

# **Grand Valley State University**

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**Federal Awards  
Supplemental Information  
June 30, 2009**

# Grand Valley State University

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## Independent Auditor's Report

To the Board of Trustees  
Grand Valley State University

We have audited the basic financial statements of Grand Valley State University as of and for the year ended June 30, 2009 and have issued our report thereon dated January 19, 2010. These basic financial statements are the responsibility of the management of Grand Valley State University. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Grand Valley State University taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Plante & Moran, PLLC*

January 19, 2010

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

To the Board of Trustees  
Grand Valley State University

We have audited the financial statements of Grand Valley State University as of and for the year ended June 30, 2009 and have issued our report thereon dated January 19, 2010. We conducted our audit 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Grand Valley State University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To the Board of Trustees  
Grand Valley State University

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Grand Valley State University's financial statements are free of 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*.

This report is intended solely for the information and use of management, the board of trustees, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plante & Moran, PLLC*

January 19, 2010

## Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance with OMB Circular A-133

To the Board of Trustees  
Grand Valley State University

### Compliance

We have audited the compliance of Grand Valley State University with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The major federal programs of Grand Valley State University are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Grand Valley State University's management. Our responsibility is to express an opinion on Grand Valley State University's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Grand Valley State University'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. Our audit does not provide a legal determination on Grand Valley State University's compliance with those requirements.

In our opinion, Grand Valley State University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2009-01 and 2009-02.

To the Board of Trustees  
Grand Valley State University

### **Internal Control Over Compliance**

The management of Grand Valley State University is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Grand Valley State University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal controls. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2009-01 and 2009-02 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weakness.

Grand Valley State University's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Grand Valley State University's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the board of trustees, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plante & Moran, PLLC*

January 19, 2010

# Grand Valley State University

## Schedule of Expenditures of Federal Awards Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Clusters:			
Student Financial Assistance Cluster:			
U.S. Department of Education - Direct Programs:			
William D. Ford Direct Loan Program (Note3)	84.268	P268K011378	\$ 120,756,511
Federal Supplemental Educational Opportunity Grant Program (Note 3)	84.007	P007A42012	1,177,212
Federal Work Study Program (Note 3)	84.033	P033A42012	996,704
Federal Pell Grant Program	84.063	P063P33265/43265	15,065,977
Federal Academic Competitive Grants	84.375	P375A060226	892,312
Federal SMART Grants	84.376	P3765060226	510,949
Federal TEACH Grants	84.379	P379T090226	<u>258,930</u>
Total Student Financial Assistance Cluster			139,658,595
TRIO Cluster:			
U.S. Department of Education - Direct Programs:			
TRIO - Upward Bound	84.047	P047A20464	375,114
TRIO - Talent Search	84.044A	P044A070112	309,065
TRIO - Student Support Services	84.042	P044AI0252/40497	285,851
TRIO - Ronald E. McNair Post-Baccalaureate Achievement Program	84.217	P217A50004	<u>257,093</u>
Total TRIO Cluster			1,227,123
Research and Development Cluster:			
Environmental Protection Agency - Direct Programs:			
Lower Grand River Wetland Initiative	66.436		29,096
Fellowship - Cooper	66.513		1,191
Lake Michigan Great Outreach & Education	66.469		18,828
West Michigan Strategic Alliance Regional Sustainable Manufacturing Initiative (GVSU is fiscal agent for West Michigan Strategic Alliance)	66.716		113,713
Passed through Michigan Department of Environmental Quality - White River Watershed Planning Grant	66.460		64,104
Passed through Mona Lake Watershed Council:			
Rogue River Watershed Update & Easement	66.460		(18)
Mona Lake Watershed Outreach & Education	66.460		19,836
Passed through Grand Valley Metro Council:			
Lower Grand River Implementation Project (Buck Creek)	66.460		522
Lower Grand River Organization of Watershed Initiatives	66.460		<u>57,675</u>
Total Environmental Protection Agency			304,947



# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Clusters (Continued):			
Research and Development Cluster (Continued):			
National Aeronautics and Space Administration:			
Grand Valley State University for West Michigan Science and Technology			
Initiatives Bioscience Research and Commercialization Project	43.AAA		\$ 32,939
Passed through Michigan Space Grant Consortium:			
NASA/MSGC:Algal Responses to Road Run-off in an Urbanized Catchments	43.unknown		3,171
NASA/MSGC:08 Dill ST/PRE/AU	43.unknown		5,153
NASA/MSGC:08 Peterman	43.unknown		3,710
NASA/MSGC:08 A. Plotkowski - Fellowship	43.unknown		1,587
NASA/MSGC:08 Dicarlo	43.unknown		414
NASA/MSGC:08 E. Posner - Fellowship	43.unknown		2,925
NASA/MSGC:08 Joseph Augmentation	43.unknown		8,251
NASA/MSGC: Administration 08-09	43.unknown		2,604
NASA/MSGC:09 DeFore Fellowship	43.unknown		1,895
NASA/MSGC:09 Barr Fellowship	43.unknown		1,196
NASA/MSGC:09 Posner Fellowship	43.unknown		2,500
NASA/MSGC:09 Barclay Fellowship	43.unknown		1,075
NASA/MSGC:09 Nguyen Fellowship	43.unknown		1,300
NASA/MSGC:09 Mambourg Fellowship	43.unknown		1,729
NASA/MSGC:09 Peterman	43.unknown		280
NASA/MSGC:09 Dill	43.unknown		3,824
NASA/MSGC:09 Colgan/Llerandi-Roman	43.unknown		1,147
NASA/MSGC:09 Videtich	43.unknown		1,893
NASA/MSGC:09-10 Administration	43.unknown		1,760
Passed through South Dakota State University -			
Evaluating the Effects of Institutional Change on			
Regional Hydrometeorology - Assessing the Vulnerability of the			
Eurasian Semi Arid Grain Belt - Year 3	43.001		<u>30,708</u>
Total National Aeronautics and Space Administration			110,061
National Science Foundation:			
Grand Valley Summer Undergraduate Research Program			
in Mathematics (REU) 08-09	47.049		16,479
Grand Valley Summer Undergraduate Research Program			
in Mathematics (REU) 09-10	47.049		35,438
NSF RUI: Elucidating Regulatory Mechanism in the Diaphanous			
related Formin Proteins using an Integrated Approach to			
Undergraduate Research and Education	47.074		142,279
NSF: Target Inquiry: Investigating the Teacher and Student Effects			
of a New Model in Chemistry Teacher Professional Development	47.076		283,628

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Clusters (Continued):			
Research and Development Cluster (Continued):			
National Science Foundation (Continued):			
NSF Controlled P2P Overland Flow Mechanism	47.050		\$ 18,623
NSF Collaborative Research: A Multi-Proxy Search for the Deglacian Deep Sea Carbonate Preservation Maximum	47.050		4,912
NSF Collaborative Research: Seston Contributions to Metabolism Across Longitudinal Ecosystems (SCALE) Dynamics of Organic Particles in River Networks	47.074		4,356
NSF Collaborative Research Study of Arctic Ecosystem Changes in the IPY Using the International Tundra Experiment	47.078		54,814
NSF Collaborative Research Study of Arctic Ecosystem Changes in the IPY Using the International Tundra Experiment - Supplemental Funding	47.078		5,637
NSF Lake Huron Sinkholes	47.074		13,984
NSF Support for Dynamic Students in Math, Science, Engineering, and Computing	47.076		128,923
NSF:Using Comparative Genomics to Study Evolution of Social Behavior	47.074		10,488
NSF:Using Comparative Genomics to Study Evolution of Social Behavior - Supplemental Funding	47.074		4,200
NSF: GVSU-UM Partnership for Advancing Women in Science and Engineering	47.075		225,798
Passed through Western Michigan University - Math GVSU/WMU - Walker	47.076		<u>20,989</u>
Total National Science Foundation			970,548
U.S. Department of Commerce -			
Public Telecommunications Facilities Program - Digital	11.550	26-01-N05060	<u>3,407</u>
Total U.S. Department of Commerce			<u>3,407</u>
Total Research and Development Cluster			1,388,963
Special Education Cluster - Passed through the			
State of Michigan - Department of Education:			
Autism START Project 07-08	84.027		581,674
Autism START Project 08-09	84.027		<u>928,369</u>
Total Special Education Cluster			1,510,043

See Notes to Schedule of Expenditures  
of Federal Awards.

