




University of Central Missouri

A Component Unit of the State of Missouri

**Independent Auditor's Reports and Financial
Statements**

June 30, 2023 and 2022



University of Central Missouri
A Component Unit of the State of Missouri
June 30, 2023 and 2022

Contents

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis	4
 Financial Statements	
Statements of Net Position	17
University of Central Missouri Foundation – Statements of Financial Position	18
Statements of Revenues, Expenses, and Changes in Net Position	19
University of Central Missouri Foundation – Statements of Activities.....	21
Statements of Cash Flows	22
Notes to Financial Statements	24
 Required Supplementary Information	
Schedule of the University’s Proportionate Share of the Net Pension Liability – Missouri State Employees’ Retirement System.....	68
Schedule of University Pension Contributions – Missouri State Employees’ Retirement System	69
Schedule of Changes in the University’s Total OPEB Liability and Related Ratios	72
 Supplementary Information	
Stadium Bonds – Series 1999, Series 2013B, and Series 2018B – Selected Information.....	76
Condensed Statement of Revenues, Expenses, and Changes in Net Position- Student Housing System	77
Insurance Coverage – Student Housing System Bonds	79
Enrollment and Occupancy Statistics – Student Housing System Bonds	81
Schedule of Expenditures of Federal Awards	83
Notes to the Schedule of Expenditures of Federal Awards	88

University of Central Missouri
A Component Unit of the State of Missouri

June 30, 2023 and 2022

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditor’s Report	89
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance – Independent Auditor’s Report.....	91
Schedule of Findings and Questioned Costs.....	94
Summary Schedule of Prior Audit Findings.....	102



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Independent Auditor's Report

Board of Governors
University of Central Missouri
Warrensburg, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of the University of Central Missouri (the "University"), collectively a component unit of the state of Missouri, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the University of Central Missouri, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the University, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the University of Central Missouri Foundation, the discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in *Note 1* to the financial statements, in 2023, the University adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

The 2022 financial statements, before they were restated for the matters discussed in *Note 2*, were audited by other auditors, and their report thereon, dated November 2, 2022, expressed an unmodified opinion. Our opinions were not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The Stadium Bonds – Series 1999, Series 2013B, and Series 2018B – Selected Information; Condensed Statement of Revenues, Expenses, and Changes in Net Position- Student Housing System; Insurance Coverage – Student Housing System Bonds; and Enrollment and Occupancy Statistics – Student Housing System Bonds, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of University of Central Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of University of Central Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University of Central Missouri's internal control over financial reporting and compliance.

