
Grand Valley State University

**Federal Awards
Supplemental Information
June 30, 2023**

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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 Trustees
Grand Valley State University

We have audited the financial statements of the business-type activities and fiduciary activities of Grand Valley State University (the "University"), a component unit of the State of Michigan, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated November 3, 2023, 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 November 3, 2023.

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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

March 21, 2024

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 Trustees
Grand Valley State University

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 the business-type activities and fiduciary activities of Grand Valley State University (the "University"), a component unit of the State of Michigan, as of and for the year ended June 30, 2023 and the related notes to the basic financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 3, 2023. The financial statements of Grand Valley University Foundation, a blended component unit, were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University'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 University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 University'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 University'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 Trustees
Grand Valley State University

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 University'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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

November 3, 2023

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 Trustees
Grand Valley State University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Grand Valley State University's (the "University") 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 each of the University's major federal programs for the year ended June 30, 2023. The University'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, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023.

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; 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 University 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 University'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 University's federal programs.

To the Board of Trustees
Grand Valley State University

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 University'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 University'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 University'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 University'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 University'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance that are required to be reported in accordance with the Uniform Guidance, which are described in the accompanying schedule of findings and questioned costs as Findings 2023-001 and 2023-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the noncompliance findings identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The University's response were not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

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, and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

To the Board of Trustees
Grand Valley State University

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2023-001 and 2023-002 to be material weaknesses.

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 of those charged with governance.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the internal control over compliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on them.

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 21, 2024

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters:				
Student Financial Assistance Cluster:				
U.S. Department of Education - Direct Programs:				
Federal Direct Student Loans	84.268	P268K210226	\$ -	\$ 100,620
Federal Direct Student Loans	84.268	P268K220226	-	127,044,880
Federal Supplemental Education Opportunity Grants (Note 3)	84.007	P007A212012	-	127,898
Federal Supplemental Education Opportunity Grants (Note 3)	84.007	P007A222012	-	1,172,990
Federal Work-Study Program (Note 3)	84.033	P033A212012	-	1,136,734
Federal Pell Grant Program	84.063	P063P-220226/230226	-	24,938,079
Federal Perkins Loan Program - Beginning of year plus loans issued (Note 4)	84.038	N/A	-	2,159,514
Teacher Education Assistance for College and Higher Education Grants	84.379	P379T200226	-	89,654
U.S. Department of Health and Human Services -				
Direct program - Nursing Student Loans -				
Beginning of year plus loans issued (Note 4)	93.364	N/A	-	229,332
Total Student Financial Aid Cluster			-	156,999,701
TRIO Cluster - U.S. Department of Education -				
Direct programs:				
TRIO - Upward Bound	84.047	P047A170657	-	59,224
TRIO - Upward Bound	84.047	P047V220092	-	410,886
TRIO - Talent Search	84.044A	P044A210486/P044A160399	-	349,737
TRIO - Student Support Services	84.042	P042A201233	-	329,201
TRIO - Ronald E. McNair Post-Baccalaureate Achievement Program	84.217	P217A180090	-	385,177
TRIO - SSS Teacher Prep	84.042	P042A150761	-	219,039
TRIO - SSS Stem/Health Sciences	84.042	P042A200788	-	286,050
TRIO - Upward Bound Veterans	84.047	P047V170209	-	77,625
TRIO - Upward Bound Veterans	84.047	P047V220092	-	192,755
TRIO - Upward Bound Detroit	84.047	P047A220715	-	187,641
TRIO - Upward Bound Math/Science Detroit	84.047	P047M220327	-	156,286
TRIO - Upward Bound Math/Science Wyoming	84.047	P047M220282	-	174,272
TRIO - Educational Opportunity Center	84.066	P066A210185	-	265,525
Total TRIO Cluster			-	3,093,418
Research and Development Cluster:				
Environmental Protection Agency - Pass-through programs:				
Passed through Michigan Department of Environmental Quality - Office of the Great Lakes - Ottawa Conservation District -				
Water Quality Management Planning	66.454	#2019-0101	-	4,516
Passed through Central Michigan University -				
Great Lakes Program	66.469	GL-00E02956	-	35,140
Passed through the Indiana Department of Environmental Management - Great Lakes Program				
	66.469	GL03E00724	-	15,418
Passed through Public Health Muskegon County				
Beach Monitoring and Notification Program - Implementation Grants	66.472	CU-00E99311	-	6,188
Total Environmental Protection Agency			-	61,262

