

**UNIVERSITY OF LOUISVILLE**

**Single Audit Reports and the  
Schedule of Expenditures of Federal Awards  
for the Year Ended  
June 30, 2013**

**UNIVERSITY OF LOUISVILLE**

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# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
<b>STUDENT FINANCIAL AID CLUSTER</b>			
UNITED STATES DEPARTMENT OF EDUCATION			
Federal Supplemental Educational Opportunity Grants	84.007		\$ 787,731
Federal Work Study Program	84.033		769,883
Federal Perkins Loan Program	84.038		9,946,075
Federal Pell Grant Program	84.063		19,606,533
William D. Ford Federal Direct Loan Program	84.268		136,472,891
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379		<u>249,164</u>
SUBTOTAL UNITED STATES DEPARTMENT OF EDUCATION			<u>167,832,277</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	93.342		8,470,744
Nursing Student Loans	93.364		<u>240,507</u>
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>8,711,251</u>
<b>TOTAL STUDENT FINANCIAL AID CLUSTER</b>			<u>176,543,528</u>
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>			
DEPARTMENT OF AGRICULTURE			
Department of Agriculture Contracts	10.000		<u>98,299</u>
DEPARTMENT OF COMMERCE			
ARRA - Measurements and Engineering Research and Standards	11.609		<u>74,220</u>
DEPARTMENT OF DEFENSE			
Department of Defense Contracts			
Through Christopher & Dana Reeve Foundation	12.000	NOA3-2010(SH)	6,247
Through Confidential	12.000	Federal Contractor	573,442
Through Defense Logistics Agency	12.000	SP4701-10-C-0034	156,886
Through FlashScan3D	12.000	HQ0034-11-C-0035	6,640
Through Jewish Hospital	12.000	W81XWH-09-2-0124	31,955
Through Paramount Industries, Inc.	12.000	FA8650-12-M-5151	59,985
Through Texas Research Institute Austin, Inc.	12.000	N00014-10-C-0436	5,938
Basic and Applied Scientific Research	12.300		464,910
Basic Scientific Research - Combating Weapons of Mass Destruction through Southern Research Institute	12.351	S12-012	15,310
Military Medical Research and Development	12.420		2,219,766
Through Accella Learning, LLC	12.420	W81XWH-10-2-0094	103,968
Through Christopher & Dana Reeve Foundation	12.420	CTN6-2012(B-H)	124,251
Through Jewish Hospital	12.420	W81XWH-07-1-0185	3,029

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
Through National Stem Cell Foundation	12.420	W81XWH-10-1-0688	\$ 224,897
Through Owensboro Medical Health System	12.420	W81XWH-10-2-0082	280,198
Through University of Florida	12.420	UF11142	34,964
Through University of Pittsburgh	12.420	0027150 (408007-2)	39,069
Basic Scientific Research	12.431		109,643
Through University of Florida Research Foundation	12.431	UF-EIES-0914001-ULR	125,747
Air Force Defense Research Sciences Program			
Through Mound Laser & Photonics Center, Inc.	12.800	AF121-130	74,308
Through Spectral Sciences, Inc.	12.800	FA9453-13-M-0055	12,309
Through Universal Technology Corporation	12.800	13-T5690-09-C1	5,934
Mathematical Sciences Grants Program	12.901		31,702
Research and Technology Development through Scientific Technology Systems, Inc.	12.910	DARPA-BAA-12-38	21,327
<b>SUBTOTAL DEPARTMENT OF DEFENSE</b>			<b>4,732,425</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Sustainable Communities Regional Planning Grant Program	14.703		18,931
<b>DEPARTMENT OF INTERIOR</b>			
Department of Interior Contracts	15.000		33,732
Conservation Grants Private Stewardship for Imperiled Species	15.632		69,586
<b>SUBTOTAL DEPARTMENT OF INTERIOR</b>			<b>103,318</b>
<b>DEPARTMENT OF JUSTICE</b>			
Legal Assistance for Victims through Legal Aid Society, Inc.	16.524	2010-wl-ax-0050	47,209
Juvenile Justice and Delinquency Prevention - Allocation to States through State of Kentucky	16.540	2009-JF-FX-0044	9,639
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		18,464
Juvenile Mentoring Program	16.726		281,123
Criminal and Juvenile Justice and Mental Health Collaboration Program through State of Kentucky	16.745	PON2 02510000007772	35,796
Congressionally Recommended Awards	16.753		131,535
<b>SUBTOTAL DEPARTMENT OF JUSTICE</b>			<b>523,766</b>
<b>DEPARTMENT OF TRANSPORTATION</b>			
Aviation Research Grants	20.108		160,605
Highway Research and Development Program through Health Effects Institute, Inc.	20.200	8006-09-3-2	43,034
University Transportation Centers Program through Marshall University Research Corporation	20.701	RC-P1300354	38,307
<b>SUBTOTAL DEPARTMENT OF TRANSPORTATION</b>			<b>241,946</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>			
NASA Contracts	43.000		92,293
Through Oregon State University	43.000	NS224A-A	39,357
Through Space Telescope Science Institute	43.000	Multiple	42,341
Through University of Kentucky Research Foundation	43.000	Multiple	190,639
<b>SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>			<b>364,630</b>

