

University Enterprises, Inc.

Sacramento, California

SINGLE AUDIT REPORTS

June 30, 2018



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, 2018, and the related notes to the financial statements, which collectively comprise UEI's basic financial statements, and have issued our report thereon dated October 18, 2018.

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 an opinion 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.

KCoe Team, LLP

October 18, 2018
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 *Compliance Supplement* that could have a direct and material effect on each of UEI's major federal programs for the year ended June 30, 2018. UEI's major federal programs are identified in the summary of auditors' 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, 2018.

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. 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, 2018; the related notes to the financial statements; and have issued our report thereon dated October 18, 2018, 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

October 18, 2018
Chico, California

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

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				
10.310 - Agriculture and Food Research Initiative (AFRI) UC Davis	201403742-01	\$ 93,058		\$ 33,408
10.912 - Environmental Quality Incentives Program Direct Funding	69-9104-17-514	56,944		49,725
10.UNK - Unknown Direct Funding	AG-4D90-P-17-0051	4,000		1,260
Total Department of Agriculture		154,002		84,393
Department of Defense				
12.902 - Information Assurance Scholarship Program Purdue University	4104-84246	11,989		347
Total Department of Defense		11,989		347
Department of Education				
84.031 - Higher Education Institutional Aid Direct Funding	P0315150197	1,465,742		405,260
Total Department of Education		1,465,742		405,260
Department of the Interior				
15.224 - Cultural Resource Management Direct Funding	L14AC00241	699,678		119,607
15.564 - Central Valley Project Conservation Direct Funding	P31952	20,061		838
15.805 - Assistance to State Water Resources Research Institutes UC Regents	SA15-2997-CA374B	24,998		12,544
15.808 - U.S. Geological Survey, Research and Data Collection Direct Funding	G14AC00118	3,950,000		778,270
Direct Funding	G16AC00042	1,385,000		643,286
Direct Funding	G16AC00263	3,844,832		1,906,741
Direct Funding	G17AC00365	99,499		58,541
Total 15.808		9,279,331		3,386,838
15.904 - Historic Preservation Fund Grants-In-Aid Parks and Recreation	C1710002	12,000		5,211
Parks and Recreation	C8960506	2,500		2,500
Total 15.904		14,500		7,711
15.922 - Native American Graves Protection and Repatriation Act Direct Funding	06-14-GP-606	89,740		543
15.933 - Preservation of Japanese American Confinement Site CSU Dominguez Hills	500020	40,000		3,423
Total Department of the Interior		10,168,308		3,531,504
Department of Justice				
16.582 - Crime Victim Assistance/Discretionary Grants Sacramento County	Agreement signed 1/24/2017	140,000		39,858
Total Department of Justice		140,000		39,858
Department of Labor				
17.278 - WIA Dislocated Worker Formula Grants Los Angeles Community College District	4500195334	1,672,508		115,541
Total Department of Labor		1,672,508		115,541
National Endowment for the Humanities				
45.149 - Promotion of the Humanities-Research CSU Dominguez Hills	50027	20,000		17,093
Total National Endowment for the Humanities		\$ 20,000		\$ 17,093

See the accompanying note to the Schedule of Expenditures of Federal Awards.

