

Grand Valley State University

**Federal Awards
Supplemental Information
June 30, 2011**

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 (the "University") as of and for the year ended June 30, 2011 and have issued our report thereon dated October 10, 2011. Those 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

October 10, 2011

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 the Board of Trustees
Grand Valley State University

We have audited the financial statements of Grand Valley State University (the "University") as of and for the year ended June 30, 2011 and have issued our report thereon dated October 10, 2011. 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 University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 University, 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

October 10, 2011

Report on Compliance with Requirements That Could Have a Direct and
Material Effect on Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133

Independent Auditor's Report

To the Board of Trustees
Grand Valley State University

Compliance

We have audited the compliance of Grand Valley State University (the "University") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

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

This report is intended solely for the information and use of management, the board of trustees, others within the University, 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 3, 2012

Grand Valley State University

Schedule of Expenditures of Federal Awards Year Ended June 30, 2011

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	84.268	P268K011378	\$ 160,459,660
Federal Supplemental Education Opportunity Grant Program	84.007	P007A102012	1,240,755
Federal Work Study Program	84.033	P033A102012	1,138,015
Federal Pell Grant Program	84.063	P063P33265/43265	31,241,103
Federal Academic Competitive Grants	84.375	P375A080226	1,373,720
Federal Smart Grants	84.376	P376S080226	1,639,125
Federal Perkins Loan Program - Loans Outstanding (Note 3)	84.038		11,056,910
Federal TEACH Grants	84.379	P379T090226	540,755
U.S. Department of Health and Human Services - Direct program:			
ARRA Scholarships for Disadvantaged Students 2010-11	93.407		10,195
Scholarships for Disadvantaged Students 2010-11	93.925		15,546
Nursing Student Loan Program - Loans Outstanding (Note 3)	93.364		<u>285,258</u>
Total Student Financial Assistance Cluster			209,001,042
TRIO Cluster - U.S. Department of Education - Direct programs:			
TRIO - Upward Bound	84.047	P047A20464	383,798
TRIO - Talent Search	84.044A	P044A070112	373,931
TRIO - Educational Support Services	84.042	P044AI0252/40497	291,260
TRIO - Ronald E. McNair Post-Baccalaureate Achievement Program	84.217	P217A50004	<u>240,312</u>
Total TRIO Cluster			1,289,301
Research and Development Cluster:			
Environmental Protection Agency - Direct programs:			
Lake Michigan Great Outreach and Education	66.469		13,904
Observatory for Ecosystem Changes in Muskegon Lake	66.469		227,036
Studies to Support Ruddiman Creek Implementation-Ready TMDL	66.469		82,766
Lake-specific Onboard Education and Outreach	66.469		26,366
Environmental Protection Agency - Pass-through programs:			
Passed through Michigan Department of Natural Resources and Environment - Passed through Central Michigan University - Great Lakes Connections	66.469		3,000
Passed through Muskegon Conservation District - Duck Creek Watershed Planning Project	66.454	C600E54801	17,876
Passed through Muskegon River Watershed Assembly - Bear Creek/Bear Lake (Muskegon County) Implementation 2 Project	66.469	TC2010-0013	13,755
Passed through Grand Valley Metro Council - Lower Grand River Organization of Watershed Initiatives	66.460		(268)
Passed through Central Michigan University - Great Lakes Coastal Wetland Monitoring	66.469		16,819