FORVIS,LLP

Springfield, Missouri
December 15, 2023

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education				
Student Financial Assistance Cluster				
Teacher Education Assistance for College and Higher Education Grants	84.379	NA	\$ -	\$ 65,051
Federal Supplemental Educational Opportunity Grants	84.007	NA	-	144,819
Federal Work-Study Program	84.033	NA	-	291,912
Federal Pell Grants	84.063	NA	-	9,743,446
Federal Direct Student Loans	84.268	NA	-	29,673,606
Federal Perkins Loan Program	84.038	NA	-	2,133,318
Total Student Financial Assistance Cluster			<u>-</u>	<u>42,052,152</u>
Undergraduate International Studies and Foreign Language Programs	84.016A	NA	<u>3,486</u>	<u>51,841</u>
Higher Education Institutional Aid	84.031F	NA	<u>-</u>	<u>541,023</u>
Education Innovation and Research	84.411A	NA	<u>-</u>	<u>5,000</u>
TRIO Cluster				
TRIO Student Support Services	84.042	NA	-	(1,035)
TRIO McNair Post-Baccalaureate Achievement	84.217	NA	-	82,411
TRIO McNair Post-Baccalaureate Achievement	84.217A	NA	-	180,642
TRIO Upward Bound	84.047V	NA	-	60,062
Total TRIO Cluster			<u>-</u>	<u>322,080</u>
COVID-19 - Education Stabilization Fund				
Governor's Emergency Education Relief Fund	84.425C	NA	-	110,001
Elementary and Secondary School Emergency Relief Fund				
FY22 Leadership Specialist ESSER II	84.425D	NA	-	482
FY22 Literacy & Language K-3	84.425D	NA	-	171
FY22 Literacy & Language K-12	84.425D	NA	-	271
Mathematics Consultant	84.425D	NA	-	420
FY22 Teacher Recruitment & Retention Specialist	84.425D	NA	-	563
FY23 Leadership Specialist (ESSER)	84.425D	NA	-	99,423
FY23 Literacy & Language K-3	84.425D	NA	-	100,309
FY23 Literacy & Language K-12	84.425D	NA	-	101,561
FY23 Literacy Instruction & Intervention	84.425D	NA	-	63,291
FY23 Math Improvement Consultation Specialist	84.425D	NA	-	306,855
FY23 Literacy Coach	84.425D	NA	-	163,164
FY23 Teacher Recruitment & Retention Specialist	84.425D	NA	-	99,532
Elementary Mathematics Specialist (EMS) Certificate Program	84.425D	NA	-	262,729
Higher Education Emergency Relief Fund Student Aid Portion	84.425E	NA	-	15,600
Higher Education Emergency Relief Fund Institutional Aid Portion	84.425F	NA	-	711,355
Higher Education Emergency Relief Fund Strengthening Institutions Program	84.425M	NA	-	588,655
American Rescue Plan-Elementary and Secondary School				
Emergency Relief	84.425U	NA	-	40,638
Total Education Stabilization Fund			<u>-</u>	<u>2,665,020</u>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education / Missouri Department of Elementary and Secondary Education				
Special Education Cluster (IDEA)				
Special Education Grants to States				
FY20 DCI Travel Expenses	84.027A	None	\$ -	\$ 4
FY20 SW PBS Consultant	84.027A	None	-	122
FY21 DCI Consultants	84.027A	None	-	2,632
FY21 IDEA Compliance Consultant	84.027A	None	-	2
FY21 RPDC Director Support	84.027A	None	-	514
FY21 Special Educ Improvement Consultant	84.027A	None	-	364
FY21 SW PBS Consultant	84.027A	None	-	(10)
FY22 Special Ed Improvement Consultant	84.027A	None	-	407
FY22 SW-PBS Consultant	84.027A	None	-	854
DESE Federal Pass Through Funds	84.027A	None	-	867
FY23 IDEA Compliance Consultant	84.027A	None	-	104,378
FY23 RPDC Director Support	84.027A	None	-	69,720
FY23 Special Ed Improvement Consultant	84.027A	None	-	104,013
FY23 SW-PBS Specialist	84.027A	None	-	196,936
FY23 DCI Consultants	84.027A	None	-	375,381
FY23 DCI Travel Expenses	84.027A	None	-	14,527
Total Special Education Cluster (IDEA)			-	870,711
Supporting Effective Instruction State Grants				
FY21 Leadership Specialist	84.367A	None	-	1,021
FY21 Non-Traditional Event(s) Program	84.367A	None	-	(3,237)
Mentor-Mentee Program	84.367A	None	-	23,500
FY23 Leadership Specialist (TITLE II.A)	84.367A	None	-	99,611
Total Supporting Effective Instruction State Grants			-	120,895
Title I Grants to Local Education Agencies				
FY23 Continuous Improvement Consultants	84.010A	None	-	99,512
Career and Technical Education-Basic Grants to States				
A Proposal to Develop CTE Skilled Trades Pathways Courses	84.048A	V048A190025	-	7,112
FY23 Non-Traditional Event(s) Program	84.048A	None	-	5,112
FY23 Career Pathway Regional Consultants	84.048A	None	-	28,456
FY23 New Teacher Institute (NTI) Facilitation	84.048A	ZDcyOTVjNTIttOW	-	55,403
Skilled Technical Sciences Model Curriculum for Graphic Arts, Welding Technology and Auto Body Repair	84.048A	None	-	1,799
FY23 Skilled Technical Sciences Curriculum Development	84.048A	N2Q5NGY3ZDAAtM2	-	58,606
FY23 Hospitality Curriculum Project	84.048A	ODDLNJZJYZETND	-	14,850
FY23 Business & Information Technology Curriculum Project	84.048A	Mzc1NTUwNTUtNT	-	24,475
Missouri Career Pathways Program	84.048A	42702	-	1,595
FY23 Missouri Health Career Day	84.048A	V048A220025	19,000	19,000
Technology & Engineering Education Teacher and Program				
CTE Certification	84.048A	3420-0105-0513-VLP1	-	1,503
FY23 GYO - Missouri Career Pathways Program	84.048A	None	-	10,460
FY23 Chamber KC Show Me Careers	84.048A	None	28,501	28,501
Total Career and Technical Education-Basic Grants to States			47,501	256,872

