
Eastern Michigan University

**Federal Awards
Supplemental Information
June 30, 2018**

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Independent Auditor's Report

To the Board of Regents
Eastern Michigan University

We have audited the financial statements of Eastern Michigan University, a component unit of the State of Michigan (the "University"), and its discretely presented component unit as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated October 29, 2018, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions 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 October 29, 2018.

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

February 27, 2019

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 Regents
Eastern Michigan 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 basic financial statements of Eastern Michigan University, a component unit of the State of Michigan (the "University"), and its discretely presented component unit as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 29, 2018. The financial statements of Eastern Michigan University Foundation 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 the 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 opinion 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.

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 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*.

To Management and the Board of Regents
Eastern Michigan University

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

October 29, 2018

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

Independent Auditor's Report

To the Board of Regents
Eastern Michigan University

Report on Compliance for Each Major Federal Program

We have audited Eastern Michigan University's, a component unit of the State of Michigan (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 each of the University's major federal programs for the year ended June 30, 2018. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of 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, 2018.

Report on Internal Control Over Compliance

Management of the 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 the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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.

To the Board of Regents
Eastern Michigan University

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 2018-001, that we consider to be a significant deficiency.

Eastern Michigan 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. Eastern Michigan University's response 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.

Plante & Moran, PLLC

February 27, 2019

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2018

| Federal Agency/Pass-through Agency/Program Title | Direct or Pass-through | Federal CFDA Number | Federal Award Number | Total Amount Provided to Subrecipients | Federal Expenditures |
|--|------------------------|---------------------|--------------------------|--|----------------------|
| Clusters: | | | | | |
| Student Financial Aid Cluster: | | | | | |
| U.S. Department of Education: | | | | | |
| Supplemental Education Opportunity Grants | Direct | 84.007 | P007A142018 | \$ - | \$ 863,104 |
| Work-Study Program | Direct | 84.033 | P033A142005 | - | 883,043 |
| CWS Job Locator | Direct | 84.033 | P033A142005 | - | 54,139 |
| Pell Grant Program | Direct | 84.063 | P063P161630 | - | 29,983,241 |
| TEACH - Teacher Education Assistance for College and Higher Education Grant Program FY17 | Direct | 84.379 | P379171630 | - | 23,775 |
| Total U.S. Department of Education | | | | - | 31,807,302 |
| U.S. Department of Health and Human Services: | | | | | |
| ARRA USHHS - Nurse Faculty Loan Program - Loan balance at beginning of year plus loans issued | Direct | 93.408 | IEOAPH1548-01-00 | - | 38,461 |
| USHHS - Nurse Faculty Loan Program - Loan balance at beginning of year plus loans issued | Direct | 93.264 | E01HP25866 | - | 508,145 |
| Total U.S. Department of Health and Human Services | | | | - | 546,606 |
| U.S. Department of Education Loan and Loan Guarantee Programs: | | | | | |
| Perkins Loans - Loan balance at beginning of year plus loans issued | Direct | 84.038 | | - | 7,663,584 |
| Direct PLUS Loans | Direct | 84.268 | P268K181830 | - | 23,905,906 |
| Direct Loan Stafford | Direct | 84.268 | P268K181830 | - | 96,288,179 |
| Total U.S. Department of Education Loan and Loan Guarantee Programs | | | | - | 127,857,669 |
| Total Student Financial Aid Cluster | | | | - | 160,211,577 |
| Research and Development Cluster: | | | | | |
| U.S. Department of Defense - | | | | | |
| Non-Isocyanate Polyurethane Platform for Sustainable and Advanced Rain Erosion Resistant Coatings | Pass-through | 12.RD | W912HQ-16-C-0040 | - | 144,936 |
| U.S. Department of the Interior: | | | | | |
| Fish and Wildlife Service - Herpetological Resource Management, LLC - Management, LLC - Mudpuppy (Necturus maulosus) Assessment and Habitat Restoration Along the Huron-Erie Corridor: Conservation of the Obligate Host for the Endangered Salamander Mussel (Simponaias ambigua) | Pass-through | 15.662 | RIME:F14AP00887 SUB: 001 | - | 4,104 |
| National Park Service: | | | | | |
| Early Dwellings of North Wheeling Intensive Survey | Pass-through | 15.904 | | - | 10,081 |
| The Bat Community at Pictured Rocks National Lakeshore, with an Emphasis on the Northern Long-eared Bat | Direct | 15.944 | P16AC00224 | - | 22,111 |
| Total U.S. Department of the Interior | | | | - | 36,296 |