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018
(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)				
National Science Foundation				
47.049 - Mathematical and Physical Sciences				
Direct Funding	1506502	\$ 360,000		\$ 78,079
Direct Funding	1726596	305,686		305,686
Direct Funding	1802478	30,000		30,000
Total 47.049		<u>695,686</u>		<u>413,765</u>
47.050 - Geosciences				
Columbia University	57(GG009393)	<u>37,685</u>		<u>22,271</u>
47.070 - Computer and Information Science and Engineering				
Direct Funding	CNS-1314592	<u>96,397</u>		<u>28,675</u>
47.075 - Social, Behavioral, and Economic Sciences				
Direct Funding	1632541	<u>194,068</u>		<u>77,617</u>
47.076 - Education and Human Resources				
Direct Funding	1504547	2,636,132		494,172
Direct Funding	1644273	959,999		108,524
Direct Funding	1660810	19,243		10,687
Direct Funding	1700556	1,075,000		470,099
Direct Funding	DUE-1068383	1,627,672		122,547
Direct Funding	DUE-1432299	456,067		127,851
Direct Funding	HRD-1302873	3,613,600	402,709	692,859
Direct Funding	HRD-1463889	987,000	263,518	64,205
Direct Funding	HRD-1602210	1,074,999	634,813	753,412
Direct Funding	DUE-1136419	1,787,909		60,209
Direct Funding	DUE-1557323	3,263,515		421,858
CSU Chico Research Foundation	Sub-11-034	364,770		11,709
Florida State University	166140	58,957		42,909
UC Regents	201400026-02	196,937		23,251
UC Regents	UCD168475	19,983		6,978
Total 47.076		<u>18,141,783</u>	<u>1,301,040</u>	<u>3,411,270</u>
Total National Science Foundation		<u>19,165,619</u>	<u>1,301,040</u>	<u>3,953,598</u>
Department of Health and Human Services				
93.859 - Biomedical Research and Research Training				
Direct Funding	SC3GM119521	531,545		92,279
Direct Funding	1R25GM122667-01	1,366,659		109,839
Total 93.859		<u>1,898,204</u>		<u>202,118</u>
Total Department of Health and Human Services		<u>1,898,204</u>		<u>202,118</u>
Department of Homeland Security				
97.041 - National Dam Safety Program				
Water Resources	4600009856	940,830		432,410
97.UNK - Unknown				
Office of Emergency Services	6051-2017	380,000		163,494
Office of Emergency Services	6054-2	209,820		7,998
Total Department of Homeland Security		<u>1,530,650</u>		<u>603,902</u>
Total Research and Development - Cluster		<u>36,227,022</u>	<u>1,301,040</u>	<u>8,953,614</u>
Other Programs				
Department of Agriculture				
10.215 - Sustainable Agriculture Research and Education				
Utah State University	201207-575	249,546		3,933
10.561 - Supplemental Nutrition Assistance Program				
CSU Chico Research Foundation	SUB16-056	31,007		6,006
CSU Sacramento College of Continuing Education	PO#4000050080	6,263		1,631
Total 10.561		<u>37,270</u>		<u>7,637</u>
Total Department of Agriculture		<u>\$ 286,816</u>		<u>\$ 11,570</u>

See the accompanying note to the Schedule of Expenditures of Federal Awards.

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018
(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 Defense				
12.113 - State Memorandum of Agreement Program for the Reimbursement of Tech Services Toxic Substances Control	17-T4332	\$ 328,521		\$ 18,537
12.630 - Basic, Applied and Advanced Research in Science and Engineering Academy of Applied Science	SG-16-009, SG-16-010	5,000		299
12.901 - Mathematical Sciences Grants Program Direct Funding	H98230-18-1-0068	24,800		24,800
12.NA - Not Applicable Direct Funding	N62473-16-2-0002	99,893		36,271
Direct Funding	N62473-16-2-0007	84,907		26,539
Total 12.NA		184,800		62,810
Total Department of Defense		543,121		106,446
Department of Education				
Trio - Cluster				
84.042 - TRIO, Student Support Services Direct Funding	P042A150840	1,886,609		232,733
84.217 - TRIO, McNair Post-Baccalaureate Achievement Direct Funding	P217A120289	1,126,770		133,936
Direct Funding	P217A170341	225,496		114,713
Total 84.217		1,352,266		248,649
Total TRIO Cluster		3,238,875		481,382
84.016 - Undergraduate International Studies and Foreign Language Programs University Enterprises Corp SB	GT14129	120,821		7,753
84.031 - Higher Education Institutional Aid Direct Funding	P031S170150	2,677,033		128,639
84.141 - Migrant Education, High School Equivalency Program Direct Funding	S141A160026	2,850,000		611,714
84.149 - Migrant Education, College Assistance Migrant Program Direct Funding	S149A140007	2,975,000		313,701
84.305 - Education Research, Development and Dissemination Direct Funding	R305B160016	1,075,675		134,391
84.325 - SPED-Personnel Development to Improve Services and Results for Children with Disabilities Direct Funding	H325K160145	1,497,402		178,509
84.367 - Improving Teacher Quality State Grants Education	16-15196-3061-00	267,368		146,669
Education	S367B160005	1,280,000	203,673	445,096
UC Regents	NCLB13-CSP-Sacramento	30,000		3,129
UC Regents	NCLB14-CMP-Sacramento	20,635		20,635
UC Regents	NCLB14-CRLP-Sacramento	39,141		35,392
UC Regents	NCLB14-CSMP-Sacramento	26,915		26,915
UC Regents	NCLB14-CWLP-Sacramento	36,335		35,564
Total 84.367		1,700,394	203,673	713,400
84.382 - Strengthening Minority-Serving Institutions Direct Funding	P382B160023	674,700		239,583
Total Department of Education		\$ 16,809,900		\$ 2,809,072

See the accompanying note to the Schedule of Expenditures of Federal Awards.