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Comprehensive Literacy Development MO Comprehensive State Literacy Development (CLSD)	84.371C	PL 111-117	\$ -	\$ 440,919
U.S. Department of Education / National Writing Project Supporting Effective Instruction State Grants				
SEED Summer Camp Grant	84.367D	92-MO02-SEED2017-CAMP	-	(25)
SEED Summer Camp Grant	84.367D	92-MO02-SEED2017-CAMP	-	(4,790)
Total Supporting Effective Instruction State Grants			-	(4,815)
U.S. Department of Transportation / Missouri Department of Transportation				
Airport Improvement Program				
CARES Airport Aid	20.106	20-019A-1	-	12,196
Master Plan and Airport Layout Plan Update	20.106	21-019A-1	-	250,358
CRRSAA Airport Aid	20.106	21-019A-2	-	10,304
Total Airport Improvement Program			-	272,858
FMCSA Cluster				
Motor Carrier Safety Assistance Program				
FY21 Commercial Motor Vehicle Survey	20.218	21-CMV-MC-007 DTNH2217D00040-	-	(987)
Law Enforcement Phlebotomy Program	20.218	693JJ920F000	-	65,346
Total FMCSA Cluster			-	64,359
Highway Safety Cluster				
State and Community Highway Safety				
FY17 Impaired Driving Countermeasures	20.600	17-M50T-03-004	-	2,200
FY22 Driver Improvement Program	20.600	22-PT-02-001	-	6,161
FY22 Occupant Protection LEL	20.600	22-PT-02-150	-	24,294
FY22-Driver Instructor Course	20.600	22-DE-02-001	-	3,565
FY22 Police Driving	20.600	22-PT-02-154	-	2,133
FY23 Driver Improvement Program (DIP)	20.600	23-PT-02-130	-	30,338
Y23 HMV, OP & Speed Law Enforcement Liaison	20.600	23-PT-02-156	-	48,896
FY23 Statewide Safety Belt Survey	20.600	23-PT-02-157	-	156,432
FY23 Enforcement HMV	20.600	23-PT-02-059	-	882
Total State and Community Highway Safety			-	274,901