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2018

| Federal Agency/Pass-through Agency/Program Title | Direct or Pass-through | Federal CFDA Number | Federal Award Number | Total Amount Provided to Subrecipients | Federal Expenditures |
|---|------------------------|---------------------|-----------------------|--|----------------------|
| Clusters (continued): | | | | | |
| Research and Development Cluster (continued): | | | | | |
| National Science Foundation: | | | | | |
| TTP Option Small: Collaborative: Integrated Smart Gris Analytics for Anomaly Detection | Direct | 47.049 | CNS-1421879 | \$ - | \$ 59,153 |
| Electric Fields, Shock-fronts and Structures in Laser-induced Magnetized Plasmas | Pass-through | 47.049 | 3004630678 | - | 9,537 |
| RU: SG: A Model System in a Model Region - Identification of Evolutionary Process Driving Plant Diversification on Madagascar in <i>Metistohibiscus</i> (Malvaceae) | Direct | 47.074 | 1457589 | - | 32,615 |
| RU: Scaffold or Assembly Line: | | | | | |
| How Does Atg11 Organize its Binding Partners for the Initiation of Selective Autophagy | Direct | 47.074 | MCB 1613653 | - | 60,378 |
| Collaborative Research: Algal Photosynthetic Priming and Photolysis as Stimulators of Ecosystem-Level Detrital Processing by Microbial Heterotrophs | Direct | 47.074 | 1456978 | - | 48,881 |
| Collaborative Research: RAPID: Linking Population and Community Ecology in Restored Communities: Interactions Between Species Diversity and Genetic Diversity | Direct | 47.074 | 1548001 | - | 186 |
| Collaborative Research: Molecular and Structural Mechanism of Histone Binding by the Epigenetic Regulator UHRF2 | Direct | 47.074 | MCB 1715892 | - | 32,772 |
| NSF/MSU: Social Capital and Mentoring: Building a Diverse Workforce for Earth Systems Science in the 21st Century | Pass-through | 47.076 | RC105254EMU | - | 40,676 |
| Collaborative Research: Mathematics of Doing, Understanding, Learning and Educating for Secondary Schools | Direct | 47.076 | DUE-1726252 | - | 54,519 |
| Enhancing Statistics Teacher Education with E-Modules | Pass-through | 47.076 | 2016-1771-02 | - | 31,700 |
| Collaborative Project: GIS Resources and Applications for Career Education (GRACE) | Direct | 47.076 | DRL-1433712 | 110,349 | 402,726 |
| Total National Science Foundation | | | | 110,349 | 773,143 |
| Environmental Protection Agency - EPA Undergraduate Fellowship - Brett Zeuner | Direct | 66.513 | MA-91775701-0 | - | (8,801) |
| Institute of Museum and Library Services - National Leadership Grants | | | | | |
| Engaging Children and Families in Authentic STEM Activities: A Cross-sector Partnership to Promote Equity in Informal Science Education | Pass-through | 45.312 | S GRANT MG-10-15-0071 | - | 8,969 |
| U.S. Department of Education: | | | | | |
| School District of the City of River Rouge - Thinking Like an Artist in Core Curriculum Subjects - Year 4 | Pass-through | 84.351 | Sub of U351D140054 | - | 206,809 |
| School District of the City of River Rouge - Thinking Like an Artist in Core Curriculum Subjects | Pass-through | 84.351 | U351D140054 | - | 84,279 |
| Total U.S. Department of Education | | | | - | 291,088 |