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters (continued):				
Research and Development Cluster (continued):				
National Aeronautics and Space Administration - Direct program -				
Science - Passed through Michigan Space Grant Consortium:				
Science	43.001	80NSSC22K0467	\$ 63,340	\$ 129,555
Science	43.001	80NSSC20M0124	-	2,172
Science	43.001	80NSSC20M0124	-	477
Science	43.001	80NSSC20M0124	-	3,720
Science	43.001	80NSSC20M0124	-	1,996
Science	43.001	80NSSC20M0124	-	9,278
Science	43.001	80NSSC20M0124	-	365
Science	43.001	80NSSC20M0124	-	(134)
Science	43.001	80NSSC20M0124	-	109
Science	43.001	80NSSC20M0124	-	4,805
Science	43.001	80NSSC20M0124	-	1,408
Science	43.001	80NSSC20M0124	-	10,132
Science	43.001	80NSSC20M0124	-	(239)
Science	43.001	80NSSC20M0124	-	3,600
Science	43.001	80NSSC20M0124	-	4,648
Science	43.001	80NSSC20M0124	-	2,101
Science	43.001	80NSSC20M0124	-	5,091
Science	43.001	80NSSC20M0124	-	1,221
Total National Aeronautics and Space Administration			63,340	180,305
National Science Foundation:				
Direct Programs:				
Mathematical and Physical Sciences	47.049	2102576	-	56,530
Geosciences	47.050	1836839	5,312	137,163
Geosciences	47.050	1903389	-	5,595
Geosciences	47.050	2011685	-	47,916
Geosciences	47.050	2046958	-	76,328
Social, Behavioral, and Economic Sciences	47.075	1854763	-	38,209
Biological Sciences Education	47.074	2222946	-	6,982
Education and Human Resources	47.076	1725395	-	20,786
Education and Human Resources	47.076	1742463	-	177,748
Education and Human Resources	47.076	2030615	-	204,049
Education and Human Resources	47.076	Y3M5HUXKJPF1	-	630
Education and Human Resources	47.076	1705365	-	116
Pass-through programs:				
Passed through Wayne State University - Mathematical and Physical Sciences	47.049	1855681	-	10,560
Passed through University of Arkansas - Geosciences	47.050	2037271	-	813
Passed through University of South Florida - Education and Human Resources	47.076	NKAZLXLL7Z91	-	7,943
Passed through University of Michigan - Education and Human Resources	47.076	2030919	-	2,307
Total National Science Foundation			5,312	793,675
U.S. Department of Health and Human Services:				
Passed through Michigan State University -				
Environmental Health	93.113	RC112214B	-	6,083
Passed through Van Andel Research Institute:				
Extramural Research Programs in the Neurosciences and				
Neurological Disorders	93.853	V3083-1	-	8,671
Trans-NIH Research Support	93.310	40530A-4	-	51,067
Passed through National Institutes of Health:				
Biomedical Research and Research Training	93.859	1R15GM117488-01A1	-	116,129
Aging Research	93.866	1R01AG056384-01A1	46,376	384,059
Allergy and Infectious Diseases Research	93.855	N/A	-	92,273
Passed through National Institutes of Health and University of Buenos Aires				
Allergy and Infectious Diseases Research	93.855	1R01AI160371-01A1	-	5,779
Total U.S. Department of Health and Human Services			46,376	664,061

