

**University of Central Missouri**

Accountants' Reports  
Federal Awards Programs  
June 30, 2011

# University of Central Missouri

June 30, 2011

## Contents

Schedule of Expenditures of Federal Awards .....	1
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	6
Independent Accountants' 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 and Schedule of Expenditures of Federal Awards .....	8
Schedule of Findings and Questioned Costs .....	10
Summary Schedule of Prior Audit Findings .....	14

**University of Central Missouri**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2011**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Amount Expended</b>
<b>U.S. Department of Education</b>		
Federal Supplemental Educational Opportunity Grants	84.007	\$ 208,317
Federal Work Study Program	84.033	312,567
Federal Perkins Loan Program	84.038	9,606,796
Federal Pell Grant Program	84.063	14,663,641
Federal Direct Student Loans	84.268	61,498,697
Academic Competitiveness Grants	84.375	672,023
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	291,221
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379	<u>111,722</u>
<b>Total Student Financial Assistance Cluster</b>		<u>87,364,984</u>
<b>Other U.S. Department of Education Direct Programs</b>		
TRIO Student Support Services	84.042	285,089
TRIO McNair Post-Baccalaureate Achievement	84.217	<u>249,514</u>
<b>Total TRIO Cluster</b>		<u>534,603</u>
<b>Fund for the Improvement of Postsecondary Education</b>		
Benchmarking International Homeland Security Education	84.116	<u>24,895</u>
<b>Safe and Drug-Free Schools and Communities National Programs</b>		
Preventing High Risk Drinking	84.184	<u>84,291</u>
<b>Passed-Through Missouri Department of Elementary and Secondary Education</b>		
Migrant Education - State Grant Program	84.011	<u>174,067</u>
<b>Special Education - Grants to States</b>		
Special Education Consultants - RPDC	84.027	402,971
RTI Implementation Support	84.027	<u>65,579</u>
Total CFDA Number 84.027		<u>468,550</u>
Career and Technical Education - Basic Grants to States	84.048	<u>1,173,814</u>
Teacher Quality Partnership Grants	84.336	<u>46,508</u>
<b>Pass-Through Missouri Coordinating Board of Higher Education</b>		
Improving Teacher Quality State Grants	84.367	<u>5,353</u>

**University of Central Missouri**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2011**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Amount Expended</b>
<b>Passed-Through Kansas City, Missouri School District</b>		
Fund For The Improvement of Education	84.215	\$ <u>16,228</u>
<b>Passed-Through Missouri Department of Higher Education</b>		
ARRA - State Fiscal Stabilization Fund - Education State Grants	84.394	2,572,169
ARRA - State Fiscal Stabilization Fund - Government Services - 09-10	84.397	<u>485,891</u>
<b>Total State Fiscal Stabilization Fund Cluster</b>		<u>3,058,060</u>
<b>Total U.S. Department of Education</b>		<u>92,951,353</u>
 <b>U.S. Department of Transportation</b>		
<b>State and Community Highway Safety</b>		
NHTSA Central Region Diversity Outreach Liaison	20.600	31,394
NHTSA Central Region Law Enforcement Liaison	20.600	<u>67,737</u>
Subtotal CFDA Number 20.600		<u>99,131</u>
<b>Passed-Through Missouri Division of Highway Safety</b>		
<b>State and Community Highway Safety</b>		
Crash Investigation	20.600	39,483
Driver Improvement Program	20.600	44,305
Click it or Ticket Enforcement	20.600	124,301
Occupant Protection - Youth Enforcement	20.600	23,325
Statewide Seat Belt Survey	20.600	87,573
Teen Seatbelt Survey	20.600	<u>44,109</u>
Subtotal CFDA Number 20.600		<u>363,096</u>
Total CFDA Number 20.600		<u>462,227</u>
<b>National Motor Carrier Safety</b>		
Commercial Vehicle Seatbelt Survey	20.218	<u>35,274</u>
<b>Alcohol Impaired Driving Countermeasures Incentive Grants I</b>		
Statewide DWI Enforcement	20.601	<u>301,448</u>
<b>Alcohol Open Container Requirements</b>		
SFST Coordination	20.607	99,960
Sobriety Checkpoint Supervision Training	20.607	43,701
Breath Alcohol Operations	20.607	82,429
Ignition Interlock Monitoring	20.607	56,964
Breath Alcohol Lab Operations	20.607	<u>116,353</u>
Total CFDA Number 20.607		<u>399,407</u>