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2018

| Federal Agency/Pass-through Agency/Program Title | Direct or Pass-through | Federal CFDA Number | Federal Award Number | Total Amount Provided to Subrecipients | Federal Expenditures |
|---|------------------------|---------------------|-----------------------|--|----------------------|
| Clusters (continued): | | | | | |
| Research and Development Cluster (continued): | | | | | |
| U.S. Department of Health and Human Services: | | | | | |
| Lightly Salted: An Optogenetic Approach to Uncover the Role of Type 1 Cells in Salt Taste Transduction | Direct | 93.173 | 1R21DC016990-01 | \$ - | \$ 8,908 |
| Midwest Asian Health Association - Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces Year 2 | Pass-through | 93.332 | 1 NAVCA140190-01-00 | - | 19,094 |
| Midwest Asian Health Association - Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership | Pass-through | 93.332 | 1 NAVCA140190 | - | 83,191 |
| National Institutes of Health - Parent Focused Obesity Intervention for Low - African American Preschoolers | Direct | 93.847 | 1R03DK097444-01 | - | 22,054 |
| National Institutes of Health - Causes and Consequences of Genomic Instability at Fragile Sites | Direct | 93.859 | R15GM107841-01 | - | (826) |
| Michigan Department of Community Health - EMU Alzheimer's Education and Research Program, 2017 | Pass-through | 93.958 | PROJECT# 20304 | - | 11,740 |
| Complex Genomic Rearrangements by BIR and mmBIR | Direct | 93.859 | 1R15GM124651-01 | - | 116,643 |
| Total U.S. Department of Health and Human Services | | | | - | 260,804 |
| National Aeronautics and Space Administration: | | | | | |
| NASA/UM - Understanding the Effects of Solar Flares on the Upper Atmosphere of Mars and Venus | Pass-through | 43.001 | NNX16AJ54G/3004072913 | - | 1,382 |
| NASA/MSGC - Magnetospheric Ion Temperature Derived from TWINS ENA - Data Upgrade | Direct | 43.001 | NNX17AF05G | 2,722 | 36,609 |
| NASA/MSGC - Stormtime Plasmopause Locations Derived from IMAGE EUV | Direct | 43.001 | NNX17AC87G | - | 15,744 |
| NASA/MSGC - EMU Affiliate | Direct | 43.001 | NE - OPERATING SUPP | - | 1,288 |
| Total National Aeronautics and Space Administration | | | | 2,722 | 55,023 |
| Total Research and Development Cluster | | | | 113,071 | 1,561,458 |
| Highway Planning and Construction Cluster - | | | | | |
| U.S. Department of Transportation - Graduate Internship for the Michigan Department of Transportation 2017-2018 | Pass-through | 20.205 | CONTRACT NO. 2017-047 | - | 6,909 |
| Child Nutrition Cluster - Department of Agriculture - | | | | | |
| 2017 Summer Food Service Program for EMU Upward Bound Summer Academy | Pass-through | 10.559 | 2017 UB SUMMER FOOD | - | 5,733 |
| Trio Cluster: | | | | | |
| Trio Cluster - U.S. Department of Education: | | | | | |
| Upward Bound - Competitive Renewal 2012 - 2013 | Direct | 84.047 | P047A121310 | - | 1,919 |
| Upward Bound - Competitive Renewal 2017 - 2022 | Direct | 84.047 | P047A170374 | - | 355,012 |
| Eastern Michigan University SSS TRIO for Regular Students | Direct | 84.042 | P04A151353 | 4,845 | 251,901 |
| Eastern Michigan University SSS TRIO for Veterans | Direct | 84.042 | P042A151548 | - | 164,652 |
| EMU Ronald McNair Program 17-22 | Direct | 84.217 | P217A170037 | - | 143,640 |
| Eastern Michigan University Ronald McNair Program | Direct | 84.217 | P217A120065 | - | 87,556 |
| Total Trio Cluster | | | | - | 1,004,680 |
| Total clusters | | | | 117,916 | 162,790,357 |

