

# **Grand Valley State University**

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**Federal Awards  
Supplemental Information  
June 30, 2016**

### Independent Auditor's Reports:

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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 basic financial statements of Grand Valley State University (the "University") and its discretely presented component unit as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated November 4, 2016, which contained unmodified opinions on the basic financial statements of the University and its component unit. Our audit was conducted for the purpose of forming an opinion 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 4, 2016.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

November 4, 2016

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 financial statements of Grand Valley State University (the "University") and its discretely presented component unit as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 4, 2016. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Grand Valley State University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 may exist that have not been identified.

To Management and 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 4, 2016

Report on Compliance for the Major Federal Program;  
Report on Internal Control Over Compliance

Independent Auditor's Report

To the Board of Trustees  
Grand Valley State University

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

We have audited Grand Valley State University's (the "University") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2016. Grand Valley State University's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for Grand Valley State University's major federal program based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for the major federal program. However, our audit does not provide a legal determination of Grand Valley State University's compliance.

To the Board of Trustees  
Grand Valley State University

### ***Opinion on the Major Federal Program***

In our opinion, Grand Valley State University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

### **Report on Internal Control Over Compliance**

Management of Grand Valley State University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Grand Valley State University's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2016-001, that we consider to be a significant deficiency.

Grand Valley State University's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. Grand Valley State University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

To the Board of Trustees  
Grand Valley State University

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*

November 4, 2016



# Grand Valley State University

## Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Clusters:</b>				
<b>Student Financial Assistance Cluster:</b>				
U.S. Department of Education - Direct Programs:				
William D. Ford Direct Loan Program	84.268	P268K011378	\$ -	\$ 160,646,391
Federal Supplemental Education Opportunity Grant Program (Note 3)	84.007	P007A102012	-	1,291,907
Federal Work Study Program (Note 3)	84.033	P033A102012	-	1,049,827
Federal Pell Grant Program	84.063	P063P33265/43265	-	28,795,393
Federal Perkins Loan Program -Beginning of year plus loans issued (Note 4)	84.038	N/A	-	12,400,083
Federal TEACH Grants	84.379	P379T090226	-	365,005
U.S. Department of Health and Human Services - Direct program -				
Nursing Student Loan Program - Beginning of year plus loans issued (Note 4)	93.364	N/A	-	445,304
Total Student Financial Assistance Cluster			-	204,993,910
<b>TRIO Cluster - U.S. Department of Education - Direct programs:</b>				
TRIO - Upward Bound	84.047	P047A20464	-	355,562
TRIO - Talent Search	84.044A	P044A070112	-	324,574
TRIO - Educational Support Services	84.042	P044AI0252/40497	-	311,931
TRIO - SSS Teacher Prep	84.042	P042A150761	-	124,394
TRIO - SSS Stem/Health Sciences	84.042	P042A150560	-	29,227
TRIO - Ronald E. McNair Post-Baccalaureate Achievement Program	84.217	P217AS0004	6,369	259,905
Total TRIO Cluster			6,369	1,405,593
<b>Research and Development Cluster:</b>				
Environmental Protection Agency - Direct programs:				
Coordinated Vessel-Based Education	66.469	GL-00E01113	5,663	27,560
Adaptive Management of Invasive Baby's Breath ( <i>Gypsophila paniculata</i> ) in Coastal Dune Habitat	66.469	GL-00E01934	-	16,417
Environmental Protection Agency - Pass-through programs:				
Passed through Ottawa Conservation District -				
Nonpoint Source Implementation - Bass River/Deer Creek Restoration	66.460	2013-0016	-	1,979
Passed through Muskegon River Watershed Assembly:				
Nonpoint Source Implementation - Houghton Lake E. Coli Reduction	66.460	20011-013	-	8,790
BMPs Implementation to Restore High Priority Riparian Areas	66.469	GL-00E01170	-	53
Passed through Great Lakes Commission -				
Passed through West Michigan Shoreline Regional Development Commission -				
Lower Muskegon River Wetland Pre-Restoration Monitoring Award	66.469	752317	-	18,610
Passed through the U.S. Department of Agriculture -				
Application of Prescribed Fire and Herbicide to Reduce <i>Carex</i> Pennsylvania	66.469	15-CS-11090400-008	-	2,858
Passed through the Department of Environmental Quality -				
Lower Grand River Education Initiative	66.460	2014-0005	22,619	167,481
Passed through Public Health Muskegon County -				
Beach Monitoring and Notification Program Grant	66.472	CU00E99305	-	12,211
Passed through Great Lakes Fishery Trust -				
Great Lakes Placed-Based Modeles	66.951	NE-00E01327	-	2,583
Passed through Central Michigan University:				
Great Lakes Coastal Wetland Monitoring	66.469	GL-00E01567	-	2,040
Great Lakes Basin Wide Coastal Wetlands	66.460	GL-00E00612	-	22,811
Total Environment Protection Agency			28,282	283,393
National Aeronautics and Space Administration - Direct program -				
NASA:TOO Observations of Galactic-Ray Transients Discovered with Fermi	43.001	NNX15AJ88G	-	18,328
National Aeronautics and Space Administration - Pass-through programs:				
Passed through Michigan Space Grant Consortium:				
NASA/MSGC:15-16 STEPS Camp 2015	43.008	NNZ15AJ20H	-	2,919
NASA/MSGC:15-16 Weinke-UG Fellowship	43.008	NNZ15AJ20H	-	7,860
NASA/MSGC:15-16 Woodland Jumping Mice	43.008	NNZ15AJ20H	-	4,935
NASA/MSGC:15-16 Schrottenborg UG Fellowship	43.008	NNZ15AJ20H	-	2,500
NASA/MSGC:15-16 Administration	43.008	NNZ15AJ20H	-	1,390