**University of Central Missouri**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2011**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Amount Expended</b>
<b>State Traffic Safety Information System Improvement Grants</b>		
LETS Software Training	20.610	\$ 2,847
Statewide Traffic Accident Reporting Automation	20.610	<u>103,780</u>
Total CFDA Number 20.610		<u>106,627</u>
<b>Child Safety and Child Booster Seats Incentive Grants</b>		
Click it or Ticket CPS	20.613	<u>181,194</u>
<b>National Highway Traffic Safety Administration Discretionary Safety Grants</b>		
Rural Seatbelt Project	20.614	<u>31,610</u>
<b>Total Highway Safety Cluster</b>		<u>1,517,787</u>
<b>Total U.S. Department of Transportation</b>		<u>1,517,787</u>
 <b>U.S. Department of Health and Human Services</b>		
Social Services Research and Demonstration	93.647	<u>232,826</u>
<b>Passed-Through Catholic Charities of Kansas City</b>		
Compassion Capital Fund	93.009	<u>10,672</u>
<b>Total U.S. Department of Health and Human Services</b>		<u>243,498</u>
 <b>U.S. Small Business Administration</b>		
<b>Small Business Development Centers</b>		
SBDC Grant	59.037	142,498
SBA Jobs	59.037	<u>2,154</u>
Total CFDA Number 59.037		<u>144,652</u>
<b>Total U.S. Small Business Administration</b>		<u>144,652</u>
 <b>National Science Foundation</b>		
Mathematical and Physical Sciences	47.049	<u>690</u>

**University of Central Missouri**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2011**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Amount Expended</b>
<b>Education and Human Resources</b>		
Computer Science & Math Scholarship Program	47.076	\$ 133,885
A New Approach to Analytical Chemistry	47.076	50,603
Exploring Student Understanding of Physical Chemistry	47.076	<u>14,256</u>
Total CFDA Number 47.076		<u>198,744</u>
<b>Total National Science Foundation</b>		<u>199,434</u>
 <b>U.S. Department of Agriculture</b>		
Grants for Agricultural Research, Competitive Research Grants	10.206	<u>8,544</u>
Child and Adult Care Food Program	10.558	<u>47,224</u>
<b>Total U.S. Department of Agriculture</b>		<u>55,768</u>
 <b>U.S. Department of Justice</b>		
<b>Passed-Through Missouri Department of Public Safety</b>		
Enforcing Underage Drinking Laws Program	16.727	<u>109,956</u>
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	16.803	<u>39,313</u>
<b>Total U.S. Department of Justice</b>		<u>149,269</u>
 <b>U.S. Environmental Protection Agency</b>		
<b>Passed-Through Missouri Conservation Commission</b>		
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act	66.436	<u>889</u>
<b>Total U.S. Environmental Protection Agency</b>		<u>889</u>
 <b>National Endowment for the Arts</b>		
Promotion of the Arts - Grants to Organizations and Individuals	45.024	5,000

**University of Central Missouri**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2011**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Amount Expended</b>
Promotion of the Arts - Partnership Agreements	45.025	\$ 7,614
<b>Total National Endowment for the Arts</b>		<u>12,614</u>
 <b>U.S. Department of Labor</b>		
<b>Passed-Through Missouri Department of Elementary and Secondary Education</b>		
ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	<u>257,918</u>
<b>Total U.S. Department of Labor</b>		<u>257,918</u>
 <b>U.S. Department of Energy</b>		
<b>Passed-Through Missouri Institute of Science &amp; Technology</b>		
ARRA - Conservation Research and Development	81.086	<u>275,058</u>
<b>Total U.S. Department of Energy</b>		<u>275,058</u>
		<u><u>\$ 95,808,240</u></u>

**Notes to Schedule**

1. This schedule includes the federal awards activity of University of Central Missouri and is presented on the accrual basis of accounting. 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.
2. Of the federal expenditures presented in this schedule, University of Central Missouri provided no federal awards to subrecipients.