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Clusters (Continued):			
Research and Development Cluster (Continued):			
Passed through National Environment Educational and Training -			
Program/Project WET Foundation - Correlate Project WET K-12			
Curriculum and Activity Guide to the Michigan Grade Level Expectations -			
Mathematics, Language Arts, Social Studies (K-8); Michigan			
High School Content Expectations: Science (8-12)	66.950		\$ (308)
Total Environmental Protection Agency			400,946
National Aeronautics and Space Administration - Direct program -			
XMM-Newton Announcement of Opportunity: Identifying the TeV			
Gamma-Ray Source MGO 1908+06	43.unknown		15,232
National Aeronautics and Space Administration - Pass0through programs:			
Passed through Michigan Space Grant Consortium:			
NASA/MSGC:10-11 Bender/Montoya Fellowship	43.unknown		661
NASA/MSGC:10-11 Montoya Fellowship	43.unknown		1,020
NASA/MSGC:10-11 Walters Fellowship	43.unknown		847
NASA/MSGC:10-11 Siemer Fellowship	43.unknown		1,214
NASA/MSGC:10-11 O'Hearn Fellowship	43.unknown		847
NASA/MSGC:10-11 Koeman Fellowship	43.unknown		964
NASA/MSGC:10-11 Bleiler Fellowship	43.unknown		1,020
NASA/MSGC:10-11 Bender Seed	43.unknown		1,737
NASA/MSGC:10-11 Dill	43.unknown		6,578
NASA/MSGC:10-11 Bolen	43.unknown		1,150
NASA/MSGC:10-11 Meyers	43.unknown		8,750
NASA/MSGC:10-11 Tavalire Fellowship	43.unknown		347
NASA/MSGC:10-11 Dila Fellowship	43.unknown		3,844
NASA/MSGC:10-11 Beckmann	43.unknown		5,733
NASA/MSGC:10-11 Administration	43.unknown		2,604
NASA/MSGC:11-12 Syers Fellowship	43.unknown		1,976
NASA/MSGC:11-12 LaRue Fellowship	43.unknown		4,758
NASA/MSGC:11-12 Horne Fellowship	43.unknown		576
NASA/MSGC:11-12 Steps Grant	43.unknown		10,000
NASA/MSGC:11-12 Howard Fellowship	43.unknown		2,500
NASA/MSGC:11-12 Muling Fellowship	43.unknown		2,500
NASA/MSGC:11-12 Knochenhauer Fellow	43.unknown		2,500
NASA/MSGC:11-12 Administration	43.unknown		950
Total National Aeronautics and Space Administration			78,308
National Science Foundation - Direct programs:			
NSF: Target Inquiry: Investigating the Teacher and Student Effects of a			
New Model in Chemistry Teacher Professional Development			
	47.076		157,138
NSF RUI: Elucidating Regulatory Mechanism in the Diaphanous			
Related Formin Proteins using an Integrated Approach to			
Undergraduate Research and Education			
	47.074		127,366

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

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 - Direct programs (Continued):			
NSF Collaborative Research: A Multi-Proxy Search for the Deglacian			
Deep Sea Carbonate Preservation Maximum	47.050		\$ 7,043
NSF: Support for Dynamic Students in Math, Science, Engineering & Computing	47.076		144,443
NSF: Intergovernmental Personnel Act (IPA) - Scott Grissom Assignment	47.unknown	DUE-0956295	184,584
NSF: RUI: Evolutionary and Ecological Importance of Hybridization and Cryptic Diversity in a Rapidly Expanding Aquatic Plant	47.074		64,114
ARRA NSF: Integration of Nanotechnology into Undergraduate Engineering and Science Education	47.082		92,633
ARRA NSF: Collaborative Research: Sustaining and Amplifying the ITEX AON through Automation and Increased Interdisciplinarity of Observations	47.082		96,488
NSF: REU Site: Grand Valley State University Summer Undergraduate Research Program in Mathematics	47.049		87,406
NSF: Collaborative Project: Collaborations for Building Michigan Geology Talent	47.050		9,610
NSF: MRI: Acquisition of an Automated Genetic Analyzer for Interdisciplinary Research and Teaching at GVSU	47.074		41,276
NSF: Exploring Hoogland, Haasgat, and Plio-Pleistocene Landscape of the Schurveberg Mountain Region South Africa	47.075		71,915
ARRA NSF: Science Master's Program - Biomedical Engineering	47.082		130,563
NSF: RUI Theoretical Study of the Removal of Triplet Herzberg States of Oxygen by Collisions with Nitrogen	47.049		15,594
NSF: Collaborative Research-EAGER-Genomic Insights into Microbial Mat Diversity and Proterozoic Geobiology	47.050		7,739
NSF: RUI-TeV Observations of Galactic Sources with VERITAS	47.049		7,042
NSF: Advancing Chemistry by Enhancing Learning in the Laboratory	47.076		2,393
NSF: Collaboration: Seston Contributions to Metabolism Across Longitudinal Ecosystems (SCALE)	47.074		13,722
National Science Foundation - Pass-through programs:			
Passed through Western Michigan University -			
Transition to College Mathematics and Statistics	47.076		45,557
Passed through Mathematical Association of America -			
13th Annual Michigan Undergraduate Mathematics Conference	47.049		<u>2,000</u>
Total National Science Foundation			1,308,626
U.S. Department of Commerce - Direct program -			
Public Telecommunications Facilities Program	11.550		87,262
U.S. Department of Energy - Direct program -			
Lake Michigan Offshore Wind Technology Data Collection Project	81.087		<u>636,485</u>
Total Research and Development Cluster			2,511,627