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
National Priority Safety Programs				
FY21 MOU LE Phlebotomy	20.616	21-M2HVE-05-013	\$ -	\$ 1,352
FY21 Enforcement OP	20.616	21-M2HVE-05-034	1,209	1,390
FY21 Drug Impaired Driving	20.616	21-M5OT-03-006	-	1,652
FY22 Alcohol Law Enforcement Liaison	20.616	22-M5HVE-03-031	-	61,064
FY22 Enforcement OP	20.616	22-M2HVE-05-032	43,308	53,817
FY22 Statewide Safety Belt Survey	20.616	22-M5HVE-05-031	-	32,658
FY22 Survey Prep Teen HS Safety	20.616	22-M2HVE-05-014	-	5,515
FY22 Drug Impaired Driving	20.616	22-M5OT-03-001	-	83,066
FY23 DID & SFST	20.616	23-M5OT-03-001	-	280,396
FY23 Alcohol Law Enforcement Liaison	20.616	23-M5HVE-03-048	-	106,634
FY23 Enforcement - Occupant Protection Campaign	20.616	23-M2HVE-05-031	25,345	47,746
FY23 Teen (High School) Safety Belt Survey	20.616	23-M2HVE-05-005	-	68,778
FY23 Law Enforcement Phlebotomy Program Pilot	20.616	23-M5TR-03-006	-	19,702
FY23 Enforcement DWI	20.616	23-M5HVE-03-025	-	2,803
Total National Priority Safety Programs			<u>69,862</u>	<u>766,573</u>
Total Highway Safety Cluster			<u>69,862</u>	<u>1,041,474</u>
Alcohol Open Container Requirements				
FY20 - Impaired Driving Countermeasures	20.607	None	-	454
FY21 Enforcement Drive Sober	20.607	21-154-AL-037	403	1,850
FY21 Impaired Driving	20.607	21-154-AL-140	-	(596)
FY22 Drive Sober Enforcement	20.607	22-154-AL-104	111,402	136,711
FY22 Impaired Driving Countermeasure	20.607	22-154-AL-131	-	119,826
FY23 Enforcement - Drive Sober	20.607	23-154-AL-044	181,335	236,981
FY23 Impaired Driving Countermeasures	20.607	23-154-AL-031	-	278,523
FY23 Ignition Interlock Device (IID) Program	20.607	23-154-AL-045	-	98,553
Total Alcohol Open Container Requirements			<u>293,140</u>	<u>872,302</u>
U.S. Department of Health and Human Services / Children's Hospital Medical Center				
Every Student Succeeds Act/Preschool Development Grants				
Development of Missouri Early Learning Standards & Missouri Kindergarten Standard Alignment Tool	93.434	300-0105-7217-PDF2	4,000	22,142
Microbiology and Infectious Diseases Research				
Developmental Mechanisms of Trachea-Esophageal Birth Defects	93.856	5P01HD093363-03	-	(549)
U.S. Department of Health and Human Services / Missouri Department of Health and Senior Services				
Injury Prevention and Control Research and State and Community Based Programs				
Implementation of Violence Prevention Strategy	93.136	AOC17300861	-	907
Implementation of Violence Prevention Strategy	93.136	AOC19380249	-	13,606
Implementation of Violence Prevention Strategy	93.136	DH220051616-00	-	25,288
Total Injury Prevention and Control Research and State and Community Based Programs			<u>-</u>	<u>39,801</u>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
National Science Foundation				
Research and Development Cluster				
STEM Education				
MoLSAMO	47.076	NA	\$ -	\$ 12,552
Anchoring HS Students in Real Life Issues that Integrate STEM Content and Literacy	47.076	NA	-	34,405
National Science Foundation / Curators of University of Missouri				
Research and Development Cluster				
STEM Education				
Supporting Leaders in Elementary Mathematics Teaching in MO	47.076	C00064385-1	-	(11,523)
Total Research and Development Cluster			<u>-</u>	<u>35,434</u>
U.S. Department of Agriculture				
Capacity Building for Non-Land Grant Colleges of Agriculture				
Certified to Teach Ag	10.326	NA	-	865
Building Partnerships Between Stakeholders in Western Missouri	10.326	NA	58,925	175,883
Total Capacity Building for Non-Land Grant Colleges of Agriculture			<u>58,925</u>	<u>176,748</u>
U.S. Department of Agriculture / Missouri Department of Health and Senior Services				
Child and Adult Care Food Program	10.558	ERS46110155	<u>-</u>	<u>22,649</u>
U.S. Department of Labor				
Occupational Safety and Health Susan Harwood Training Grants				
Susan Harwood Training Grant	17.502	NA	-	47,539
Electric Arc Hazards and Protections	17.502	NA	-	41,703
Total Occupational Safety and Health Susan Harwood Training Grants			<u>-</u>	<u>89,242</u>
U.S. Department of the Interior				
Native American Graves Protection and Repatriation Act				
McClures Digitization and Consultation Project	15.922	NA	<u>-</u>	<u>176</u>
U.S. Department of the Interior / National Writing Project				
National Park Service Conservation, Protection, Outreach, and Education	15.954	92-MO02-NPS2020	<u>-</u>	<u>(2,000)</u>
U.S. Department of Justice				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	NA	<u>-</u>	<u>16,961</u>
U.S. Department of Justice / Missouri Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-LLEBG-079	<u>-</u>	<u>(102)</u>
National Endowment for the Humanities / National Writing Project				
Promotion of the Humanities Public Programs	45.164	92-MO02-2022BMPU	<u>-</u>	<u>65,372</u>
			<u>\$ 476,914</u>	<u>\$ 50,138,077</u>