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

Board of Governors  
University of Central Missouri  
Warrensburg, Missouri

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of University of Central Missouri as of and for the year ended June 30, 2011, which collectively comprise its basic financial statements, and have issued our report thereon dated November 7, 2011, which contained a reference to the report of other accountants. 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. The financial statements of University of Central Missouri Foundation, which comprise 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, we considered the 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 would not necessarily identify all deficiencies in internal control 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.



Board of Governors  
University of Central Missouri

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the 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*.

We noted certain matters that we reported to the University's management in a separate letter dated November 7, 2011.

This report is intended solely for the information and use of the governing body, management and others within the University and 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.

*BKD, LLP*

November 7, 2011

## **Independent Accountants' 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 and Schedule of Expenditures of Federal Awards**

Board of Governors  
University of Central Missouri  
Warrensburg, Missouri

### ***Compliance***

We have audited the compliance of University of Central Missouri 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 University's major federal programs 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 the University's management. Our responsibility is to express an opinion on the compliance of University of Central Missouri 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 the 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 the University's compliance with those requirements.

In our opinion, University of Central Missouri 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.

### ***Internal Control Over Compliance***

The management of University of Central Missouri is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the 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 Organization's internal control over compliance.

Board of Governors  
University of Central Missouri

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 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.

#### ***Schedule of Expenditures of Federal Awards***

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of University of Central Missouri as of and for the year ended June 30, 2011, and have issued our report thereon dated November 7, 2011, which contained a reference to the report of other accountants. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise University of Central Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information 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.

This report is intended solely for the information and use of the governing body, management, 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.

*BKD, LLP*

November 7, 2011

**University of Central Missouri**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2011**

***Summary of Auditor’s Results***

1. The opinion expressed in the independent accountants’ report was:  
 Unqualified     Qualified     Adverse     Disclaimed
  
2. The independent accountants’ report on internal control over financial reporting disclosed:  
Significant deficiency(ies)?                       Yes               No  
Material weakness(es)?                               Yes               No
  
3. Noncompliance considered material to the financial statements was disclosed by the audit?     Yes               No
  
4. The independent accountants’ report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:  
Significant deficiency(ies)?                       Yes               No  
Material weakness(es)?                               Yes               No
  
5. The opinion expressed in the independent accountants’ report on compliance with requirements that could have a direct and material effect on major federal awards was:  
 Unqualified     Qualified     Adverse     Disclaimed
  
6. The audit disclosed findings required to be reported by OMB Circular A-133?     Yes               No

**University of Central Missouri**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2011**

7. The University's major programs were:

<b>Cluster/Program</b>	<b>CFDA Number</b>
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268
Academic Competitiveness Grants	84.375
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379
State Fiscal Stabilization Fund Cluster	
ARRA - State Fiscal Stabilization Fund - Education State Grants	84.394
ARRA - State Fiscal Stabilization Fund - Government Services	84.397
Special Education – Grants to States	84.027

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000.

9. The University qualified as a low-risk auditee as that term is defined in OMB Circular A-133?  Yes  No

**University of Central Missouri**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2011**

**Findings Required to be Reported by *Government Auditing Standards***

<b>Reference Number</b>	<b>Finding</b>	<b>Questioned Costs</b>
-----------------------------	----------------	-----------------------------

---

No matters are reportable.

**University of Central Missouri**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2011**

**Findings Required to be Reported by OMB Circular A-133**

<b>Reference Number</b>	<b>Finding</b>	<b>Questioned Costs</b>
-----------------------------	----------------	-----------------------------

---

No matters are reportable.

**University of Central Missouri**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended June 30, 2011**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
	No matters are reportable.	