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards:			
U.S. Small Business Administration - Michigan Small			
Business and Technology Development Center:			
SBTDC 2008 Project	59.037		\$ 1,719,896
SBTDC 2009 Project	59.037		<u>1,479,501</u>
Total U.S. Small Business Administration			3,199,397
U.S. Department of Education:			
Access India/China	84.153		47,822
Fund for the Improvement of Education (FIE)	84.215		3,703
Fulbright-Hayes Faculty Research Abroad Program	84.019A		43,618
STAIR: Studies in Trans-Atlantic International Relations	84.116j		31,000
Passed through National Writing Project Corporation:			
National Writing Project	84.928		16,889
National Writing Project 08-09	84.928		24,952
Passed through the State of Michigan - Department of Education:			
A Sustainable Collaboration to Improve Content, Assessment, Reflection and Efficacy of Science Teachers, MDE			
Title II: Improving Teacher Quality	84.367	070290-136	51,963
Passed through State of Michigan Department of Education/Saginaw Valley State University -			
Mathematics and Science Partnership	84.366		113,080
Mathematics and Science Partnership Yr. 3	84.366		181,285
Passed through Michigan Department of Labor and Economic Growth:			
Michigan GEAR UP/College Day Program	84.334S		2,089
Michigan GEAR UP/College Day Program 08-09	84.334S		23,165
Passed through University of Kansas Research Center			
Improving Adult Reading Outcomes with Strategic Tutoring and Content Enhancement Routines	84.305B	R305B070129	<u>(115)</u>
Total U.S. Department of Education			539,451
U.S. Department of Health and Human Services:			
Advanced Nursing Traineeship 08	93.358		27,089
Federal Disadvantaged Students 08	93.342		123,110
Passed through Michigan State University -			
Geriatrics Education Center of Michigan	93.969		5,400
Passed through Spectrum Health Hospital:			
Accelerated Healthcare Training Initiative	93.137		31,952
Accelerated Healthcare Training - 2nd Degree Programs	93.137		<u>262,586</u>
Total U.S. Department of Health and Human Services			450,137

See Notes to Schedule of Expenditures  
of Federal Awards.

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
National Institutes of Health -			
Investigations of the Role of Key Active Site Residues of Two Class D Lactamases	93.855		\$ 26,386
Total National Institutes of Health			26,386
U.S. Department of Agriculture:			
TRIO Food Service	10.608		5,499
Child Care Food Service	10.608		12,613
Passed through U.S. Forest Services/The National Forest Foundation - Wilderness Stewardship Challenge/Nordhouse Dunes Wilderness Campsite and User Level Inventory	10.680		5,911
Total U.S. Department of Agriculture			24,023
U.S. Department of Transportation:			
Passed through the MI Office of Highway - Safety Planning:			
Safe Communities	20.600		3,564
PT-08-42 "Youth Alcohol Enforcement"	20.600		3,280
Passed through the MI-Ohio University Transportation Center -			
Management and Analysis of Michigan Intelligent Transportation Systems Center Data - Yr. 3	20.931		60,255
Passed through Michigan Department of Transportation/			
MI-Ohio University Transportation Center -			
Congestion Relief by Travel Time Minimization in Near Real Time - Detroit Area i-76 Corridor Study Yr. 2	20.931		12,053
Passed through Michigan Department of Transportation:			
A Study of Surface Run-off from U.S. 31/Seaway on Little Black Creek	20.931		85,563
Michigan Rail Passenger Benefits Study	20.515	MI-80-0003	84,112
Total U.S. Department of Transportation			248,827
U.S. Department of Commerce (DOC-NOAA):			
Passed through Great Lakes Environmental Research Laboratory -			
Observatory for Submerged Sinkhole Ecosystems in Thunder Bay National Marine Sanctuary, Lake Huron: Habitat Exploration, Life Inventory and Hydrologic Modeling	11.432		36,592