**UNIVERSITY OF LOUISVILLE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)**

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
<b>NATIONAL SCIENCE FOUNDATION</b>			
Engineering Grants	47.041		\$ 909,678
Through Alabama State University	47.041	ALASU-1200000651	11,766
Through NaugaNeedles, LLC	47.041	SBIR II IIP-1058576	5,617
Mathematical and Physical Sciences	47.049		501,128
Computer and Information Science and Engineering	47.070		112,895
Through University of Kentucky Research Foundation	47.070	UKRF304810511309-182	(2,132)
Biological Sciences	47.074		730,712
Through Carnegie Institute	47.074	0629959	2,632
Through Marquette University	47.074	NSF MCB-0951110	8,237
Social, Behavioral, and Economic Sciences	47.075		80,378
Education and Human Resources	47.076		1,073,326
Office of Experimental Program to Stimulate Competitive Research			
Through University of Kentucky Research Foundation	47.081	3048108525-12-379,380	1,053,545
ARRA - Trans-NSF Recovery Act Research Support	47.082		53,552
Through University of Kentucky Research Foundation - ARRA	47.082	3048106819-10-085	13,240
Mathematical and Physical Sciences	47.049		100,491
Education and Human Resources			
Through Cleveland State University	47.076	DELAT37B	2,542
Through Stevens Institute of Technology	47.076	ENGAGE Project	500
Through University of Kentucky Research Foundation	47.076	3048032200-07-250	15,859
ARRA - Trans-NSF Recovery Act Research Support	47.082		<u>251,715</u>
<b>SUBTOTAL NATIONAL SCIENCE FOUNDATION</b>			<u>4,925,681</u>
<b>DEPARTMENT OF VETERANS AFFAIRS</b>			
Sharing Specialized Medical Resources	64.018		<u>825,800</u>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
Surveys, Studies, Research, Investigations, Demonstrations Relating to the Clean Air Act			
Through Health Effects Institute	66.034	4751-RFA05-2/06-12-3	(9,997)
Environmental Finance Center Grants	66.203		94,817
Surveys, Studies, Investigations, Demonstrations and Training Grants and Cooperative Agreements (Sec 104 (3)(b)) of the Clean Water Act			
Through Tetra Tech, Inc.	66.436	LOPC Grnt #964597060	18,120
Nonpoint Source Implementation Grants			
Through Cumberland Valley Resource Conservation	66.460	Sinking Creek Water	92,495
Through Pulaski County Conservation District	66.460	Brushy Creek Sediment	85,054
Through State of Kentucky	66.460	Multiple	148,625
Regional Wetland Program Development Grants	66.461		89,017
Science to Achieve Results (STAR) Research Program through University of Kentucky Research Foundation	66.509	3048104222-08-529	12,826
Source Reduction Assistance	66.717		<u>31,909</u>
<b>SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY</b>			<u>562,866</u>
<b>DEPARTMENT OF ENERGY</b>			
Department of Energy Contracts	81.000		42,971
Through State of Kentucky	81.000	PON2 127 13000013771	18,616
ARRA - Recovery Act State Energy Program through State of Kentucky	81.041	Multiple	(119)
Basic Energy Sciences	81.049		250,848
Through University of Kentucky Research Foundation	81.049	3048103802-12-391	425,596
Renewable Energy Research and Development	81.087		127,065
Electricity Delivery and Energy Reliability, Research, Development and Analysis			
Through Kentucky Public Service Commission - ARRA	81.122	PON21231100002793 1	(847)
Advanced Research and Projects Agency - Energy Financial Assistance Program	81.135		<u>2,495</u>
<b>SUBTOTAL DEPARTMENT OF ENERGY</b>			<u>866,625</u>