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	CFDA 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 - Pass-through programs (Continued):				
Passed through Michigan Space Grant Consortium (Continued):				
NASA/MSGC:15-16 Gezon-GR Fellowship	43.008	NNZ15AJ20H	\$ -	\$ 2,354
NASA/MSGC:15-16 Kindervater-GR Fellowship	43.008	NNZ15AJ20H	-	2,415
NASA/MSGC:15-16 Does the Nutritional Supplement DHA Affect the Ability of the Brain to Make Neurons?	43.008	NNZ15AJ20H	-	911
NASA/MSGC:15-16 Assessing the Importance of Rare Ecosystems for Carbon Sequestration in Western Lower Michigan	43.008	NNZ15AJ20H	-	599
NASA/MSGC:15-16 Probing the Tectonic Architecture of the Southern Appalachians - Using Electron Backscatter Diffraction Analysis to Characterize Fault Movement	43.008	NNZ15AJ20H	-	1,123
NASA/MSGC:15-16 Valachovics-UG Fellowship	43.008	NNZ15AJ20H	-	2,500
NASA/MSGC:15-16 Capps-UG Fellowship	43.008	NNZ15AJ20H	-	1,250
NASA/MSGC:16-17 STEPS Camp 2016	43.008	NNZ15AJ20H	-	1,386
NASA/MSGC:16-17 Administration	43.008	NNZ15AJ20H	-	227
Passed through University of Georgia - Ion-Neutral Collision Database for Astrophysics	43.001	RR185-447/4944316	-	20,950
Total National Aeronautics and Space Administration			-	71,647
National Science Foundation - Direct Programs:				
NSF: RUI: Elucidating Regulatory Mechanism for Bridging the Contractile Ring with the Cellular Membrane in Fission Yeast Cytokinesis	47.074	MCB-1157997	-	98,201
NSF: Artic Observing Networks-Collaborative Research: ITEX-AON-Understanding the relationships between vegetation change, plant phenology, and ecosystem function in a warming Arctic	47.050	1504224	-	14,724
NSF: Mentoring/Academic Support and Scholarships for Science Students (MAS4)	47.076	DUE-1060245	-	163,285
NSF: Collaborative Research: Further Development and Testing of the Target Inquiry Model for Middle and High School Science Teacher Professional Development	47.076	DRL-1118658	-	214,218
NSF: Stopping Rule Selection Theory	47.075	SES-1156681	-	15,026
NSF: Collaborating with EMU for Building Michigan Geology Talent	47.050	GEO-1108061	-	1,800
NSF:HILT-LAS Project	47.076	1504013	56,522	113,879
NSF: Carbonate Preservation in Pelagic Sediments: Developing A New Aragonite Preservation Proxy	47.050	OCE-1219739	-	13,159
NSF: REU Site-GVUS Summer Undergraduate Research Program in Mathematics	47.049	DMS-1262342	-	33,098
NSF: Using Assistive Device Design to Implement Corner Stone Project Based Learning	47.041	CBET-1264321	-	16,876
NSF: Arctic Observing Networks - Collaborative Research: Sustaining and amplifying the ITEX AON through automation and increased interdisciplinarity of observations	47.050	PLR-1432277	-	44,132
NSF: REU QUEST	47.074	1461249	-	98,915
NSF: Multiscale Modeling with a Partial Differential Equations in Computational Science and Engineering	47.049	1500067	-	3,945
Passed through Vinazene -				
STTR High Energy Density Non-aqueous Pseudocapacitors	47.041	GVSU-2015-001	-	37,184
Passed through Carleton Foundation -				
STEP Center - InTeGrate	47.076	28-1976-GVSU	-	24,018
Passed through Michigan State University -				
The Impact of Social Capital and Mentoring in Earth System Science Workforce Development	47.076	RC105254GVSU	-	6,802
Passed through Northern Kentucky University Research Foundation -				
The TIM Consortium: a Dispersed REU Site in Theoretically Interesting Molecules	47.049	4001167-02	-	12,833
Total National Science Foundation			56,522	912,095