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters (continued):				
Research and Development Cluster (Continued):				
Department of Commerce:				
National Oceanic and Atmospheric Administration -				
Passed through University of Michigan:				
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	NA17OAR4320152	\$ -	\$ 91,013
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	NA17OAR4320152	-	(1,330)
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	NA22OAR4320150	-	20,435
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	NA22OAR4320150	-	20,331
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	NA22OAR4320150	-	47,326
Passed through West Michigan Shoreline Regional Development Commission:				
Commission - Habitat Conservation	11.463	NA20NMF4630311	-	14,744
Commission - Habitat Conservation	11.463	NA20NMF4630311	-	10,161
Commission - Habitat Conservation	11.463	NA160NMF4630341	-	43,748
Passed through Office of Muskegon County:				
Water Resources Commission -				
Habitat Conservation	11.463	NA220NMF4630143	-	7,658
Total Department of Commerce			-	254,086
U.S. Department of Interior/Fish and Wildlife Service:				
Direct program - Fish and Wildlife Management Assistance	15.608	F21AP03603-00	-	26,442
Direct program - U.S Geological Survey - Research and Data Collection	15.808	G17AC00407	-	(604)
Passed through Michigan Department of Natural Resources - State Wildlife Grants				
	15.634	N/A	-	6,471
Passed through the Michigan Nature Association -				
Endangered Species Conservation - Recovery Implemented funds	15.657	F21AC00835	-	59,046
Passed through the Michigan State University -				
Great Lakes Restoration	15.662	F22AC00106	-	8,218
Total U.S. Department of Interior/Fish & Wildlife Service			-	99,573
Total Research and Development Cluster			115,028	2,052,962
Special Education Cluster - U.S. Department of Education -				
Passed through the State of Michigan Department of Education:				
Special Education Grants to States	84.027	210470-3D51	-	717,641
Special Education Grants to States	84.027	220470-3D51	-	1,084,028
Total Special Education Cluster			-	1,801,669
CDBG - Entitlement Grants Cluster - U.S. Department of Health and Human Services -				
Passed through Washtenaw County Office of Community and Economic Development -				
Community Development Block Grants/Entitlement Grants	14.218	B-20-UW-26-006	-	132,976
Other Federal Awards:				
U.S. Small Business Administration - Direct Programs:				
Small Business Development Centers	59.037	SBAHQ21B0057	287,469	(73,009)
Small Business Development Centers	59.037	SBAHQ22B0059	2,289,551	2,915,554
Small Business Development Centers	59.037	SBAOEDSB230049	184,858	1,291,483
Small Business Development Centers	59.037	SBAHQ20C0031	-	364,388
Passed through the Better Business Bureau -				
Federal and State Technology Partnership Program	59.058	SBAOIIFT220039-01-00	-	6,248
Total U.S. Small Business Administration			2,761,878	4,504,664
U.S. Department of Education - Direct Programs:				
Fund for the Improvement of Postsecondary Education	84.116	P116Z220071	-	513,945
English Language Acquisition State Grants	84.365	T365Z220063	-	255,585
Passed through Michigan Department of Education-				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	62,365
Passed through Michigan Strategic Fund/Workforce Development -				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	18-00-04	-	125,749
Passed through Eastern Michigan University -				
Javits Gifted and Talented Students Education	84.206	A206A220031	-	46,528
Passed through Western Michigan University -				
Fund for the Imprement of Education	84.215	S215N210034	-	228,839
Total U.S. Department of Education			-	1,233,011

See notes to schedule of expenditures of federal awards.