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2018

| Federal Agency/Pass-through Agency/Program Title | Direct or Pass-through | Federal CFDA Number | Federal Award Number | Total Amount Provided to Subrecipients | Federal Expenditures |
|--|------------------------|---------------------|------------------------------------|--|----------------------|
| Other federal awards: | | | | | |
| U.S. Department of Agriculture: | | | | | |
| Get Fruved: A Peer-Led, Train-the-Trainer Social Marketing Intervention to Increase Fruit and Vegetable Intake and Prevent Childhood Obesity | Pass-through | 10.310 | | \$ - | \$ 600 |
| Michigan Department of Education - FY 2017 - Child & Adult Care Food Program | Pass-through | 10.558 | FY 17 CHILD & ADULT FOOD PROGRAM | - | 6,904 |
| Michigan Department of Education - FY 2018 - Child & Adult Care Food Program | Pass-through | 10.558 | FY 18 CHILD AND ADULT FOOD PROGRAM | - | 23,817 |
| Total U.S. Department of Agriculture | | | | - | 31,321 |
| U.S. Department of Commerce - | | | | | |
| Great Lakes Literacy in Action: Connecting Students to their Watersheds in SE Michigan Through Place-Based Education | Direct | 11.429 | NA16NOS4290193 | - | 65,636 |
| National Aeronautics and Space Administration - | | | | | |
| NASA/MSGC - Geospace Connections | Pass-through | 43.008 | PO 3004457041 | - | (1,599) |
| Small Business Development Centers: | | | | | |
| Grand Valley State University-Small Business Development Center, Region 9 Host, 2017 | Pass-through | 59.037 | MISBDC-2017-08 | 29,972 | 336,492 |
| Grand Valley State University-Small Business Development Center, Region 9 Host, 2018 | Pass-through | 59.037 | PO#SBAHQ18B0032 | 10,202 | 197,997 |
| Total Small Business Development Centers | | | | 40,174 | 534,489 |
| U.S. Department of Education: | | | | | |
| Strengthening the STEM Curriculum at Eastern Michigan University by Institutionalizing the CSIE Program | Direct | 84.031 | P031A140166-17 | - | 349,840 |
| Michigan Department of Education - Michigan Family, Career and Community Leaders of America (FCCLA) - Continuation - 2016-2017 | Pass-through | 84.048 | 163430-17134 | - | 1,806 |
| Michigan Department of Education - Michigan Family, Career and Community Leaders of America (FCCLA) - Continuation - 2017-2018 | Pass-through | 84.048 | 183430-18134 | - | 69,816 |
| Michigan Department of Education - Michigan Skills USA 2016-17 - Continuation | Pass-through | 84.048 | 163430-17136 | - | 245 |
| Michigan Department of Education - Michigan Skills USA 2017-18 - Continuation | Pass-through | 84.048 | 183430-18136 | - | 184,636 |
| Michigan Department of Education - 2016-2017 Michigan DECA - Continuation | Pass-through | 84.048 | 163430-17131 | - | (493) |
| Michigan Department of Education - 2017-2018 Michigan DECA - Continuation | Pass-through | 84.048 | 183430-18132 | - | 188,880 |
| Michigan Department of Education - Michigan Business Professionals of America 2017-18 | Pass-through | 84.048 | 183430-18131 | - | 166,808 |
| Michigan Department of Education - Michigan Business Professionals of America 2016-17 | Pass-through | 84.051 | 163430-17131 | - | 468 |
| Michigan Department of Education - 21st Century Community Learning Centers - Bright Futures - Year 5 (Cohort G-1) | Pass-through | 84.287 | 162110-G12021 | - | 27,863 |
| Michigan Department of Education - 21st Century Community Learning Centers - Bright Futures Year 5 (Cohort G-2) | Pass-through | 84.287 | 15210-G12022 | - | 1,920 |
| Michigan Department of Education - 21st Century Community Learning Centers - Bright Futures Year 3 (Cohort I-one) | Pass-through | 84.287 | 152110-I14007 | - | 4,874 |
| Michigan Department of Education - 21st Century Community Learning Centers - Bright Futures Year 4 (Cohort I-one) | Pass-through | 84.287 | 182110-I14007 | - | 596,219 |
| Michigan Department of Education - 21st CCLC Cohort I-two Year 3 2016-2017 Bright Futures | Pass-through | 84.287 | 152110-I14013 | - | 9,523 |
| Michigan Department of Education - 21st CCLC Cohort I-two Year 4 2017-2018 Bright Futures | Pass-through | 84.287 | 182110-I14013 | - | 650,851 |
| Michigan Department of Education - 21st Century Community Learning Centers - Bright Futures Year 1 (Cohort J) | Pass-through | 84.287 | 182110-J17010 | - | 650,077 |