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Clusters (Continued):			
Special Education Cluster - Passed through the State of Michigan -			
Department of Education:			
Autism START Project 09-10	84.027		\$ 497,844
Autism START Project 10-11	84.027		<u>740,135</u>
Total Special Education Cluster			1,237,979
Other federal awards:			
U.S. Department of Agriculture:			
Passed through University of Minnesota/North Central Region-SARE			
GVSU Upward Bound TRIO Flower and Herb Garden at the GVSU Sustainable Agriculture Project	10.200	YENC10-032	262
Passed through Michigan Department of Education:			
TRIO Food Service	10.608		10,490
Child Care Food Service	10.608		<u>12,891</u>
Total U.S. Department of Agriculture			23,643
U.S. Department of Commerce:			
Passed through National Oceanic and Atmospheric Administration -			
Passed through University of Michigan/Michigan Sea Grant -			
Locating Wind Energy Facilities in Michigan's Coastal Counties: An Integrated Assessment for Muskegon and West Michigan	11.417		63,088
Passed through University of Michigan -			
Develop Forecasting Predictive Models Improving Coastal and Human Health and Beach Forecasting	11.432	3001594267	10,000
Passed through Great Lakes Commission/West Michigan Shoreline			
Regional Development Commission - ARRA - Muskegon Lake Great Lakes Area of Concern Habitat Restoration Project	11.463		<u>35,830</u>
Total U.S. Department of Commerce			108,918
U.S. Department of Defense, Army-Medical Research Materials Command			
Midwest Traumatic Rehabilitation Center	12.420	W81XWH-10-1-0607	481,516
U.S. Department of Defense - Army, Corps of Engineers -			
Passed through University of Minnesota -			
IUGLS Ecosystems Study Area Working Group: Investigating the Effects of Changes in Lake Level on Coastal Ecosystems	12.000		<u>5,350</u>
Total U.S. Department of Defense			486,866
U.S. Department of Interior/Fish and Wildlife Service -			
Passed through Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians of Michigan - Juvenile Lake Sturgeon (Acipenser Fulvescens) Assessments in the Kalamazoo and Grand Rivers			
	15.639		37,088