University of Central Missouri
A Component Unit of the State of Missouri
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of University of Central Missouri under programs of the federal government for the year ended June 30, 2023. 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* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of University of Central Missouri, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, 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.

Note 3: Indirect Cost Rate

University of Central Missouri has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

Federal Direct Student Loan balances are not included in University of Central Missouri’s financial statements. Loans disbursed during the year are included in federal expenditures presented in the Schedule. The federal loan programs listed subsequently are administered directly by University of Central Missouri, and balances and transactions relating to these programs are included in the University’s basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2023, consists of:

Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2023
84.038	Federal Perkins Loan	\$ 1,674,546

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*

Board of Governors
University of Central Missouri
Warrensburg, Missouri

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 the business-type activities, and the discretely presented component unit of University of Central Missouri (the "University"), collectively a component unit of the state of Missouri, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic final financial statements, and have issued our report thereon dated December 15, 2023. Our report contained emphasis of matter paragraphs regarding a change in accounting principle and restatement of the 2022 financial statements. The financial statements of University of Central Missouri Foundation, which are included in the University's financial statements as a discretely presented component unit, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with University of Central Missouri Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing 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 entity'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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003, 2023-004, and 2023-005 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

University's Responses to Findings

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

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.

FORVIS,LLP

Springfield, Missouri
December 15, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Governors
University of Central Missouri
Warrensburg, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited University of Central Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University of Central Missouri's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of University of Central Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-006. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-006, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

FORVIS,LLP

Springfield, Missouri
March 26, 2024

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

5. Type of auditor's report issued on compliance for major federal program(s):

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

7. Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
	Student Financial Assistance Cluster
84.379	Teacher Education Assistance for College and Higher Education Grants
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grants
84.268	Federal Direct Student Loans
84.038	Federal Perkins Loan
	COVID-19 - Education Stabilization Fund
84.425C	Governor's Emergency Education Relief Fund
84.425D	Elementary and Secondary School Emergency Relief Fund
84.425E	Higher Education Emergency Relief Fund Student Aid Portion
84.425F	Higher Education Emergency Relief Fund Institutional Aid Portion
84.425M	Higher Education Emergency Relief Fund Strengthening Institutions Program
84.425U	American Rescue Plan-Elementary and Secondary School Emergency Relief
	Special Education Cluster (IDEA)
84.027A	Special Education Grants to States
	Highway Safety Cluster
20.600	State and Community Highway Safety
20.616	National Priority Safety Programs
20.607	Alcohol Open Container Requirements

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

9. Auditee qualified as low-risk auditee? Yes No

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section II – Financial Statement Findings