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Health and Human Services:				
Passed through National Institutes of Health:				
Biochemical and structural analysis of emerging resistance threats in <i>Acinetobacter baumannii</i>	93.855	2R15A1082416-03	\$ 2,490	\$ 137,127
Structure-based discovery and design of novel class D beta-lactamase inhibitors	93.855	2R15A1094489-02	-	126,144
Passed through University of Nebraska -				
Global Genomic and Proteomic Profiling of African Children with Typhoid Fever	93.855	34-5319-2002-001	-	84,942
Passed through Case Western Reserve University -				
Understanding B-Lactam Resistance in <i>Acinetobacter baumannii</i>	93.855	RES509045	-	30,317
Passed through Michigan Department of Community Health -				
MiCAPABLE-Community Aging in Place, Advancing Better Living for Elders in the Michigan Medicaid Home and Community-Based Waiver-Program	93.778	20160408-00	129,521	227,411
Passed through University of Oklahoma:				
Sourcing Bioactive Secondary Metabolites from Great Lakes Fungi	93.859	2015-04	-	37,539
Wayfinding in Aging and Alzheimer's Disease within a Virtual Senior Residence	93.866	R15AG037946	-	4,183
Total U.S. Department of Health and Human Services			132,011	647,663
U.S. Department of Agriculture:				
Passed through University of Michigan - Examining Disparities in Food Access and Enhancing the Food Security of Under-served Populations in Michigan	10.310	2012-68004-20028	-	45,900
Passed through West Michigan Environmental Action Council - Stormwater Green Infrastructure Ecosystem Services Calculator	10.675	WMEAC-2015-1	-	35,381
Passed through Muskegon Conservation District - City of Muskegon Site Determination and Implementation	10.675	13-DG-11420004-222	-	2
Total U.S. Department of Agriculture			-	81,283
U.S. Department of Transportation -				
Passed through San Jose State University Research Foundation - Mineta National Transit Research Consortium Led by the Mineta Transportation Institute (MTI)	20.702	DTRT12-G-UTC21	-	2,610
U.S. Department of Commerce:				
Passed through Michigan Department of Environmental Quality, Office of the Great Lakes, Coastal Zone Management Program - Lower Grand River Water Trail Assessments and Improving Plan for Ottawa County	11.419	WMEAC-2015-3	-	97
Passed through University of Michigan - Lake Sentinel-Observatory for Ecosystem Changes in Muskegon Lake AOC	11.432	NA12OAR4320071	-	39,206
Passed through Great Lakes Commission: Passed through West Michigan Shoreline Regional Development Commission:				
Regional Partnership to Restore Habitat and Remove Beneficial Use Impairments in the U.S. and Binational Areas of Concern - Muskegon Lake Mill Debris Monitoring	11.463	752216	-	28,992
Regional Partnership to Restore Habitat and Remove Beneficial Use Impairments in the U.S. and Binational Areas of Concern - Muskegon River Veterans Memorial Park Fisheries and Water Quality Monitoring	11.463	752000	-	9,737
Regional Partnership to Restore Habitat and Remove Beneficial Use Impairments in the U.S. and Binational Areas of Concern - Bear Creek Hydrologic Reconnection and Wetland Restoration	11.463	752217	-	2,478
Total U.S. Department of Commerce				80,510
U.S. Department of Energy -				
Passed through Vinazene Corp. - A Single Substance Organic Rebox Flow Battery	81.049	GVSU-2013-001	-	14,704
U.S. Department of Interior/Fish and Wildlife Service:				
Passed through the University of Tennessee - Inventory and Documentation of Bats in Wrangell-St Elias and Glacier Bay	15.945	A12-0366	-	5,262
Passed through Gun Lake Tribe - Spawning Habitat Restoration and Egg and Larval Surveys in the Kalamazoo River	15.630	F13AC00508	-	7,627
Total U.S. Department of Interior/Fish and Wildlife Service			-	12,889
Total Research and Development Cluster			216,815	2,106,794