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
DEPARTMENT OF EDUCATION			
Career and Technical Education - Basic Grants to States			
Through Cornell University	84.048	68471-9999	\$ 25,264
Through Missouri Department of Elementary and Secondary Education	84.048	MO DESE(Perkin's Act)	15,892
Through Providence Public School Department	84.048	Providence No 1	47,632
Career and Technical Education - National Programs	84.051		1,925,237
National Institute on Disability and Rehabilitation Research	84.133		518,714
Through Criterion Health, Inc.	84.133	H133S100082	13,224
Through University of Michigan	84.133	3000631862	27,073
Education Research, Development and Dissemination	84.305		367,504
Through Development Services Group, Inc.	84.305	Sub#DSG UL 2012-13	68,926
Research in Special Education	84.324		94,874
Child Care Access Means Parents in School	84.335		149,336
Mathematics and Science Partnerships through Jefferson County Public Schools	84.366	PON2540130000017981	4,667
Improving Teacher Quality State Grants through State of Kentucky	84.367	PO2451513000006191	27,915
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SUBTOTAL DEPARTMENT OF EDUCATION			3,286,258
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Department of Health and Human Services Contracts	93.000		1,397,159
Through American College of Radiology	93.000	RTOG 0631	31
Through Children's Hospital of Philadelphia	93.000	09-007253	1,000
Through Conatus Pharmaceuticals, Inc.	93.000	CTS-1027-05	10,681
Through Corixa Corporation	93.000	HHSN2722009000036C	171,541
Through Oak Ridge Institute for Science and Education	93.000	Innovation Advisors	17,628
Through University of Alabama Birmingham	93.000	DMID NO. 09-0064	266
Through University of Pittsburgh	93.000	Sub 0017924-3	791,144
Enhance Safety of Children Affected by Substance Abuse through Eastern Kentucky University	93.087	EKU 452537-13-218	43,672
Maternal and Child Health Federal Consolidated Programs through Michigan Public Health Institute	93.110	K-38822-115-504200	13,685
Biological Response to Environmental Health Hazards	93.113		3,031,263
Oral Disease and Disorders Research	93.121		3,574,559
Through University of Akron	93.121	00840UL	49,561
Through University of Bristol	93.121	ORCA41265	31,394
Through University of Pennsylvania	93.121	555133	(18,796)
Through University of Washington	93.121	722100	73,325
Human Genome Research			
Through University of North Carolina at Chapel Hill	93.172	5-31866	9,207
Research Related to Deafness and Communication Disorders	93.173		557,901
Through University of Virginia	93.173	GC11990-136407	136,674
Disabilities Prevention through Christopher & Dana Reeve Foundation	93.184	Multiple	1,255,969
Immunization Research, Demonstration, Public Information and Education			
Training and Clinical Skills Improvement Projects	93.185		1,145,871
Research and Training in Complementary and Alternative Medicine	93.213		549,700
Through University of South Florida	93.213	TN01 TYPE 1 DIABETES	76,633
Through Massachusetts General Hospital	93.213	SU01AT00061308	42,876
National Center on Sleep Disorders Research	93.233		223,478
Mental Health Research Grants	93.242		871,731
Through University of Pittsburgh	93.242	SUB#0005536	445
Occupational Safety and Health Research Grants	93.262		3,855
Alcohol Research Programs	93.273		1,725,767
Through Duke University	93.273	303-4612	9,625
Through EndoProtech, Inc.	93.273	1R43AA021331-01	81,908
Through Louisiana State University	93.273	AA009803	59,190