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
U.S. Department of Justice - Direct programs:			
Project Safe Neighborhood: 2007 Anti-Gang Initiative	16.744	#2007-PG-BX-0009	\$ 73,343
Project Safe Neighborhood: 2007 Gun Crime Reduction Initiative	16.609	#2007-GP-CX-0020	8,237
Project Safe Neighborhood 08	16.609	#2008-GP-CX-0036	7,343
Weed & Seed 08	16.595	#2007-WS-Q7-0100	1,488
Weed & Seed 09	16.595	#2009-WS-QX-0059	80,686
Western District of Michigan Project Safe Neighborhoods Initiative	16.609	#2009-GP-BX-0041	73,395
Transforming Grand Valley State University's Capacity to Educate, Prevent, and Respond to Sexual Assault, Domestic Violence, Dating Violence, and Stalking	16.525		42,886
Passed Through Ottawa County - Safe Communities Grant: Underage Drinking 10-11	16.727	JJ-11-03	<u>5,277</u>
Total U.S. Department of Justice			292,655
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		142,960
U.S. Department of Transportation:			
Passed through the MI Office of Highway - Safety Planning - Passed Through Ottawa County - Safe Communities Grant: Underage Drinking 09-10	20.600	JJ-10-11	8,162
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 4	20.931		11,538
Traffic Simulation in Regional Modeling: Concepts and Demonstration	20.931		24,985
A Study of Surface Run-off from US31/Seaway on Little Black Creek	20.931		<u>17,263</u>
Total U.S. Department of Transportation			61,948
National Endowment for the Humanities:			
Collection Assessment of the D.J. Angus Photograph Collection (Direct program)	45.149		6,000
Passed through Michigan Humanities Council II Festival Latin American Film	45.168		<u>500</u>
Total National Endowment for the Humanities			6,500
U.S. Small Business Administration - Passed through the Michigan Small Business and Technology Development Center (SBTDC):			
SBTDC 2009 Carryover Project	59.037		125,807
SBTDC 2010 Project	59.037		1,997,393
SBTDC 2011 Project	59.037		1,695,252
SBTDC Small Business Jobs Act Program	59.037		<u>345,636</u>
Total U.S. Small Business Administration			4,164,088

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
U.S. Department of Energy:			
Passed through Michigan Department of Energy, Labor & Economic Growth - Develop Offshore Wind Energy Road Show	81.041	BES-11-22	\$ 15,484
Passed through Western Michigan University - Genetic Approaches to Understanding the Population Level Impact of Wind Energy Development on Migratory Bats	81.087	25 7014330	<u>14,136</u>
Total U.S. Department of Energy			29,620
U.S. Department of Education:			
STAIR: Studies in Trans-Atlantic International Relations (Direct program)	84.116J		98,295
Federal Erma Byrd Scholarship Program (Direct program)	84.116P	PI16PI00017	5,000
Passed through Nation Writing Project Corporation - National Writing Project	84.928		41,907
Passed through Michigan Department of Labor and Economic Growth - Michigan GEAR UP/College Day Program	84.334S		10,227
Passed through Michigan Department of Education - Title II, Part A(3) Improving Teacher Quality: Educator's Mathematics Content Collaborative (E=mc2)	84.367B		128,558
Passed through Michigan Compact Campus - Passed through Michigan Nonprofit Association Project Go!	84.378A	CPC6-10	<u>1,959</u>
Total U.S. Department of Education			285,946
U.S. Department of Health and Human Service:			
Health Resources and Services Administration - Direct programs:			
Advanced Nursing Traineeship 10-11	93.358		32,446
ARRA Equipment - Preparing Physican Assistants	93.411		300,000
ADVANCE Nursing Workforce Diversity	93.178		82,010
Health Resources and Services Administration - Pass-through programs:			
Passed through Michigan State University - Geriatrics Education Center of Michigan	93.969		5,400
Passed through University of Texas - Certificate in MCH Public Health	93.110		60,915
Administration for Children and Families - Passed through Michigan Department of Human Services - Passed through Early Childhood Investment Corporation - Passed through Detroit Public Television Education Engagement Project	93.575		4,000
National Institute of Health - Direct programs:			
Kappa Opioid Regulation of Ethanol Withdrawal and Relapse	93.273		59,636
Analysis of Candida Albicans Filamentation Using SILAC	93.855	1R03AI092155-01	16,082
Mapping the Binding State of Class D Beta-Lactamase Enzymes for Inhibitor Design and Discovery	93.855	1R15AI094489-01	19,045
Investigations of the Role of Key Active Site Residues of Two Class D Lactamases	93.855		<u>55,886</u>
Total U.S. Department of Health and Human Services			635,420