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Other Federal Awards (continued):				
U.S. Department of Commerce:				
Passed through National Oceanic and Atmospheric Administration Marine Sanctuary Program	11.429	NA22NOS4290004	\$ -	\$ 4,876
Passed through National Oceanic and Atmospheric Administration and Grand Valley Metro Council Marine Sanctuary Program	11.429	NA21NOS4290011	-	2,107
Total U.S. Department of Commerce			-	6,983
U.S. Department of Health and Human Services:				
Passed through Flint Rehabilitation Devices LLC - Early Powered Mobility for Toddlers w Cerebral Palsy - Child Health and Human Development Extramural Research	93.865	P2CHD101912A	-	15,901
Passed through Health Resources and Services Administration: Wraparound Support Model to Empower Diverse Nurse Leaders - Nursing Workforce Diversity	93.178	D1942032	-	502,363
Advanced Nursing Education Grant Program	93.247	T94HP328990100	126,404	623,874
Passed through Arbor Circle Corp and through Ottawa County Sheriff Department - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SP081158-01	-	3,812
Passed through Health Resources and Services Administration/NEPQR - Nurse Education, Practice Quality and Retention Grants	93.359	1UD7HP376340100	-	346,364
Passed through Michigan Department of Health and Human Services - Chafee Foster Care Independence Program	93.674	MA22000000612	-	112,902
Passed through Michigan Department of Health and Human Services - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000510	-	535,550
Passed through Michigan Department of Health and Human Services and Kent County Health Department - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000510	-	974,349
Total U.S. Department of Health and Human Services			126,404	3,115,115
Corporation for National and Community Service - Americorp VISTA - Passed through Michigan Department of Labor and Economic Opportunity - Volunteer Generation Fund				
	94.021	186MCSCVOLGENF220	-	22,924
U.S. Department of Agriculture:				
Passed through Michigan Department of Education - Food for Education	10.608	70-0000	-	15,265
Passed through Kent County Health Department Feral Swine Wildlife	10.934	N/A	-	4,074
Total U.S. Department of Agriculture			-	19,339
U.S. Department of Defense:				
Mathematical Sciences Grants Program	12.901	H982302210023	-	20,373
Gencyber Grants Program	12.903	H982302210106	-	70,094
Total U.S. Department of Defense			-	90,467
U.S. Department of Homeland Security - COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
	97.036	PA-05-MI-4494-PW-00279	-	207,426
Library of Congress - Passed through Illinois State University - Teaching with Primary Sources	42.010	A08002S058	-	10,392
National Endowment for Arts and Humanities - Direct programs - Promotion of the Arts Grants to Organizations and Individuals	45.024	18885503122	-	8,773
Environmental Protection Agency - Passed through Michigan Department of Environmental, Great Lakes, and Energy - Great Lakes Program				
	66.469	GL00E02956	6,600	18,570
Post-9/11 Veterans Educational Assistance	64.027	N/A	-	8,032
Total federal awards			<u>\$ 3,009,910</u>	<u>\$ 173,326,422</u>

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Grand Valley State University (the "University") under programs of the federal government for the year ended June 30, 2023. 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 University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on accrual basis of accounting. 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 University has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Adjustments and Transfers

The University carried forward \$130,332 of the 2022-2023 Federal Supplemental Education Opportunity Grant (SEOG) Program (84.007) award to the 2023-2024 award year. During the 2022-2023 award year, \$130,332 of SEOG funds from the 2021-2022 award year was carried forward and spent.

The University carried forward \$20,353 of the 2022-2023 Federal Work-Study (FWS) Program (84.033) award to the 2023-2024 award year. During the 2022-2023 award year, \$105,190 of the FWS funds from the 2021-2022 award year was carried forward and spent.

The University transferred \$400,000 from the FWS program to the SEOG program during the 2022-2023 award year.

Note 4 - Loans Balances

As part of the Student Financial Assistance Cluster, the University participates in the Federal Perkins Loan Program through the U.S. Department of Education and the Nursing Student Loan Program through the U.S. Department of Health and Human Services. These loan programs are directly administered by the University and are considered revolving loan programs where collections received on past loans, including interest, and new funds received from federal agencies with university matching requirements are loaned out to current students.

The University originates but does not provide the funding for Federal Direct Student Loans (FDLs). The amount presented in the schedule of expenditures of federal awards represents the value of the new FDLs accepted by students during the year ended June 30, 2023.

Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule of expenditures of federal awards. The balances of loans outstanding at June 30, 2023 consist of the following:

Cluster/Program Title	Assistance Listing Number	Loan Balances
Federal Perkins Loan Program	84.038	\$ 1,406,258
Nursing Student Loan Program	93.364	229,332

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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? X Yes 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)? X Yes No

Identification of major programs:

ALN	Name of Federal Program or Cluster	Opinion
84.268, 84.007, 84.033, 84.063, 84.038, 84.379, 93.364	Student Financial Assistance Cluster	Unmodified
Various	Research and Development Cluster	Unmodified
59.037	Small Business Development Centers	Unmodified
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases	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
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Current Year None

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section III - Federal Program Audit Findings

Reference Number	Finding
2023-001	<p>Assistance Listing Number, Federal Agency, and Program Name - Research and Development Cluster (R&D), Small Business Development Centers (SBDC), Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</p> <p>Federal Award Identification Number and Year - R&D - All ALNs</p> <p>SBDC - SBAHQ21B0057, SBAHQ22B0059, SBAOEDSB230049, SBAHQ20C0031</p> <p>ELC - NU50CK000510</p> <p>Pass-through Entity - R&D - Various</p> <p>SBDC - None</p> <p>ELC - Michigan Department of Health and Human Services and Kent County Health Department</p> <p>Finding Type - Material weakness and material noncompliance with laws and regulations</p> <p>Repeat Finding - No</p> <p>Criteria - As outlined in 2 CFR 200.430(i), salaries and wages must be based on records that accurately reflect the work performed, including complying with established accounting policies and practices of the University. Per the University's policy, effort reports are to be certified by an individual or a person with suitable means of verification (the principal investigator, department chair, or dean) of the work performed approximately 30 days after each reporting period.</p> <p>Condition - Of the 10 employees included within the hourly payroll expenditure sample selected for testing in the Research and Development Cluster, the University did not complete a full, executed review of the effort certifications within the time period outlined in the policy for all 10 employees.</p> <p>Of the 14 employees included within the hourly payroll expenditure sample selected for testing in the Small Business Development Center grants, the University did not complete a full, executed review of the effort certifications within the time period outlined in the policy for 7 employees.</p> <p>Of the 8 employees included within the hourly payroll expenditure sample selected for testing in the Epidemiology and Laboratory Capacity for Infectious Diseases grants, the University did not complete a full, executed review of the effort certifications within the time period outlined in the policy for all 8 employees.</p> <p>Questioned Costs - None</p> <p>Identification of How Questioned Costs Were Computed - N/A</p> <p>Context - In the samples mentioned above, the University ultimately completed review of the effort certifications to support salaries and wages were allowable; however, 25 of the total 32 employees tested in these three programs were not reviewed timely.</p> <p>Cause and Effect - The University did not follow its policy to ensure that time and efforts were being reviewed and approved in a timely manner.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2023-001 (Continued)	<p>Recommendation - We recommend the University maintain a procedure and control to ensure that, upon each reporting period, the University reviews and approves effort certifications as outlined in its policy.</p> <p>Views of Responsible Officials and Corrective Action Plan - Management agrees. The University implemented a new grant management software that will provide greater functionality to complete the effort certification process within the time requirements identified in the University's Time and Effort Reporting Policy.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Reference Number	Finding
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2023-002 **Assistance Listing, Federal Agency, and Program Name** – 59.037, US Small Business Association, Small Business Development Center

Federal Award Identification Number and Year – SBAHQ22B0059, 2023

Pass-through Entity – N/A

Finding Type – Material weakness and material non-compliance with laws and regulations

Repeat Finding – No

Criteria – The Federal Funding Accountability and Transparency Act (“FFATA”) as amended by section 6202 of Public Law 110-252 requires recipients of Federal awards to report data using the FFATA Subaward Reporting System (FSRS) Tool.

Condition - The University did not report the subaward information timely and did not report all the key data elements accurately.

Questioned Costs – None

Identification of How Questioned Costs Were Computed – N/A

Context – The following table summarizes the transactions examined and the non-compliance identified:

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
3	0	2	0	3
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$976,257	\$0	\$545,718	\$0	\$976,257

Cause and Effect – The University did not have the proper controls in place to submit accurate data to FSRS in a timely manner.

Recommendation – We recommend the University implement a procedure to determine reporting due dates and document the review of reports being submitted to FFATA timely ensuring all key data elements are included.

Views of Responsible Officials and Corrective Action Plan – Management agrees. When the University is unable to access the FFATA system, University staff will capture a screen snip of the error message and save it to the secure shared drive and follow-up with an email to the system’s help desk prior to the 30-day reporting requirement.