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
Drug Abuse Research Programs	93.279		\$ 380,648
Through Ann & Robert H. Lurie Children's Hospital	93.279	901474-Louisville	73,357
Centers for Disease Control and Prevention - Investigations and Technical Assistance			
Through Kentuckiana Regional Planning & Development Agency	93.283	CDC5U58DP002815-03	146,566
Through State of Kentucky	93.283	PON2 72812000021281	44,574
Discovery and Applied Research for Technological Innovations to Improve Human Health			
Through University of California, Los Angeles	93.286	1R01EB00761501A1	211,619
Trans-NIH Research Support	93.310		27,753
Research Infrastructure	93.389		2,607,585
Cancer Cause and Prevention Research	93.393		2,053,405
Through University of Massachusetts	93.393	6114213/RFS900199	13,439
Cancer Detection and Diagnosis Research	93.394		169,120
Through Children's Hospital of Boston	93.394	HHSN268200536179C	1
Cancer Treatment Research	93.395		980,388
Through Advanced Cancer Therapeutics	93.395	1R43CA165300-01A1	59,091
Through American College of Radiology	93.395	Multiple	10,460
Through Beth Israel Deaconess Medical Center	93.395	01026208	10,210
Through CureSearch National Research Foundation, Inc.	93.395	COG	6,082
Through Duke Clinical Research Institute	93.395	ACOSOG Z5031	224
Through Indiana University-Purdue University	93.395	Multiple	2,741
Through Radiation Therapy Oncology Group	93.395	Multiple	2,332
Through Southwest Oncology Group	93.395	Multiple	2,991
Through University of Michigan	93.395	Multiple	(350)
Cancer Biology Research	93.396		1,173,587
Cancer Centers Support Grants			
Through University of New Mexico	93.397	3RB44	2,060
Through University of Southern California	93.397	34272255	24,284
Cancer Research Manpower	93.398		134,328
Through University of New Mexico	93.398	Multiple	(1)
Cancer Control Research			
Through NSAPB Foundation, Inc.	93.399	STAR	135,922
Through Purdue University	93.399	Multiple	(13,456)
The Coordinated Chronic Disease Prevention and Health Promotion Program			
Through State of Kentucky	93.544	PON27281200002131 1	33,052
ARRA - TRANS-NIH Recovery Act Research Support	93.701		221,729
Through Emmes Corporation, EPP (NCI) - ARRA	93.701	1U01NS026835-01A1	26,031
Through Duke Clinical Research Institute - ARRA	93.701	ARRA: RC2AR058934	295
Through Georgetown University - ARRA	93.701	RX 4335-029-UL	21,419
Through State of Kentucky - ARRA	93.701	PON27281000003921 1	654
Through Medical College of Wisconsin - ARRA	93.701	1R01HD061312-01	(1,563)
Through Ohio State University - ARRA	93.701	ARRA/SRC2CA148099-02	7,983
Through Social & Scientific Systems, Inc. - ARRA	93.701	ARRA, IRC-004	1,527
ARRA - Prevention and Wellness - Communities Putting Prevention to Work			
Through State of Kentucky - ARRA	93.724	PON2 7281200002662 1	25,378
Heart and Vascular Diseases Research	93.837		9,634,261
Through ABIOMED	93.837	2R44HL092700-02	(1,845)
Through Cincinnati Children's Hospital Medical Center	93.837	SUBAWARD 109317	3,424
Through Heartware, Inc.	93.837	1R43HL103014-01A1	(39,462)
Through Indiana University	93.837	1N4688149ULRF	121,200
Through Kentucky Pharmaceuticals, Inc.	93.837	6R42EY017518-04	(238)
Through Mount Sinai School of Medicine	93.837	Multiple	(77)
Through S.C.R., Inc.	93.837	2R44HL102981-02A1	141,838
Through University of Michigan	93.837	U01HL094345	6,102
Through University of South Florida	93.837	6382-1000-00-A	125,278
Through University of Utah	93.837	2302004 KY	36,774
Through Wayne State University	93.837	WSU10044	57,384