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
U.S. Department of Commerce (DOC-NOAA) (continued):			
Passed through Michigan Sea Grant:			
Alternative Stormwater Management Practices that Address the Environmental, Social, and Economic Aspects of Water Resources in Spring Lake Township and Village	11.417		\$ 59,146
Passed through Michigan Department of Environmental Quality/Central Michigan University:			
Development of an Index of Susceptibility for Great Lakes Coastal Wetlands	11.419	07-309-08	335
Continued Development of an Index of Susceptibility for Great Lakes Coastal Wetlands	11.419	08-309-02	<u>18,549</u>
Total U.S. Department of Commerce			114,622
U.S. Department of Justice:			
Project Safe Neighborhood:2006 Anti-Gang Initiative	16.744	#2006-PG-BX-2005	109,764
Project Safe Neighborhood	16.609	#2006-GP-CX-0063	64,425
Project Safe Neighborhood:2007 Anti-Gang Initiative	16.744	#2007-PG-BX-0009	146,512
Project Safe Neighborhood:2007 Gun Crime Reduction Initiative	16.609	#2007-GP-CX-0020	97,340
Project Safe Neighborhood 08	16.609	#2008-GP-CX-0036	10,747
Central City Weed & Seed 07	16.595	#2006-WS-Q6-0010	129,893
Weed & Seed 08	16.595	#2007-WS-Q7-0100	<u>73,368</u>
Total U.S. Department of Justice			632,049
U.S. Department of Homeland Security:			
Passed through Michigan State University - Disaster Preparedness/Planning Services - Intelligence Fusion Center	97.067		8,972
Passed through Michigan State Police-Special Operations Division - Support for the Michigan Intelligence Operations Center (MIOC) Activities	97.005		<u>2,920</u>
Total U.S. Department of Homeland Security			11,892
U.S. Department of Labor - Passed through the Michigan Department of Labor and Economic Growth West Michigan WIRED (GVSU is fiscal agent for West Michigan Strategic Alliance)			
	17.261		2,676,143
U.S. Department of Housing and Urban Development - Continuation of Renovations to a Research and Education Facility			
	14.246		2,880
U.S. Department of the Interior, National Park Service - Passed through State of Michigan Dept of History, Arts, and Libraries, Michigan Historical Center - National Register of Historic Places District District Nomination for Mary's City of David, Benton Harbor, Michigan			
	15.929	DHAL07-003	648

See Notes to Schedule of Expenditures  
of Federal Awards.

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
National Endowment for Humanities Council - Passed through Michigan Humanities Council - Hispanic Poetry Week in Honor to Ernesto Cardenal	45.129		\$ 500
U.S. Department of Energy - Passed through Michigan Department of Labor and Economic Growth - 10kW Photovoltaic Demonstration Grant	81.041	PLA 06-69	<u>50,000</u>
Total federal awards			<u>\$ 151,761,679</u>

# Grand Valley State University

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2009

### Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Grand Valley State University (the "University") and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### Note 2 - Loans Outstanding and Issued

The Federal Perkins Loan (CFDA #84.038) balance represents loans outstanding of \$10,962,235. This amount includes current year loans issued of \$2,039,473, which were financed through the collections on past loans and interest income. Federal contributions of \$105,189 (through a transfer from the Federal Work Study Program) and institutional contributions of \$35,063 were provided during the year ended June 30, 2009.

Outstanding loans under the Nursing Student Loan Program (CFDA #93.364) were \$126,350 at June 30, 2009. There were no federal contributions for this program during the year ended June 30, 2009.

The University originates but does not provide the funding for Federal Direct Loans (FDLs). The amount presented represents the value of the new FDLs accepted by students during the year ended June 30, 2009.

### Note 3 - Campus-based Program Transfers

As allowable and in accordance with federal regulations issued by the U.S. Department of Education, the University transferred \$105,189 of Federal Work Study (FWS) Program (84.003) award funds to the Perkins Loan Program (84.038) for the 2008-2009 award year.

The University carried forward \$105,189 of the 2007-2008 FWS award to the 2008-2009 award year. The University also carried forward \$105,189 of the 2008-2009 FWS award to the 2009-2010 award year.

The University also carried forward \$126,110 of the 2008-2009 Supplemental Educational Opportunity Grant (84.007) award to the 2009-2010 award year.