Reference Number	Finding
2023-001	<p>Criteria - Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition - The University receives funding for certain capital projects from donor funds raised and maintained by the University of Central Missouri Foundation. At June 30, 2023, and in prior years, the University did not properly record contributions from the Foundation for capital projects and the related receivable balances. Audit adjustments were proposed and recorded to remove the receivable balance carried forward from prior years and record the amounts receivable from the Foundation for capital projects completed by the University.</p> <p>Cause - The University does not have a consistent and repetitive process in place to record amounts receivable from University of Central Missouri Foundation for capital projects funded by donors. The University had carried forward a receivable balance that was collected from the Foundation in a prior year. The University's Facilities Planning & Operations team periodically requests reimbursement from the Foundation for completed projects with donor funding held by the Foundation. These reimbursement requests are not recorded as a reduction of the related receivables by the University when accepted by the Foundation.</p> <p>Effect or potential effect - Contribution revenue and the amounts due from the Foundation were not properly recognized in the financial statements.</p> <p>Recommendation - We recommend the University reconcile amounts receivable from the Foundation with Foundation at least quarterly.</p> <p>Views of responsible officials and planned corrective actions - UCM agrees with the auditor's recommendations and the following action will be taken to improve the process. Before the Fixed Asset Manager sets up a Foundation funded project in Banner, the following approved documentation must be received from the Plant Operations team. A Project Capitalization Form, supporting documentation for the funding source, and a Project invoice to the Foundation. At such time the Foundation Receivable will be recorded in Banner by the Fixed Asset Manager. The Fixed Asset Manager will review the open capital projects on a quarterly basis to make sure that funds have been received from the Foundation. If there are any outstanding receivables, the Fixed Asset Manager will send an email communicating with Plant Operations and the University Foundation to verify the accuracy of the receivables and the plan of action to receive payment. When payment is received, the Fixed Asset Manager will ensure proper posting to the correct receivable account. The Fixed Asset accountant will meet with and verify any Foundation Project accounts receivable balances at year end. A quarterly funding status schedule of all capital projects will be provided to the Director of Accounting for review.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Reference Number	Finding
2023-002	<p>Criteria - Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition - The University has received state appropriations to fund renovations to the W.C. Morris Science Building. The renovation project was ongoing at fiscal year end. The University did not record a receivable for appropriations available to be drawn for capital expenditures to date at year end. An audit adjustment was proposed and recorded to properly recognize state appropriations revenue.</p> <p>Cause - The University does not have a consistent and repetitive process in place to record appropriations earned but not yet received.</p> <p>Effect or potential effect - State appropriation revenue and appropriations receivable were not properly recognized in the financial statements.</p> <p>Recommendation - We recommend the University reconcile amounts receivable for capital appropriations from the State of Missouri at least quarterly to record revenue in the appropriate period.</p> <p>Views of responsible officials and planned corrective actions - We agree with the auditor's findings and the following action will be taken to improve this process. Capital appropriation projects are billed on a quarterly basis and a receivable is posted at that time by the Grant Accountant. Quarterly and at year-end the projects will be reviewed by the General Accounting Manager to ensure all expenditures have been billed appropriately and that the correct receivable has been posted. The Director of Accounting has added a review meeting to the year-end process to meet and discuss the status of all Capital Appropriated Projects with the General Accounting Manager and the Grant Accountant.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Reference Number	Finding
2023-003	<p>Criteria - Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition - The University has applied for grant funding through Federal Emergency Management Agency's public assistance disaster grants. Revenue was recognized in 2022 and 2023 under FEMA disaster grant programs and these funds were reported on the University's schedule of expenditures of federal awards. The University's initial request for funding under these FEMA programs is pending in FEMA's grantee portal. As FEMA's grantee portal does not show these funds as obligated, no approved grant award is in place at year end and therefore grant revenue cannot be recognized or federal expenditures presented in the schedule of expenditures of federal awards. Audit adjustments were proposed and recorded to correct current and prior year grant revenues recognized.</p> <p>Cause - The University does not have controls in place to record grant revenues consistent with the scope and terms of approved grant awards.</p> <p>Effect or potential effect - Grant revenue and grants receivable were not properly recognized in the financial statements.</p> <p>Recommendation - We recommend the University only record grant revenues when an approved notice of grant award is in place. The single audit report including the schedule of expenditures of federal awards should be reissued and the related data collection form should be refiled with the Federal Audit Clearinghouse.</p> <p>Views of responsible officials and planned corrective actions - Management acknowledges that there is room for improvement in this process, which will be addressed by continuing to work with the Office of Sponsored Programs to verify all award documentation is received at the time of Fund set up in the University's ERP system. If there is no award documentation received, OSP will code all expenditures to a restricted special fund to easily identify expenditures for reclassification upon award of the grant. UCM has contacted our previous audit firm and is working to reissue the affected previous years' Schedule Expenditures of Federal Awards.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Reference Number	Finding
2023-004	<p>Criteria - Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition - The University received federal funding through the Missouri Department of Transportation for the expansion of the Skyhaven Airport. These specific federal grant funded programs were completed in fiscal year 2021. In prior fiscal years, the University recognized grant revenue in excess of the funding provided through MODOT and carried the receivable balance through fiscal years 2021, 2022 and 2023. These overstatements of grant revenue also resulted in an overstatement in the amounts reported of the schedule of expenditures of federal awards in prior years. An audit adjustment was proposed and recorded to correct grant receivables and net position.</p> <p>Cause - The University does not have controls in place to record grant revenues consistent with the scope and terms of approved grant awards. The University's recording of grants receivable and grants deferred revenue balances is an annual process rather than being monthly or quarterly.</p> <p>Effect or potential effect - Grant revenue and grants receivable were not properly recognized in the financial statements.</p> <p>Recommendation - We recommend the University review outstanding grant receivables and grant deferred revenues on a monthly or at least quarterly basis to ensure proper recognition of grant revenue. The single audit report including the schedule of expenditures of federal awards should be reissued and the related data collection form should be refiled with the Federal Audit Clearinghouse.</p> <p>Views of responsible officials and planned corrective actions - We agree with the auditor's recommendation and will address the improvement of this process by providing refresher training and by adding a quarterly review of grant activity for accurate reporting of all grant receivables and/or deferrals by the Manager of General Accounting. Semiannually and at year-end a complete review of all UCM Grant Receivables and Deferrals will be conducted by the grant team to include the Director of Sponsored Programs, the Manager of General Accounting, the Grant Accountant, and the Director of Accounting to ensure that any grant who's funding has ended are correctly accounted for at year-end. The University has contacted our previous audit firm and is working with them to reissue prior years' Schedule of Expenditure of Federal Awards.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Reference Number	Finding
2023-005	<p>Criteria - Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition - The University's reported net position restricted for loans has not included the amounts repaid to the Department of Education therefore overstating the restricted portion of net position. As the portfolio of Federal Perkins Loans are paid down by borrowers, the University is making annual repayments of the federal contribution to the Perkins Loan program. An audit adjustment was proposed and recorded to correct the classification of net position at June 30, 2023, and prior years.</p> <p>Cause - When calculating the amount of net position restricted for loans, the University did not consider amounts repaid to the Department of Education.</p> <p>Effect or potential effect - The classification of net position was not presented correctly.</p> <p>Recommendation - We would recommend the University's calculation of net position restricted for loans be inclusive of cumulative repayments of the federal share of the Perkins Loan program to the Department of Education.</p> <p>Views of responsible officials and planned corrective actions - Management is in agreement with this recommendation and will prepare this calculation as suggested in the future. A written process will be in place by the Controller for future Perkins calculations.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
2023-006	<p style="text-align: center;">Student Financial Assistance Cluster</p> <p style="text-align: center;">84.379 Teacher Education Assistance for College and Higher Education Grants, 84.007 Federal Supplemental Educational Opportunity Grants, 84.033 Federal Work-Study Program, 84.063 Federal Pell Grants, 84.268 Federal Direct Student Loans, 84.038 Federal Perkins Loan Program U.S. Department of Education Program Year 2022 - 2023</p> <p>Criteria or Specific Requirement - Special Tests: Gramm-Leach-Bliley Act - Student Information Security 16 CFR 314.4(c)(1) - (8), 16 CFR 314.4(d), 16 CFR 314.4(e)(1), 16 CFR 314.4(f), 16 CFR 314.4(g)</p> <p>Condition - University does not have a written information security program that addresses all required elements of the Gramm-Leach-Bliley Act.</p> <p>Questioned costs - None</p> <p>Context - On December 9, 2021, the Federal Trade Commission issued final regulations for 16 CFR Part 314 to implement the Gramm-Leach-Bliley Act information safeguarding standards that institutions must implement. The regulations established minimum standards that institutions must meet. Institutions were required to be in compliance with the revised requirements no later than June 9, 2023. The University's written information security program contained 2 out of the 14 elements required by the revised Gramm-Leach-Bliley Act regulations.</p> <p>Effect - The University's written information security procedures do not address all required written statement elements of the Gramm-Leach-Bliley Act.</p> <p>Cause - The University did not update its written information security program by June 9, 2023 for the revised requirements of 16 CFR Part 314.</p> <p>Indication as a repeat finding - N/A</p> <p>Recommendation - The University should revise its written information security program to be compliant with the current requirements of 16 CFR Part 314.</p> <p>Views of responsible officials and planned corrective actions - The University concurs with the above mentioned finding that, while University processes defined to address GLBA are in place, the Information Security Policy does not specifically address Gramm-Leach-Bliley Act (GLBA) security criteria. It is now understood that the defined processes that address and support GLBA security criteria need to be put into a format that is published for access by the UCM community. UCM has commenced the process to create and publish the written information security program that addresses all required elements of the GLBA.</p>