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
Lung Diseases Research	93.838		\$ 193,352
Through Duke University	93.838	7 R01 HL064894-06	12,422
Through Mayo Clinic	93.838	Multiple	71,417
Through National Jewish Medical Research Center	93.838	2 P01 HL036577-21A1	(21,590)
Blood Diseases and Resources Research	93.839		27,839
Through Noveratech	93.839	1R43HL114235-01 -SUB	18,763
Through Regenerex, Inc.	93.839	5R42HL074579-03	5,511
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		330,573
Through Cincinnati Children's Hospital Medical Center	93.846	5P60AR047784-08	2,179
Through Oklahoma Medical Research Foundation	93.846	1 R01 AR055176-01A2	62,672
Through Washington University	93.846	1 R01 AR055176-01A2	4,411
Diabetes, Endocrinology, and Metabolism Research	93.847		2,109,078
Through ApoVax, Inc.	93.847	1R41DK081296-01A2	39,807
Through Arkansas Children's Hospital Research Institute	93.847	Multiple	7,870
Through Emory University	93.847	1R21DK081847-01A2	616
Through Ohio State University	93.847	60031090	134,502
Through Regenerex, Inc.	93.847	2R42DK074331-03A2	319,409
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		1,990,636
Through Cincinnati Children's Hospital Medical Center	93.853	SUBAWARD 109540	3,960
Through New Jersey Medical School	93.853	CREST TRIAL 99-705	3,931
Through University of Cincinnati	93.853	U01-NS052220	31,500
Through University of Minnesota	93.853	ATACH-II	1,890
Through Westat	93.853	8079-S001	11,117
Allergy, Immunology and Transplantation Research	93.855		2,513,340
Through Children's Hospital Boston	93.855	Multiple	307
Through Massachusetts General Hospital	93.855	Subaward No. 219473	37,038
Through Medigen, Inc.	93.855	Multiple	146,493
Through NeoStem, Inc.	93.855	1R43AI098325-01	152,270
Through Regenerex, Inc.	93.855	1R41AI098336-01	80,063
Through SCR, Inc.	93.855	2R44HL083586-02A1	(18,788)
Through Washington University St. Louis Medical School	93.855	Multiple	317,149
Microbiology and Infectious Diseases Research through University of Alabama Birmingham	93.856	06-0046	1,133
Pharmacology, Physiology, and Biological Chemistry Research	93.859		8,302,489
Population Research	93.864		76,531
Center for Research for Mothers and Children	93.865		836,662
Through Aginnix, Inc.	93.865	LF-0901	27,310
Through Arkansas Children's Hospital Research Institute	93.865	901461-Louisville	(530)
Through Ann & Robert Lurie Children's Memorial Hospital	93.865	1R01HD060997-01A2	(1,461)
Through Duke Clinical Research Institute	93.865	RSN-C PTN POPS	37,249
Through Minneapolis Medical Research Foundation	93.865	07212-1	2,980
Through Oregon Research Institute	93.865	First Step: Home/Sch	251,975
Aging Research	93.866		1,043,418
Through University of Cincinnati	93.866	7002	17,165
Through University of Utah	93.866	10020166-01	53,010
Vision Research - Retinal and Choroidal Diseases Research	93.867		3,328,373
Through Children's Hospital of Philadelphia	93.867	320886_11_03	67,608
Through Cleveland Clinic Foundation	93.867	227SUB	126,151
Through Johns Hopkins University	93.867	2001683744	23,037
Through Kypha, Inc.	93.867	1R43EY021438-01	16,889
Through Stanford University	93.867	23914230-41077-B	277,849
Through University of Pennsylvania	93.867	5-U10-EY-017823-02	759
Health Care and Other Facilities	93.887		39,015
Maternal and Child Health Services Block Grant to the States through State of Kentucky	93.994	PO2 728 1200005268	248,107
 SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			 <u>57,984,503</u>