# Grand Valley State University

## Notes to Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2009

### Note 4 - Subrecipient Awards

Of the federal expenditures presented in the schedule, federal awards were provided to subrecipients as follows:

Program Title/Project Number/Subrecipient Name	CFDA Number	Current Year Cash Transferred to Subrecipient
U.S. Department of Justice:		
Project Safe Neighborhood	16.609	\$ 153,025
Project Safe Neighborhood Anti-Gang Initiative	16.744	238,620
Central Weed and Seed	16.595	<u>109,953</u>
Total U.S. Department of Justice		501,598
National Science Foundation -		
NSF: GVSU/UM Partnership for Advancing Women in Science & Engineering	47.075	28,017
U.S. Small Business Administration:		
Michigan Small Business and Technology Development Center Headquarters - 2008	59.037	1,180,618
Michigan Small Business and Technology Development Center Headquarters - 2009	59.037	<u>1,087,070</u>
Total U.S. Small Business Administration		2,267,688
U.S. Environmental Protection Agency -		
West Michigan Strategic Alliance Regional Sustainable Manufacturing Initiative (GVSU is fiscal agent for West Michigan Strategic Alliance)	66.716	69,136
U.S. Department of Transportation -		
Michigan Rail Passenger Benefits Study	20.515	62,581
U.S. Department of Labor - West Michigan WIRED (GVSU is the fiscal agent for West Michigan Strategic Alliance)		
	17.261	<u>1,952,706</u>
Total federal awards provided to subrecipients		<u><u>\$ 4,881,726</u></u>



# Grand Valley State University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2009

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

#### Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major program(s):

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  Yes  No

Identification of major program(s):

CFDA Number(s)	Name of Federal Program or Cluster
84.063, 84.268, 84.038, 84.033, 84.007, 84.375, 84.376, 84.379 and 93.364	Student Financial Assistance Cluster
84.047, 84.044A, 84.042, 84.217	TRIO Cluster
84.027	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs: \$930,155

Auditee qualified as low-risk auditee?  Yes  No

# Grand Valley State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2009

### Section II - Financial Statement Audit Findings

Reference Number	Findings
	None

### Section III - Federal Program Audit Findings

Reference Number	Findings
2009-01	<p><b>Program Name</b> - Student Financial Assistance Cluster (SFA) - William D. Ford Direct Loan Program - Direct Federal - CFDA# 84.268</p> <p><b>Finding Type</b> - Noncompliance/Significant deficiency</p> <p><b>Criteria</b> -34 CFR Section 668.22(g) states that the institution must return the lesser of (1) the total amount of unearned Title IV assistance to be returned as described above or (2) an amount equal to the total institutional charges incurred by the student for the payment period or period of enrollment multiplied by the percentage of Title IV grant or loan assistance that has not been earned by the student. Returns of Title IV funds are required to be deposited or transferred into the SFA account or electronic fund transfers initiated to the Department of Education or the appropriate lender as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew.</p> <p><b>Condition</b> - Two of the students selected for Return of Title IV testing did not have their funds returned to the appropriate agency within the 45-day time period.</p> <p><b>Questioned Costs</b> - The actual error was \$3,747. The extrapolated error is \$31,503, which was calculated using the actual error, the testing population of \$51,100, and the estimated total population of \$429,619 (total number of returns performed multiplied by the average amount per return in sample).</p> <p><b>Context</b> - The University was notified of a student's withdrawal on September 15, 2008 and February 10, 2009, respectively, and performed a calculation to return \$579 and \$3,168, respectively, for each of the students. However, the University did not return the Title IV funds by the respective deadlines of October 30, 2008 and March 27, 2009.</p>

# Grand Valley State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2009

### Section III - Federal Program Audit Findings (Continued)

Reference Number	Findings
2009-01 (Continued)	<p><b>Cause and Effect</b> - The University performed the calculations for Return of Title IV funds, but either never returned the funds or returned the funds outside of the 45-day time frame. The financial aid office staff made an error which was not caught by the individual returning the funds.</p> <p><b>Recommendation</b> - The University should implement procedures to ensure that return of funds occurs within the 45-day time period.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - To ensure the return of Title IV assistance occurs within the 45-day time period, a new electronic flag has been added to the software that alerts financial aid staff when excess funds have not been returned.</p> <p>In addition, the financial aid procedure manual has been updated to require an additional review by financial aid staff to assure that all excess funds are returned timely.</p>

