

University Enterprises, Inc.

Sacramento, California

SINGLE AUDIT REPORTS

June 30, 2016



K · C O E
I S O M

University Enterprises, Inc.

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INDEPENDENT AUDITORS' 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

To the Board of Directors
University Enterprises, Inc.
Sacramento, California

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 University Enterprises, Inc. (UEI), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise UEI's basic financial statements, and have issued our report thereon dated September 13, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered UEI's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UEI's internal control. Accordingly, we do not express an opinion on the effectiveness of UEI'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 UEI'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITORS' 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

(Continued)

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UEI's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering UEI's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KCae Team, LLP

September 13, 2016
Chico, California



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Directors
University Enterprises, Inc.
Sacramento, California

Report on Compliance for Each Major Federal Program

We have audited University Enterprises, Inc.'s (UEI), 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 UEI's major federal programs for the year ended June 30, 2016. UEI'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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of UEI'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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 UEI'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 UEI's compliance.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

(Continued)

Opinion on Each Major Federal Program

In our opinion, UEI 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, 2016.

Report on Internal Control Over Compliance

Management of UEI 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 UEI's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing 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 UEI's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

(Continued)

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 and OMB A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of UEI as of and for the year ended June 30, 2016, and have issued our report thereon dated September 13, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

KCoe Jam, LLP

September 13, 2016
Chico, California

University Enterprises, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Grantor/Pass-Through Grantor CFDA # - Federal Program Title	Pass-Through or Grant Number	Program or Award Amount	Passed Through to Subrecipients	Expenditures
Research and Development - Cluster				
Department of Agriculture				
10.001 - Agricultural Research-Basic and Applied Research Direct Funding	59-5306-2-343	\$ 136,779		\$ 70,368
10.310 - Agriculture and Food Research Initiative (AFRI) UC Davis	201403742-001	29,160		28,389
10.UNK - Unknown Direct Funding	AG-9104-P-15-0024	5,306		4,335
Total Department of Agriculture		<u>171,245</u>		<u>103,092</u>
Department of the Interior				
15.224 - Cultural Resource Management Direct Funding	L14AC00241	530,762		319,962
15.808 - U.S. Geological Survey, Research and Data Collection Direct Funding	G11AC20199	11,129,500		1,879,654
Direct Funding	G14AC00118	3,950,000		733,613
Direct Funding	G14AC00127	22,000		9,175
Direct Funding	G15AC00039	486,174		459,076
Direct Funding	G16AC00042	660,000		93,331
Total 15.808		<u>16,247,674</u>		<u>3,174,849</u>
15.904 - Historic Preservation Fund Grants-In-Aid Parks & Recreation	C8956508	16,900		16,900
15.922 - Native American Graves Protection and Repatriation Act Direct Funding	06-11-GP-543	89,906		4,747
Direct Funding	06-14-GP-606	89,740		28,286
Total 15.922		<u>179,646</u>		<u>33,033</u>
15.933 - Preservation of Japanese American Confinement Site CSU Dominguez Hills	500020	27,865		1,466
Total Department of the Interior		<u>17,002,847</u>		<u>3,546,210</u>
Department of Labor				
17.278 - WIA Dislocated Worker Formula Grants Los Angeles Comm College Dist	4500195334	1,220,509		177,953
Total Department of Labor		<u>1,220,509</u>		<u>177,953</u>
Department of Transportation				
20.701 - University Transportation Centers Program UC Regents	00008112	33,300		18,032
Total Department of Transportation		<u>33,300</u>		<u>18,032</u>
National Endowment for the Humanities				
45.161 - Promotion of the Humanities-Research Direct Funding	RQ-50869-14	109,557	22,000	83,746
Total National Endowment for the Humanities		<u>109,557</u>	<u>22,000</u>	<u>83,746</u>
National Science Foundation				
47.041 - Engineering Grants UC Regents	201302972-01	13,615		6,908
Stanford University	28400530-52629-A	139,052		1,229
Total 47.041		<u>152,667</u>		<u>8,137</u>
47.049 - Mathematical and Physical Sciences Direct Funding	1506502	360,000		30,833
47.070 - Computer and Information Science and Engineering CSU San Diego	SA0000411	12,500		5,484
Direct Funding	CNS-1314592	132,768		32,562
Total 47.070		<u>145,268</u>		<u>38,046</u>
47.074 - Biological Sciences Direct Funding	DEB-1354724	150,000		72,678
47.076 - Education and Human Resources Direct Funding	1027486	1,192,488		55,029
Direct Funding	DUE-1068383	1,627,672		254,782
Direct Funding	DUE-1432299	573,751		95,616
Direct Funding	HRD-1302873	2,006,000	480,286	797,836
Direct Funding	HRD-1363399	984,250	361,178	564,009
Direct Funding	1504547	1,034,831		343,254
Direct Funding	HRD-1463889	498,250	222,106	404,141
Direct Funding	DUE-1136419	1,787,909		267,477
Direct Funding	DUE-1557323	420,149		92
CSU Chico Research Foundation	Sub-11-034	364,770		95,338
UC Regents	201400026-02	172,072		124,355
Total 47.076		<u>10,662,142</u>	<u>1,063,570</u>	<u>3,001,929</u>
Total National Science Foundation		<u>11,470,077</u>	<u>1,063,570</u>	<u>3,151,623</u>