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	CFDA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters (Continued):				
Special Education Cluster - U.S. Department of Education -				
Passed through the State of Michigan Department of Education:				
Autism START Project 14-15	84.027	150470-3D51	\$ -	\$ 841,924
Autism START Project 15-16	84.027	160470-3D51	-	816,878
Total Special Education Cluster			-	1,658,802
Highway Safety Cluster - U.S. Department of Transportation -				
Passed through Michigan Office of Highway Safety Planning - Passed through the County of Ottawa:				
Ottawa County Underage Drinking Enforcement 2014-2015	20.601	AL-15-11	-	1,779
Ottawa County Underage Drinking Enforcement 2015-2016	20.616	AL-16-10	-	2,257
Total Highway Safety Cluster			-	4,036
Other federal awards:				
U.S. Small Business Administration - Direct:				
SBTDC 2014 Carryover Project	59.037	SBAHQ-14B-0024	-	186,065
SBTDC 2015 Project	59.037	SBAHQ-15B-0051	1,371,010	1,737,983
SBTDC 2015 Carryover Project	59.037	SBAHQ-15B-0051	-	98,010
SBTDC 2016 Project	59.037	SBAHQ-16B-0065	641,011	1,712,917
Passed through Michigan Economic Development Commission - State Trade & Export Promotion 2016	59.061	CASE-156973	-	43,877
Total U.S. Small Business Administration			2,012,021	3,778,852
U.S. Department of Education:				
Passed through Michigan Strategic Fund/Workforce Development Agency:				
Michigan GEAR UP/College Day Program 2015	84.3345	14-00-04	-	5,275
Michigan GEAR UP/College Day Program 2016	84.3345	15-00-04	-	91,681
Passed through University of California at Berkeley - 2014-2016 SEED Teacher Leadership Development	84.367	03-M110-SEED2012	-	10,005
Passed through Michigan Department of Education:				
Title II, Part A(3) Improving Teacher Quality: Science Teacher Education and Development (STEAD) 3	84.367B	140290-005	-	81,894
CEEDAR Grant Funding	84.325	N/A	-	10,709
Passed through Wayne RESA - Promoting Reform in Mathematics Education - Developing Mathematical Thinkers	84.366B	N/A	-	4,641
Total U.S. Department of Education			-	204,205
U.S. Department of Health and Human Services:				
Affordable Care Act - Expansion of Physician Assistant Training Program - Direct	93.514	T88HP20927	-	574,806
Advanced Education Nursing Traineeship - Direct	93.358	A10HP25178	-	349,380
Physician Assistant Training in Primary Care - Direct	93.884	D57HP25318	-	206,180
Passed through University of Texas - Certificate in MCH Public Health	93.110	5704MC12785-07-00	-	31,935
Passed through Michigan Department of Community Health - Nurse Education, Practice Quality, and Retention - Interprofessional Collaborative Practice				
	93.359	UD7HP25052	-	5,221
Passed through Center for Disease Control - Passed through Spectrum Health Hospitals - Rural Health Care Services Outreach Grant Program	93.912	HR-RFK12-01	-	(698)
Total U.S. Department of Health and Human Services			-	1,166,824
U.S. Department of Agriculture:				
Rural-Focused Agricultural Innovation and Entrepreneurship Training Programs - Direct				
	10.769	RBEG-TRAINING	-	10,089
Passed through Michigan Department of Education:				
TRIO Food Service	10.608	N/A	-	6,926
Child Care Food Service	10.608	70-0000	-	10,763
Passed through Appalachian State University - Bee Informed Partnership: A Nationwide Network for Monitoring and Maintaining Honey - Bee Health and Pollination Services				
	10.310	A12-0175-S001-A01	-	43,829
Passed through University of Maryland - Validating, Refining, and Encouraging the Implementation of Honey Bee best Management Practices				
	10.310	Z5775005	-	8,410
Total U.S. Department of Agriculture			-	80,017