Reference Number	Findings
2009-02	<p><b>Program Name</b> - Student Financial Aid Cluster - William D. Ford Direct Loan (FDL) Program - Direct Federal - CFDA# 84.268</p> <p><b>Finding Type</b> - Noncompliance/Significant deficiency</p> <p><b>Criteria</b> - In order to be eligible for aid, the student must be admitted as a regular student in an eligible program. For FDLs, students must be enrolled at least half time and the student can be enrolled, on at least a halftime basis, in a course of study necessary for enrollment in an eligible program for no longer than one year (34 CFR Section 668.32).</p> <p><b>Condition</b> - One of the students selected for Return of Title IV testing was not enrolled in classes; therefore, he was not eligible to receive aid. He was still granted aid, and those funds were not properly returned.</p>

# Grand Valley State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2009

### Section III - Federal Program Audit Findings (Continued)

Reference Number	Findings
2009-02 (Continued)	<p><b>Questioned Costs</b> - The actual error was \$579. The extrapolated error is \$4,868, which was calculated using the actual error, the testing population of \$51,100, and the estimated total population (total number of returns performed and average amount per return in sample) of \$429,619.</p> <p><b>Context</b> - The University was notified of a student's withdrawal on September 15, 2008, but the student was still granted financial aid.</p> <p><b>Cause and Effect</b> - The University granted aid to an ineligible student and then calculated a return of Title IV funds of \$579, but it did not return the funds within the appropriate time frame. The financial aid office staff made an error which was not caught by the individual returning the funds.</p> <p><b>Recommendation</b> - The University should implement procedures to ensure that a student is enrolled before it grants aid to that student.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - To ensure that a student is enrolled before Title IV aid is granted to that student, financial aid has made the following electronic programming enhancements:</p> <ul style="list-style-type: none"><li>• Special identifier for students who were enrolled at census, awarded, but withdrew during the 75 percent refund period</li><li>• Special identifier for students who go through financial aid packaging process and are not currently registered</li></ul>

# Grand Valley State University

## Summary Schedule of Prior Audit Findings Year Ended June 30, 2009

Reference Number	Corrective Action Taken
2008-01	<p><b>Program Name</b> - Student Financial Aid Cluster - CFDA#84.038</p> <p><b>Description</b> - Of the 27 students tested, two were not exited properly and did not receive any grace period notices. The University did not have procedures in place to properly identify the students who should have been exited.</p> <p><b>Status</b> - Corrective action was taken. There is a program in Banner (RPBLMIE) that provides the University a file showing every student who has left the University. The University reviews the report, processes the exit, and grace period notices are sent in a timely manner.</p>
2008-02	<p><b>Program Name</b> - Student Financial Aid Cluster - CFDA#84.268</p> <p><b>Description</b> - Of the 27 students tested, one student received a Direct Unsubsidized loan that exceeded the maximum loan amount for the period.</p> <p><b>Status</b> - Corrective action was taken. All financial aid staff now review the loan limits and the distinction of limits for the Direct Subsidized, Direct Unsubsidized vs. the Graduate PLUS loans.</p>

**A-133 Corrective Action Plan  
June 30, 2009**

<b>Reference Number</b>	<b>Contact Person</b>	<b>Corrective Action Planned</b>	<b>Anticipated Completion Date</b>
2009-01	Ed Kerestly, Director of Financial Aid	<p>To ensure the return of Title IV assistance occurs within the 45 day time period, a new electronic flag has been added to the software that alerts Financial Aid staff when excess funds have not been returned.</p> <p>In addition, the Financial Aid procedure manual has been updated to require an additional review by Financial Aid staff to assure that all excess funds are returned timely.</p>	Completed
2009-02	Ed Kerestly, Director of Financial Aid	<p>To ensure that a student is enrolled before Title IV aid is granted to that student, Financial Aid has made the following electronic programming enhancements:</p> <ul style="list-style-type: none"> <li>• Special identifier for students who were enrolled at census, awarded, but withdrew during the 75% refund period.</li> <li>• Special identifier for students who go through financial aid packaging process and are not currently registered</li> </ul>	Completed