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Federal Grantor/Pass-Through Grantor CFDA # - Federal Program Title	Pass-Through or Grant Number	Program or Award Amount	Passed Through to Subrecipients	Expenditures
Research and Development - Cluster (Continued)				
Environmental Protection Agency				
66.123 - Puget Sound Action Agenda: Technical Investigation Skagit County	C20150014	24,771		520
66.516 - P3 Award: National Student Design Competition for Sustainability Direct Funding	83614001	<u>15,000</u>		<u>4,874</u>
Total Environmental Protection Agency		<u>39,771</u>		<u>5,394</u>
Department of Energy				
81.086 - Conservation Research and Development Direct Funding	DE-EE0006563	<u>50,000</u>		<u>15,678</u>
Total Department of Energy		<u>50,000</u>		<u>15,678</u>
Department of Education				
84.031 - Higher Education Institutional Aid Direct Funding	P0315150197	486,112		224,499
84.366 - Mathematics and Science Partnerships Elk Grove USD	16-0672	<u>320,685</u>		<u>8,733</u>
Total Department of Education		<u>806,797</u>		<u>233,232</u>
Department of Health and Human Services				
93.243 - SAMHSA, Projects of Regional and National Significance CA Rural Indian Health Board	Agreement Dated 11/13/14	24,000		8,272
CA Rural Indian Health Board	Agreement Dated 8/25/15	<u>24,000</u>		<u>18,753</u>
Total 93.243.		<u>48,000</u>		<u>27,025</u>
93.307 - Minority Health and Health Disparities Research Direct Funding	R24MD007942	<u>777,152</u>	<u>57,623</u>	<u>125,489</u>
93.667 - Social Services Block Grant Social Services, CA Dept of	15-STD-01317	<u>244,477</u>		<u>220,934</u>
93.859 - Biomedical Research and Research Training Direct Funding	SC3GM119521	<u>105,750</u>		<u>11,784</u>
Total Department of Health and Human Services		<u>1,175,379</u>	<u>57,623</u>	<u>385,232</u>
Department of Homeland Security				
97.041 - National Dam Safety Program Water Resources	4600009856	328,442		70,608
97.067 - Homeland Security Grant Program Water Resources	6059-9	49,500		211
97.UNK - Unknown Office of Emergency Services	6054-2	<u>209,820</u>		<u>16,548</u>
Total Department of Homeland Security		<u>587,762</u>		<u>87,367</u>
Total Research and Development Cluster		<u>32,667,244</u>	<u>1,143,193</u>	<u>7,807,559</u>
Trio - Cluster				
Department of Education				
84.042 - TRIO, Student Support Services Direct Funding	P042A100161	1,660,712		52,987
Direct Funding	P042A150840	<u>1,336,930</u>		<u>181,427</u>
Total 84.042		<u>2,997,642</u>		<u>234,414</u>
84.217 - TRIO, McNair Post-Baccalaureate Achievement Direct Funding	P217A120289	<u>900,174</u>		<u>204,814</u>
Total TRIO Cluster		<u>3,897,816</u>		<u>439,228</u>
Teacher Quality - Cluster				
Department of Education				
84.367 - Improving Teacher Quality State Grants UC Regents	NCLB12-CSP-Sacramento	35,000		34,368
UC Regents	NCLB12-CWLP-Sacramento	45,470		43,227
UC Regents	NCLB12-CRLP-Sacramento	45,710		45,710
UC Regents	NCLB12-CMP-Sacramento	23,000		13,957
Education	15-15196-3061-00	<u>238,136</u>		<u>125,791</u>
Total Teacher Quality Cluster		<u>387,316</u>		<u>263,053</u>