**UNIVERSITY OF LOUISVILLE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)**

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
Department of Homeland Security Contracts			
Through National Institute for Hometown Security, Inc.	97.000	Multiple	\$ 827,573
Through Western Kentucky University	97.000	556102-13-002	210,765
Non-Profit Security Program	97.008		15,436
Hazard Mitigation Grant			
Through Lexington-Fayette Urban County Government	97.039	R338-2011	35,911
Through State of Kentucky	97.039	M-06019448	(2,159)
Homeland Security Advanced Research Projects Agency			
Through ApoVax, Inc.	97.065	HSHQDC-11-C-00136	37,892
Through EWA Government Systems, Inc.	97.065	HSHQDC-11-C-00001	404,774
<b>SUBTOTAL DEPARTMENT OF HOMELAND SECURITY</b>			<u>1,530,192</u>
<b>TOTAL RESEARCH AND DEVELOPMENT CLUSTER</b>			<u>76,139,460</u>
<b>EARLY INTERVENTION SERVICES (IDEA) CLUSTER</b>			
<b>DEPARTMENT OF EDUCATION</b>			
ARRA Special Education - Grants for Infants and Families, Recovery Act through State of Kentucky	84.393	PON2 7281100002278 1	13,398
<b>TOTAL EARLY INTERVENTION SERVICES (IDEA) CLUSTER</b>			<u>13,398</u>
<b>SPECIAL EDUCATION (IDEA) CLUSTER</b>			
<b>DEPARTMENT OF EDUCATION</b>			
Special Education through State of Kentucky	84.027	Multiple	662,167
<b>TOTAL SPECIAL EDUCATION (IDEA) CLUSTER</b>			<u>662,167</u>
<b>ECONOMIC DEVELOPMENT CLUSTER</b>			
<b>DEPARTMENT OF COMMERCE</b>			
Economic Adjustment Assistance through KY Governor's Office for Local Development	11.307	PON2 112 11000028651	215,723
<b>TOTAL ECONOMIC DEVELOPMENT CLUSTER</b>			<u>215,723</u>

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
<b>HIGHWAY PLANNING AND CONSTRUCTION CLUSTER</b>			
DEPARTMENT OF TRANSPORTATION			
Highway Training and Construction			
Through State of Kentucky	20.205	PO2-628-1100004100	\$ 1,613,808
Through University of Kentucky Research Foundation	20.205	465780-03-010	<u>42,535</u>
SUBTOTAL DEPARTMENT OF TRANSPORTATION			<u>1,656,343</u>
<b>TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER</b>			<u>1,656,343</u>
<b>TRIO CLUSTER</b>			
DEPARTMENT OF EDUCATION			
TRIO - Student Support Services	84.042		300,351
TRIO - Talent Search	84.044		254,319
TRIO - Upward Bound	84.047		695,785
Through Council for Opportunity in Education	84.047	COE - Upward Bound	<u>82</u>
SUBTOTAL DEPARTMENT OF EDUCATION			<u>1,250,537</u>
<b>TOTAL TRIO CLUSTER</b>			<u>1,250,537</u>
<b>SCHOOL IMPROVEMENTS GRANTS CLUSTER</b>			
School Improvement Grants through State of Kentucky	84.377	PON254012000029051	<u>226,936</u>
<b>TOTAL SCHOOL IMPROVEMENTS GRANTS CLUSTER</b>			<u>226,936</u>
<b>TANF CLUSTER</b>			
Temporary Assistance for Needy Families	93.558		<u>87,783</u>
<b>TOTAL TANF CLUSTER</b>			<u>87,783</u>
<b>OTHER PROGRAMS</b>			
DEPARTMENT OF AGRICULTURE			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)			
Through State of Kentucky	10.557	PO2 728 1200004961 1	258,784
Rural Energy for America Program	10.868		<u>64,572</u>
SUBTOTAL DEPARTMENT OF AGRICULTURE			<u>323,356</u>
DEPARTMENT OF DEFENSE			
Military Medical Research and Development	12.420		115,811
Basic, Applied, and Advanced Research in Science and Engineering			
Through Academic of Applied Science	12.630	AAS Jr Science Sympo	<u>6,176</u>
SUBTOTAL DEPARTMENT OF DEFENSE			<u>121,987</u>

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grants - Small Cities Program	14.219	PON2 112 11000023171	\$ 196,512
Through the Governor's Office for Local Development - State of Kentucky	14.705		160,945
Capacity Building for Sustainable Communities			<u>160,945</u>
SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>357,457</u>
DEPARTMENT OF JUSTICE			
Contracts through the Department of Justice	16.000		142,975
Through U.S. Attorney's Office Western District of Kentucky	16.000	Federal Equitable	341
Project Safe Neighborhoods through Louisville Metro Government	16.609	Violent Gang And Gun	8,791
Public Safety Partnership and Community Policing Grants	16.710		23,856
SUBTOTAL DEPARTMENT OF JUSTICE			<u>175,963</u>
DEPARTMENT OF STATE			
Academic Exchange Programs - Scholars	19.401		<u>260,737</u>
LIBRARY OF CONGRESS			
Library of Congress Contract through Open World Leadership Center, Inc.	42.000	OWLC-0841	<u>(2,293)</u>
ENVIRONMENTAL PROTECTION AGENCY			
Surveys, Studies, Investigations and Demonstrations, and Training Grants	66.424		37,395
Pollution Prevention Grants	66.708		243,386
Brownfield Assessment and Cleanup Cooperative Agreements			
Through the Governor's Office for Local Metro Economic Development	66.818	BF-95482511-0	<u>24,053</u>
SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY			<u>304,834</u>