# Grand Valley State University

## Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2016

Program Title/Project Number/Subrecipient Name	CFDA 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 - Groundswell FORCES	11.429	NA12NOS4290064	\$ -	\$ 33,232
U.S. Department of Defense: Passed through National Security Agency: Pi Mu Epsilon National Conference 2015	12.901	H98230-15-1-0125	-	14,000
Summer Mathematics REU 15-16	12.901	H98230-16-1-0030	-	35,359
Total U.S. Department of Defense			-	49,359
U.S. Department of Justice - Transforming Grand Valley State University's Capacity to Educate, Prevent, and Respond to Sexual Assault, Domestic Violence, Dating Violence, and Stalking	16.525	2010-WA-AX-0018		93,145
National Endowment for Humanities: Growing Community-A Century of Migration in Oceana County	45.149	PY-234362-16	-	5,333
Moral Psychology and Education - Putting the Humanities to Work	45.163	EH-231029-15	-	143,223
New Music From Our Centennial Lands	45.024	16-3100-7055	-	15,000
Passed through the Michigan Humanities Council Documenting the Urban Native American Experience in Grand Rapids	45.129	Q027-15	-	500
Total National Endowment for Humanities			-	164,056
Total federal awards			<b>\$ 2,235,205</b>	<b>\$ 215,738,825</b>

# Grand Valley State University

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

### 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 under programs of the federal government for the year ended June 30, 2016. The information in this 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 Grand Valley State University, it is not intended to and does not present the financial position, changes in net position, or cash flows of Grand Valley State University.

### Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, *Cost Principles for Educational Institutions*, or 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. Pass-through entity identifying numbers are presented where available.

The University has not elected to use the 10 percent *de minimus* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance because the University already has an approved federal indirect cost rate.

### Note 3 - Adjustments and Transfers

The University carried forward \$130,332 of the 2015-2016 Supplemental Education Opportunity Grant (84.007) 2015-2016 award to the 2016-2017 award year and \$112,070 of Supplemental Education Opportunity Grant funds from the 2014-2015 award year were carried forward and spent in the 2015-2016 award year.

In addition, \$22,750 of Federal Work Study funds from the 2014-2015 award year were carried forward and spent in the 2015-2016 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.

# Grand Valley State University

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

### Note 4 - Loans Balances (Continued)

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, 2016.