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2018

| Federal Agency/Pass-through Agency/Program Title | Direct or Pass-through | Federal CFDA Number | Federal Award Number | Total Amount Provided to Subrecipients | Federal Expenditures |
|---|------------------------|---------------------|-----------------------|--|----------------------|
| Other federal awards (continued): | | | | | |
| U.S. Department of Education (continued): | | | | | |
| Michigan Department of Labor - Labor and Economic Growth - Michigan Department of Career Development KCP State GEAR-UP Program 2016-2017 | Pass-through | 84.334 | 16-00-02 | \$ - | \$ 96,910 |
| Michigan Department of Labor - Labor and Economic Growth - MDLEG KCP GearUp Year 6 | Pass-through | 84.334 | 16-00-02 CPV | - | 2,859 |
| Gear Up | Pass-through | 84.334 | P334S110025-17 | - | 52,325 |
| Writing Research Intervention in Teaching English Language Learners | Direct | 84.365 | T365Z160111 | - | 391,148 |
| National Writing Project - NWP Advanced Institute to scale up the College Ready Writers Program | Direct | 84.367 | 92-MI01-SEED-2016 | - | 2,162 |
| National Writing Project - SEED Advanced Leadership Institute | Direct | 84.367 | 92-M101-SEED2016-JLI | - | (150) |
| I3 Scale Up - Expanding the College-Ready Writers Program | Direct | 84.411 | 92-MI01-2017I3AI | - | 16,482 |
| Total U.S. Department of Education | | | | - | 3,465,069 |
| U.S. Department of Health and Human Services: | | | | | |
| SAFE Now: Stigma and Fear End Now | Direct | 93.243 | 1U79SM061802-01 | - | 60,380 |
| EMU School of Social Work MSW Behavioral Health Fellowship Program | Direct | 93.243 | G02HP27933 | - | 61,156 |
| A Culturally-Sensitive Linguistically-Appropriate Intervention for Outreach and Increase CRD Screening | Pass-through | 93.283 | E20172834-00 | - | 21,338 |
| A Culturally-Sensitive Linguistically-Appropriate Intervention for Outreach and Increase CRD Screening - 2018 | Pass-through | 93.283 | E20180510-00 | - | 17,902 |
| State of Michigan-Independent Living Skills Coach for Training Eligible Foster Care Youth | Pass-through | 93.674 | YIT-13-81001 | - | (12,589) |
| Magic - Independent Skills for Living | Pass-through | 93.674 | YIT18-81001 | - | 85,083 |
| Community Mental Health Partnership of Southeast Michigan - Medicaid/CMHPSM: Communities That Care (YR2) | Pass-through | 93.959 | CONTRACT#2614 | - | 48,826 |
| Community Mental Health Partnership of Southeast Michigan - Prevention Peer Theatre | Pass-through | 93.959 | CMHPSM Contract #2902 | - | 64,740 |
| Building Assets, Building Futures: An Assets for Independence Project for Participants in a Family Empowerment Program in Ypsilanti, MI | Direct | 93.602 | 90EI0830-01-01 | - | 578 |
| Total U.S. Department of Health and Human Services | | | | - | 347,414 |
| U.S. Department of Homeland Security - Cyber Innovation Center - Cyber Discovery: Professional Development for High School Teachers through Student - Catalyst Teams - Implementation | | | | | |
| | Pass-through | 97.127 | NICERC 13-0211 | - | 18,904 |
| National Endowment for the Humanities - Enduring Questions Course on Artistic & Scientific Discovery | | | | | |
| | Direct | 45.163 | AQ-248263-16 | - | 1,293 |
| Environmental Protection Agency - Great Lakes Fisheries Trust: | | | | | |
| The Southeast Michigan Stewardship - Coalition, GLFT Continuation 5, SEMIS 2017-2019 | Pass-through | 66.951 | 2017-1756 | - | 72,199 |
| The Southeast Michigan Stewardship - Coalition, GLFT Continuation 4, SEMIS 2015-2017 | Pass-through | 66.951 | 2015-1578 | - | 19,118 |
| Total Environmental Protection Agency | | | | - | 91,317 |
| Total other federal awards | | | | 40,174 | 4,553,844 |
| Total federal expenditures | | | | \$ 158,090 | \$ 167,344,201 |

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Eastern Michigan University (the "University") under programs of the federal government for the year ended June 30, 2018. 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 the University, 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 in the Schedule are reported on the same basis of accounting as the basic financial statements. 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 elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance, since the University has an approved indirect cost rate through its cognizant agency.

Note 3 - Loans Balances

During the fiscal year ended June 30, 2018, the University issued new loans to students under the William D. Ford Federal Direct Loan Program (FDLP). The loan program includes subsidized and unsubsidized Stafford Loans, Parents' Loans for Undergraduate Students (PLUS), and PLUS loans for graduate and professional students. The value of loans issued for the FDLP is based on disbursed amounts. The undergraduate PLUS loans are applied first to students' tuition and fees, and any remaining balance is disbursed directly to parents or, with the parents' permission, to the student.

