502606	DIA 110122	12/12/2022	Birmingham Public Schools
24	6750	Bus Reimbursement for Hillel Day School 12/8/22	Farmington Hills	\$ 867.00	502628	45209	12/13/2022	Trinity Transportation
25	6750	Bus Reimbursement for Angell School 12/8/22	Berkley	\$ 452.00	502610	63617	12/23/2022	DHT Transportation

## Exhibit II

Item	Financial Row	Description	City of Performance	Amount	Check No.	Invoice No.	Invoice Date	Vendor
1	6750	Bus Reimbursement for Center for Active Adults 1/13/2022	South Lyon	\$ 975.00	854247	22-002	1/26/2022	Premium Event Services
2	6750	Bus Reimbursement for Fox Run Seniors 2/24/22	Novi	\$ 1,100.00	874705	22-017	3/4/2022	Premium Event Services
3	6750	Bus Reimbursement for Center for Active Adults 3/10/2022	South Lyon	\$ 1,100.00	893793	22-029	3/31/2022	Premium Event Services
4	6750	Bus Reimbursement for City of Novi Seniors 3/10/22	Novi	\$ 1,275.00	908778	22-033	4/1/2022	Premium Event Services
5	6750	Bus Reimbursement for Richardson Senior Center 4/14/2022	Richardson Senior Center	\$ 1,100.00	908778	22-044	4/22/2022	Premium Event Services
6	6750	Bus Reimbursement for St. Anastasia Church 4/27/22	Troy	\$ 925.00	921475	22-051	5/6/2022	Premium Event Services
7	6750	Bus Reimbursement for Osiwala Financial Group Seniors 5/5/22	Troy	\$ 925.00	931850	22-071	5/12/2022	Premium Event Services
8	6750	Bus Reimbursement for City of Novi Seniors 5/12/22	Novi	\$ 975.00	931850	22-078	5/17/2022	Premium Event Services
9	6750	Bus Reimbursement for Fox Run Senior Community 6/15/22	Novi	\$ 1,100.00	952357	22-107	6/27/2022	Premium Event Services
10	6750	Bus Reimbursement for Royal Oak Senior Center 6/30/22	Royal Oak	\$ 925.00	956632	22-122	7/8/2022	Premium Event Services
11	6750	Bus Reimbursement for Center for Active Adults 7/21/22	South Lyon	\$ 1,100.00	970241	22-134	7/29/2022	Premium Event Services
12	6750	Bus Reimbursement for OPC 8/4/22	Rochester	\$ 1,100.00	976577	22-140	8/5/2022	Premium Event Services
13	6750	Bus Reimbursement for Ruth Peterson Community Center 7/28/22	Pontiac	\$ 1,100.00	979628	22-148	8/10/2022	Premium Event Services
14	6750	Bus Reimbursement for Troy Senior Center 7/26/22	Troy	\$ 1,100.00	979628	22-147	8/10/2022	Premium Event Services
15	6750	Bus Reimbursement for Center for Active Adults 8/25/22	South Lyon	\$ 1,175.00	1003836	22-173	9/8/2022	Premium Event Services
16	6750	Bua Reimbursement for JSL Hechtman Senior Apartments 8/30/2022	West Bloomfield	\$ 1,275.00	1003836	22-175	9/7/2022	Premium Event Services
17	6750	Bus Reimbursement for OCC Retired Personnel 10/13/22	Auburn Hills	\$ 1,175.00	1019195	22-214	10/17/2022	Premium Event Services
18	6750	Bus Reimbursement for St. James Catholic Church 10/20/22	Novi	\$ 1,275.00	1023834	22-240	10/26/2022	Premium Event Services
19	6750	Bus Reimbursement for Center for Active Adults 10/21/22	South Lyon	\$ 1,375.00	1023834	22-238	10/26/2022	Premium Event Services
20	6750	Bus Reimbursement for the Cancer Thrivers Network 10/27/22	West Bloomfield	\$ 1,075.00	1023834	22-250	11/1/2022	Premium Event Services
21	6750	Bus Reimbursement for Troy Senior Center 11/3/2022	Troy	\$ 1,175.00	1046163	22-260	11/17/2022	Premium Event Services
22	6750	Bus Reimbursement for Birmingham Men's Club 11/15/22	Birmingham	\$ 2,100.00	1046163	22-280	11/29/2022	Premium Event Services
23	6750	Bus Reimbursement for Wealth Trac 11/16/22	Bingham Farms	\$ 1,175.00	1046163	22-280	11/29/2022	Premium Event Services
24	6750	Bus Reimbursement for Christ Our Light 12/13/22	Troy	\$ 1,175.00	1063276	22-298	12/19/2022	Premium Event Services
25	6750	Bus Reimbursement for City of Novi Seniors 12/8/22	Novi	\$ 2,000.00	1063276	22-298	12/19/2022	Premium Event Services

## Exhibit III

Item	Financial Row	Description	City of Performance	Amount	Check No.	Invoice No.	Invoice Date	Vendor
1	6380	AAA Arts Beats & Eats 2022	Royal Oak	\$ 29,000.00	501515	7-9-2013-0000128	5/3/2022	Arts, Beats & Eats, Inc.
2	6380	OC Community Partnership fees related to the JCC-Book Fair	West Bloomfield	\$ 6,500.00	502268	NOV 1-14/22 JCC	10/27/2022	The Jewish Community Center of Metropolitan Detroit
3	6440	MIC 2021 Rochester commemorative sign	Rochester	\$ 3,100.00	847646	10071	12/10/2021	ideation orange
4	6440	MIC PIPA Berkley Mural Commemorative Sign 2021	Berkley	\$ 1,225.00	847649	10109	12/24/2021	ideation orange
5	6640	Community partnership supporting the Canvas Pontiac 2D installations in Pontiac, MI in 2022	Pontiac	\$ 10,000.00	502516	531	12/16/2022	Main Street Pontiac
6	6750	CP - Bus Reimbursement for Troy Adult ESL 5/17/22	Troy	\$ 925.00	942937	22-097	6/14/2022	Premium Event Services
7	6750	CP - Bus Reimbursement for OLHSA 8/26/22	Pontiac	\$ 1,075.00	1003836	22-190	9/23/2022	Premium Event Services
8	6750	CP - Bus Reimbursement for OCC 10/4/22	Oakland County	\$ 1,175.00	1011421	22-208	10/12/2022	Premium Event Services
9	6750	CP - Bus Reimbursement for OCC 10/7/22	Wixom	\$ 1,275.00	1054045	22-216	10/17/2022	Premium Event Services
10	6540	3 - 44 X 32 9/16	All three counties - Allocation	\$ 1,333.74	908760	681204	4/20/2022	Eric's I've Been Framed Shop