University of Central Missouri
A Component Unit of the State of Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Reference Number	Finding	Status
2022-001	<p style="text-align: center;">Significant Deficiency - Financial Statement Findings</p> <p>Criteria - According to the Code of Federal Regulations, the auditee must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements which must include the total federal awards expended.</p> <p>Condition - Federal expenditures originally provided to us for ALN No. 20.106 were overstated because the matching portion of expenditures was not removed from federal expenditures as reported on the schedule of expenditures of federal awards. Federal expenditures originally provided to us for ALN No. 97.036 were overstated because the University reported federal expenditures for this grant prior to the awarding agency approving the University's grants.</p> <p>Context - While reconciling the schedule of expenditures of federal awards to the financial records, we discovered costs being reported as federal expenditures that did not consider the University's matching portion or that were not supported by a properly approved grant before being listed on the schedule.</p> <p>Effect - Improperly reported amounts of federal expenditures on the schedule of expenditures of federal awards required us to adjust the schedule to reflect actual federal expenditures. In addition the University requested reimbursement from the State of Missouri for these same amounts.</p> <p>Cause - The University did not have proper processes and related controls in place to ensure that all amounts to be reported on the schedule of expenditures of federal awards were properly reported and supported by the underlying accounting records.</p> <p>Recommendation - The Finance Office should put in place controls that would ensure that only expenditures related to federal programs that are allowable and supportable should be included on the schedule of expenditures of federal awards.</p>	<p>Not corrected. See Findings 2023-003 & 2023-004</p>