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Federal Grantor/Pass-Through Grantor CFDA # - Federal Program Title	Pass-Through or Grant Number	Program or Award Amount	Passed Through to Subrecipients	Expenditures
Other Programs				
Department of Agriculture				
10.170 - Specialty Crop Block Grant Program - Farm Bill				
Food & Agriculture	SCB11079	86,405		54
Food & Agriculture	SCB12071-1	58,178		36,313
Total 10.170		<u>144,583</u>		<u>36,367</u>
10.310 - Agriculture and Food Research Initiative (AFRI)				
CSU Long Beach	PO 0000801159	27,222		27,222
Total Department of Agriculture		<u>171,805</u>		<u>63,589</u>
Department of Defense				
12.113 - State Memorandum of Agreement Program for the Reimbursement of Tech Serv				
Toxic Substances Control	13-T3735	1,092,512		128,639
12.NA - Not Applicable				
Direct Funding	N62473-14-2-0011	59,939		40,843
Direct Funding	N62473-16-2-0002	99,893		1,034
Total Department of Defense		<u>1,252,344</u>		<u>170,516</u>
Department of the Interior				
15.608 - Fish and Wildlife Management Assistance				
Direct Funding	F10AC00770	996,210		99,830
Direct Funding	F16AC00171	163,841		38,270
Total 15.608		<u>1,160,051</u>		<u>138,100</u>
15.945 - Cooperative Research and Training Programs				
Direct Funding	P14AC01331	45,000		30,250
Total Department of the Interior		<u>1,205,051</u>		<u>168,350</u>
Department of Labor				
17.282 - Trade Adjustment Assistance Community College and Career Training				
West Hills Community College Dist	TC-013-01	352,657		31,511
Total Department of Labor		<u>352,657</u>		<u>31,511</u>
Department of Transportation				
20.UNK - Unknown				
California Alcoholic Beverage Control	09I-0146	40,000		21,158
Total Department of Transportation		<u>40,000</u>		<u>21,158</u>
National Aeronautics & Space Administration				
43.001 - Aerospace Education Services Program				
UC San Diego	P1472278	8,000		5,304
Total National Aeronautics & Space Administration		<u>8,000</u>		<u>5,304</u>
National Endowment for the Humanities				
45.163 - Promotion of the Humanities Professional Development				
Direct Funding	BH-50592-13	178,353		692
Total National Endowment for the Humanities		<u>178,353</u>		<u>692</u>
Environmental Protection Agency				
66.707 - TSCA Title IV State Lead Certification Grants				
Department of Public Health	15-10007	271,968		271,968
Total Environmental Protection Agency		<u>271,968</u>		<u>271,968</u>
Department of Education				
84.016 - Undergraduate International Studies and Foreign Language Programs				
University Enterprises Corp SB	GT14129	83,004		39,853
84.149 - Migrant Education, College Assistance Migrant Program				
Direct Funding	S149A140007	2,125,000		438,743
84.366 - Mathematics and Science Partnerships				
Elk Grove USD	CDE 11-14512-6731-00	588,896		42,215
Sacramento County	160359	121,000		48,037
Total 84.366		<u>709,896</u>		<u>90,252</u>
84.382 - Strengthening Minority-Serving Institutions				
Direct Funding	P382B110005	2,129,369		498,939
84.418 - Promoting Readiness of Minors in Supplemental Security Income				
Rehabilitation	29420	170,030		52,016
Total Department of Education		<u>5,217,299</u>		<u>1,119,803</u>