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. The balances of loans outstanding at June 30, 2016 consist of the following:

<u>Cluster/Program Title</u>	<u>CFDA Number</u>	<u>Loan Balances</u>
Federal Perkins Loan Program	84.038	\$ 10,402,651
Nursing Student Loan Program	93.364	<u>374,281</u>
	Total	<u>\$ 10,776,932</u>

# Grand Valley State University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2016

### 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  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: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a)?  Yes  No

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.268, 84.007, 84.033, 84.063, 84.038, 84.379, and 93.364	Student Financial Assistance Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No

### Section II - Financial Statement Audit Findings

None



# Grand Valley State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2016

### Section III - Federal Program Audit Findings

Reference Number	Finding
2016-001	<p><b>CFDA Number, Federal Agency and Program Name</b> - U.S. Department of Education - Student Financial Assistance Cluster - 84.268, 84.007, 84.063, 84.038, 84.379</p> <p><b>Federal Award Identification Number and Year</b> - 2016</p> <p><b>Pass-through Entity</b> - N/A</p> <p><b>Finding Type</b> - Significant deficiency</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - Institutions are required to return a pro-rata share of Title IV financial aid for students who receive all failing and/or incomplete grades and it is determined that they have unofficially withdrew (34 CFR section 668.22(g))</p> <p><b>Condition</b> - For one student out of 25 tested for return of Title IV, the University failed to return the full calculated refund amount of Title IV financial aid within the required timeframe.</p> <p><b>Questioned Costs</b> - The portion of the refund not returned was related to Pell of \$632.</p> <p><b>Identification of How Questioned Costs Were Computed</b> - The questioned costs were calculated based on the amount that was not remitted. The amount that should have been remitted is calculated as a percentage of the total amount of Title IV aid received based on the amount of time in which the student was enrolled at the University.</p> <p><b>Context</b> - Of the 25 students selected for Return of Title IV (R2T4) testing, the University failed to refund \$632 of Pell funds. This resulted in an error of \$632 out of the \$148,293 tested. Upon discovery of the error, the University reviewed all R2T4 calculations, noting no other errors were identified.</p> <p><b>Cause and Effect</b> - Although the University has a thorough internal review process, human error resulted in missing the Pell amount that was to be refunded.</p> <p><b>Recommendation</b> - The University should reimburse the funds that were not appropriately earned by the student to the provider based on the return of Title IV calculations performed. Appropriate personnel should perform and review all calculations.</p>

# Grand Valley State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2016

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

Reference Number	Finding
2016-001 (Con't)	<b>Views of Responsible Officials and Planned Corrective Actions -</b> Management returned the \$632 upon discovery. In addition, management has made changes to training procedures and return of Title IV calculations will now only be calculated by individuals at an assistant director (or higher) level within the student financial aid office.

# Grand Valley State University

## Summary Schedule of Prior Audit Findings Year Ended June 30, 2016

<u>Prior Year Finding Number</u>	<u>Fiscal Year in Which the Finding Initially Occurred</u>	<u>Federal Program, CFDA Number, and Name</u>	<u>Original Finding Description</u>	<u>Status/Partial Corrective Action (as Applicable)</u>	<u>Planned Corrective Action (if Finding not Corrected)</u>
2015-001	2015	TRIO Cluster - Upward Bound - CFDA #84.047	The University's internal procedures failed to reallocate expenditures made on a departmental purchasing card that were not allowable under the grant agreement.	Fully corrected	N/A



September 30, 2016

Federal Audit Clearinghouse  
RE: Grand Valley State University  
**Corrective Action Plan**  
Fiscal Year Ended June 30, 2016

**Finding Number: 2016-001**

**Condition:** The University's internal procedures failed to return the full calculated refund amount of Title IV financial aid.

**Planned Corrective Action:** The procedures were reviewed and they were correct and did not need updating. We have made changes to how we train and turn over new responsibilities. R2T4 will now only be handled by individuals at an Assistant Director (or higher) level within the office.

**Contact person responsible for corrective action:** Michelle Rhodes, Director of Financial Aid and Francesca Golden, Associate Director of Financial Aid

**Anticipated Completion Date: 07/01/2016**