In addition, the University participates in the Federal Perkins Loan Program through the Department of Education and the Nurse Faculty Loan Program through the Department of Health and Human Services. These loan programs are directly administered by the University and are considered revolving loan programs whereby collections received on past loans, including interest, and new funds received from federal agencies are loaned out to current students. For both of these programs, the beginning of year balance and loans made during the year are disclosed in the schedule of expenditures of federal awards. The balance of loans outstanding for the Federal Perkins Loan Program as of June 30, 2018 amounted to \$6,266,708. The balance of the loans outstanding for the Nurse Faculty Loan Program (ARRA) and the Nurse Faculty Loan Program (non-ARRA) was \$359,456 and \$29,545, respectively, as of June 30, 2018.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2018

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 X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

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

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

Identification of major programs:

| CFDA Number | Name of Federal Program or Cluster | Opinion |
|---|---|--------------------------|
| 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, and 93.408 Various | Student Financial Aid Cluster Research and Development Cluster | Unmodified Unmodified |

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

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

Current Year None

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2018

Section III - Federal Program Audit Findings

| Reference Number | Finding |
|------------------|---|
| 2018-001 | <p>CFDA Number, Federal Agency, and Program Name - Student Financial Aid Cluster - Department of Education - Federal Direct Student Loan Program (CFDA #84.268) and Federal Pell Grant Program (CFDA #84.063)</p> <p>Federal Award Identification Number and Year - 2018-001</p> <p>Pass-through Entity - None</p> <p>Finding Type - Significant deficiency</p> <p>Repeat Finding - Yes; 2017-001</p> <p>Criteria - As required in 34 CFR 685.309(b)(2), institutions must report enrollment changes to National Student Loan Data System (NSLDS) for students who received Title IV funds within 60 days of the date the change in enrollment status was determined to have occurred.</p> <p>Condition - Students were identified whose enrollment status changes were reported outside the required time frame.</p> <p>Questioned Costs - None</p> <p>Context - Of 40 enrollment status changes tested, 6 students' status changes were not reported within the 60-day requirement to NSLDS and 1 was not reported using the correct classification to NSLDS. All 7 of the issues related to students graduated during the year.</p> <p>Cause and Effect - There were three issues related to reporting of enrollment status:</p> <ol style="list-style-type: none"> 1) The first issue relates to students enrolled in programs who are awarded two degrees simultaneously. In these instances, the National Student Clearinghouse recognizes the upload as an error and does not process the student's status change to graduated. An error report was generated and sent back to the University, and then it was the University's responsibility to make sure that these changes are made manually to NSLDS, which was not completed timely by the University. 2) The second issue relates to students withdrawing in a semester and then graduating in a subsequent semester. The University has a process in place where a report is generated for students in this situation, so that their status can be manually updated timely to NSLDS. For one student in the sample, the student was on this report but was missed during the manual process. For another two students, the report was not generated timely, so their statuses were not updated timely in NSLDS. 3) The third issue relates to a graduated student status being updated in NSLDS to withdrawn instead of graduated. The University timely uploaded the change to the NSC; however, the incorrect classification was used. <p>In all cases, the University properly updated the students' records on NSLDS; however, the communication was not timely. The University is responsible to ensure the properly reporting to NSLDS.</p> |

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2018

| Reference Number | Finding |
|-------------------------|---|
| 2018-001 (Continued) | <p>Recommendation - The University should implement procedures and controls to ensure student status changes are reported accurately and within the required time frame.</p> <p>Views of Responsible Officials and Corrective Action Plan - When a student stops attending prior to the term of graduation, the student's status on NSLDS is not automatically updated from withdrawn to graduated. To ensure that NSLDS is reflecting the correct enrollment status, the office of records and registration has created a report to identify students that have a degree conferred within a semester of nonenrollment. The office of financial aid will review the report and update NSLDS with the correct status.</p> <p>When a student graduates and receives multiple degrees simultaneously, the National Student Clearinghouse (NSC) will return an error report for those students rather than change their status in NSLDS. The office of records and registration has created a policy to review that report for each NSC submission to ensure that all students submitted to NSC are correctly passed along to NSLDS. The office of financial aid will review the report for those students and ensure their statuses were updated properly.</p> |