University of Central Missouri
A Component Unit of the State of Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Reference Number	Finding
2022-002	<p style="text-align: center;">Federal Assistance Listing Number 84.425F, 84.425M U.S. Department of Education ESF Section 2 - Higher Education (Higher Education Emergency Relief Fund (HEERF))</p> <p style="text-align: center;">Significant Deficiency - Procurement</p> <p>Criteria - 2 CFR Section 200.3018 requires grantees to have and use documented procurement procedures in accordance with the Uniform Guidance for the acquisition of property or services under a federal grant.</p> <p>Condition - In our nonstatistical sample of six expenditures, we noted two expenditures for which the University did not retain documentation of price or rate quotations obtained from an adequate number of qualified sources prior to the purchase of the rationale for limiting competition if such price or rate comparisons were not considered necessary.</p> <p>Cause - Management charged with oversight over the federal grant could not support their compliance with these procurement requirements under the Uniform Guidance. Additionally, controls over compliance were designed effectively to ensure compliance with such grant requirements.</p> <p>Effect - Instances of noncompliance were not detected by management.</p> <p>Questioned Costs - Not applicable.</p> <p>Context - Two individual expenditures ranging in amounts of \$57,312 and \$90,000 were purchased under the federal grant without obtaining quotes, using a competitive bid process, or documenting the rationale for limiting competition.</p> <p>Identification as a Repeat Finding - Not applicable.</p> <p>Recommendation - We recommend that management document its procurement policies for purchases under federal grants and hold training specific to these documented policies for those responsible for grant compliance.</p>