Grand Valley State University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2011

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Other federal awards (Continued):			
Corporation for National and Community Service - Direct program - Great Lakes Innovative Stewardship Through Education Network (GLISTEN) - Collaborative Cluster	94.005		\$ 13,395
U.S. Department of Homeland Security - Passed through Michigan State Police - Special Operations Division - Support for the Michigan Intelligence Operations Center (MIOC) Activities	97.005		<u>7,287</u>
Total federal awards			<u>\$ 220,336,283</u>

Grand Valley State University

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2011

Note 1 - Basis of Presentation and Significant Accounting Policies

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, 2011. Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. In addition, expenditures reported on the Schedule are recognized following the cost principles contained in OMB Circular A-21, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Because the Schedule presents only a selected portion of the operations of Grand Valley State University, it is not intended to and does not present the financial position, changes in net assets, or cash flows, if applicable, of Grand Valley State University. Pass-through entity identifying numbers are presented where available.

Note 2 - Adjustments and Transfers

As allowable and in accordance with federal regulations issued by the U.S. Department of Education, the University carried forward \$14,725 of the 2009-2010 Federal Work Study (84.033) award to the 2010-2011 award year.

The University carried forward \$499 of the 2009-2010 Supplemental Educational Opportunity Grant (84.007) award to the 2010-2011 award year. The University carried forward \$10,105 of the 2010-2011 Supplemental Education Opportunity Grant award to the 2011-2012 award year.

In addition, the University transferred \$52,961 of the Supplemental Educational Opportunity Grant to be used in Federal Work Study.

Grand Valley State University

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2011

Note 3 - Loans Outstanding and Issued

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 outstanding balances on these loans are disclosed in the schedule of expenditures of federal awards. The loans issued during the year include \$1,894,593 of Perkins Loans and \$105,983 of Nursing Student Loans.

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, 2011.

Grand Valley State University

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2011

Note 4 - Subrecipient Awards

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

Federal Program Title	CFDA Number	Amount Provided to Subrecipients
U.S. Department of Justice:		
Project Safe Neighborhood	16.609	\$ 84,848
Project Safe Neighborhood Anti-Gang Initiative	16.744	73,075
Central Weed and Seed	16.595	49,845
Total U.S. Department of Justice		207,768
U.S. Small Business Administration:		
Michigan Small Business and Technology Development Center Headquarters - 2010	59.037	723,724
Michigan Small Business and Technology Development Center Headquarters - 2011	59.037	1,236,316
Total U.S. Small Business Administration		1,960,040
U.S. Department of Defense, Army-Medical Research Materials Command: Midwest Traumatic Rehabilitation Center	12.420	190,301
U.S. Environmental Protection Agency:		
Ruddiman Creek Implementation-Ready TMDL	66.469	3,662
Lake-Specific Onboard Education and Outreach	66.469	10,663
Total U.S. Environmental Protection Agency		14,325
U.S. Department of Labor - West Michigan WIRED (GVSU is the fiscal agent for West Michigan Strategic Alliance)	17.261	143,010
National Science Foundation: Connecticut Agricultural Experiment Station	47.074	12,103
Total federal awards provided to subrecipients		\$ 2,527,547

Grand Valley State University

Schedule of Findings and Questioned Costs Year Ended June 30, 2011

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 programs:

- 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 programs: 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 programs:

CFDA Numbers	Name of Federal Program or Cluster
84.268, 84.007, 84.033, 84.063, 84.375, 84.376, 84.038, 84.379, 93.407, 93.925, and 93.364	Student Financial Assistance Cluster
Various	Research and Development Cluster
59.037	Michigan Small Business and Technology Development Center
93.411	ARRA Equipment - Preparing Physicians Assistants
12.420	Midwest Traumatic Rehabilitation Center

Dollar threshold used to distinguish between type A and type B programs: \$340,057

Auditee qualified as low-risk auditee? Yes No

Grand Valley State University

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2011

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None