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Federal Grantor/Pass-Through Grantor CFDA # - Federal Program Title	Pass-Through or Grant Number	Program or Award Amount	Passed Through to Subrecipients	Expenditures
Other Programs (Continued)				
Department of Health and Human Services				
93.116 - Tuberculosis Control Programs				
Department of Public Health	14-10871	45,425		16,165
93.243 - SAMHSA, Projects of Regional and National Significance				
Direct Funding	U79SM060514	305,804		15,564
93.525 - State Planning and Establishment Grants for ACA Exchanges				
Health Benefits Exchange	13-C-063	200,000		92,850
Health Benefits Exchange	14-C-060	173,370		105,285
Health Benefits Exchange	15-C-002	30,000		12,290
Total 93.525		403,370		210,425
93.563 - Child Support Enforcement				
Child Support Services	60-0504-14	252,887		57,248
Child Support Services	60-0602-15	249,205		230,107
Total 93.563		502,092		287,355
93.632 - UCEDD Education, Research, and Service				
UC Davis	201118328-01	68,500		16,781
93.658 - Foster Care, Title IV-E				
UC Regents	BB00407678	2,048,451		33,635
UC Regents	BB00008883	1,906,226		1,434,930
Total 93.658		3,954,677		1,468,565
93.778 - Medical Assistance Program				
Dept of Health Care Services	14-90193	450,000		144,230
93.859 - Biomedical Research and Research Training				
San Francisco State University	0000007186	30,147		13,141
Direct Funding	R25GM056645	1,094,131		8,195
Total 93.859 within Other		1,124,278		21,336
93.940 - HIV Prevention Activities-Health Department Based				
Department of Public Health	14-10778	200,000		73,636
93.977 - Preventive Health Services-Sexually Transmitted Diseases Control Grants				
Department of Public Health	13-10047	264,500		20,958
Total Department of Health and Human Services		7,318,646		2,275,015
Department of Homeland Security				
97.067 - Homeland Security Grant Program				
California Volunteers	CV14-108	80,000		34,142
Total Department of Homeland Security		80,000		34,142
Total Expenditures of Federal Awards		\$ 53,048,499	\$ 1,143,193	\$ 12,671,888

University Enterprises, Inc.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of University Enterprises, Inc. (UEI), under programs of the federal government for the year ended June 30, 2016. The information in the SEFA is presented in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of UEI, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of UEI.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures of federal awards received directly from federal agencies, as well as expenditures of federal awards passed through other governmental agencies, are included on the SEFA, and are presented on the accrual basis of accounting. Such expenditures are recognized, as applicable, either using the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State and Local Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in the accompanying SEFA were determined based on the program name, review of grant contract information, and the Office of Management and Budget's *Catalog of Federal Domestic Assistance*.

4. INDIRECT COSTS

UEI did not elect to use the 10% de minimis cost rate as allowed in the Uniform Guidance, section 414.

FINDINGS AND QUESTIONED COSTS SECTION

University Enterprises, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs: Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, Section 200.516(a)	No
Identification of major programs: CFDA No. Various Research and Development Cluster CFDA No. 93.658 Foster Care Title IV-E	
Threshold for distinguishing types A and B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

University Enterprises, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

SECTION II FINDINGS

FINANCIAL STATEMENTS AUDIT

None.

University Enterprises, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

SECTION III FINDINGS

FEDERAL AWARDS AUDIT

None.

University Enterprises, Inc.

CORRECTIVE ACTION PLAN

Not applicable: there are no current-year findings related to federal awards.

University Enterprises, Inc.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

None.