University Enterprises, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018
(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				
93.110 - Maternal and Child Health Federal Consolidated Programs UC Davis	201602617-01	\$ 90,441		\$ 50,897
93.116 - Tuberculosis Control Programs Department of Public Health	14-10871	45,425		14,922
93.136 - Injury Prevention and Control Research Department of Public Health	16-10897	563,995	26,966	295,152
93.525 - State Planning and Establishment Grants for ACA Exchanges				
Health Benefits Exchange	16-C-002	508,000		87,160
Health Benefits Exchange	16-C-024	300,000		167,719
Health Benefits Exchange	16-C-104	49,500		20,118
Health Benefits Exchange	16-C-110	18,998		18,116
Health Benefits Exchange	17-C-002	42,000		17,217
Health Benefits Exchange	17-C-012	42,757		37,453
Health Benefits Exchange	17-C-021	37,495		37,454
Health Benefits Exchange	17-C-072	90,000		9,851
Total 93.525		<u>1,088,750</u>		<u>395,088</u>
93.563 - Child Support Enforcement Child Support Services	60-0651-16	435,317		250,932
93.632 - UCEDD Education, Research, and Service UC Davis	201602885-01	20,178		14,100
93.658 - Foster Care, Title IV-E UC Regents	00009254	4,520,072		1,873,841
93.778 - Medical Assistance Program Department of Health Care Services	16-93072	225,000		150,942
Department of Health Care Services	17-94033	600,000		355,058
Total 93.778		<u>825,000</u>		<u>506,000</u>
93.940 - HIV Prevention Activities-Health Department Based Department of Public Health	14-10778	200,000		19,089
93.944 - HIV/AIDS Surveillance Department of Public Health	17-10430	200,000		23,546
93.977 - Preventive Health Services-Sexually Transmitted Diseases Control Grants Department of Public Health	16-10056	127,650		27,181
Department of Public Health	17-10657	549,454		19,863
Total 93.977		<u>677,104</u>		<u>47,044</u>
Total Department of Health and Human Services		<u>8,666,282</u>	<u>26,966</u>	<u>3,490,611</u>
Department of the Interior				
15.669 - Cooperative Landscape Conservation Direct Funding	F16AC00171	410,444		162,688
15.945 - Cooperative Research and Training Programs Direct Funding	P18AC00300	39,782		2,338
Total Department of the Interior		<u>450,226</u>		<u>165,026</u>
Department of Labor				
17.258 - ARRA - WIA Adult Program Sacramento Employment and Training Agency	351999MSI	82,498		40,129
Total Department of Labor		<u>82,498</u>		<u>40,129</u>
National Aeronautics and Space Administration				
43.001 - Aerospace Education Services Program UC San Diego	Award Letter Dated 1/19/2016	10,000		4,000
UC San Diego	Award Letter Dated 1/31/2017	8,000		2,000
Total 43.001		<u>18,000</u>		<u>6,000</u>
Total National Aeronautics and Space Administration		<u>18,000</u>		<u>6,000</u>
Environmental Protection Agency				
66.203 - Environmental Finance Center Grants Direct Funding	99T40501	301,111		169,651
66.608 - Environmental Information Exchange Network Direct Funding	OS-83923301-0	299,699		47,042
66.707 - TSCA Title IV State Lead Certification Grants Department of Public Health	15-10007	400,000		262,021
Total Environmental Protection Agency		<u>1,000,810</u>		<u>478,714</u>
National Endowment for the Humanities				
45.025 - Promotion of the Arts Partnership Agreements The Western States Arts Federation	TW201600196	2,125		2,125
Total National Endowment for the Humanities		<u>2,125</u>		<u>2,125</u>
Total Expenditures of Federal Awards		<u>\$ 64,086,800</u>	<u>\$ 1,531,679</u>	<u>\$ 16,063,307</u>

See the accompanying note to the Schedule of Expenditures of Federal Awards.

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, 2018. 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

June 30, 2018

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 2 CFR 200.516(a)?	No
Identification of major federal programs: CFDA No. Various Research and Development Cluster	
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

June 30, 2018

(Continued)

SECTION II FINDINGS

FINANCIAL STATEMENTS AUDIT

None.

University Enterprises, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2018

(Continued)

SECTION III FINDINGS

FEDERAL AWARDS AUDIT

None.

University Enterprises, Inc.

CORRECTIVE ACTION PLAN

June 30, 2018

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

University Enterprises, Inc.

SUMMARY SCHEDULE OF PRIOR-YEAR FINDINGS

June 30, 2018

None.