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
DEPARTMENT OF ENERGY			
ARRA - State Energy Program through State of Kentucky	81.041	PO2 127 1000001034 2	\$ (1,975)
Renewable Energy Research and Development	81.087		46,496
State Energy Program Special Projects through State of Kentucky	81.119	PON2127 1100002868 1	330,203
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis through AMEC	81.122	DE-OE0000322	2,607
SUBTOTAL DEPARTMENT OF ENERGY			<u>377,331</u>
DEPARTMENT OF EDUCATION			
Department of Education Contract through the State of Kentucky	84.000	PON2540 1300000397 1	3,455
Career and Technical Education - Basic Grants to States			
Through Colton Redlands Yucaipa Regional Occupational Program	84.048	NRCCTE CRYROP	51,872
Through Oregon Department of Education	84.048	Contract 8695	93,740
Through State of Kentucky	84.048	Multiple	13,123
Fund for the Improvement of Postsecondary Education	84.116		78,264
Safe and Drug-Free Schools and Communities - State Grants			
Through State of Kentucky	84.186	Head Start Mental He	26,727
Fund for the Improvement of Education			
Through Ewing Marion Kauffman Foundation	84.215	20130212	8,095
Through Jefferson County Public Schools	84.215	Teaching American Hi	121,700
Through Ohio Valley Education Cooperative	84.215	MOA OVEC 130562	38,793
Special Education - State Program Improvement Grants for Children with Disabilities			
Through State of Kentucky	84.323	Multiple	126,836
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		195,849
English Language Acquisition State Grants through State of Kentucky	84.365	PON25401200001371	18,501
Mathematics and Science Partnerships			
Through Jefferson County Public Schools	84.366	Collaboration In Math	(3,465)
Through State of Kentucky	84.366	Multiple	118,188
Improving Teacher Quality State Grants			
Through National Writing Project	84.367	92-KY03 SEED 2012	57,032
Through State of Kentucky	84.367	Multiple	88,604
ARRA - Investing in Innovation (i3) Fund through State of Kentucky	84.411	ARRA: College Access	487,670
National Writing Project through National Writing Project Corporation	84.928	92-KY03 Amendment 21	33,472
SUBTOTAL DEPARTMENT OF EDUCATION			<u>1,558,456</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Department of Health and Human Services Contracts			
Through Glaxo Smith Kline	93.000	HHSN272200900008	95,269
Through Advanced Genomic Technology, LLC	93.000	1R44AG035410-01	(29,712)
Public Health Emergency Preparedness	93.069		97,110
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086		30,931
Model State Supported Area Health Education Centers	93.107		663,755
Biological Response to Environmental Health Hazards	93.113		21,195
Oral Diseases and Disorders Research	93.121		38,206
Coordinated Services and Access to Research to Women, Infants, Children & Youth	93.153		295,360
Human Genome Research	93.172		(31,369)
Grants to States to Support Oral Health Workforce Activities through State of Kentucky	93.236	PO2 728 12000054221	3,813

# UNIVERSITY OF LOUISVILLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243		\$ 161,007
Advanced Nursing Education Grant Program	93.247		227,295
Geriatric Academic Career Awards	93.250		(587)
Centers for Disease Control & Prevention: Investigations and Technical Assistance			
Through Association of Maternal and Child Health Program	93.283	2012-02-2227-01	328
Through Catholic Charities	93.283	261-10-8080-2013	32,745
Through Meharry Medical College	93.283	Multiple	3,521
Through State of Kentucky	93.283	Multiple	142,508
Through University of Kentucky Research Foundation	93.283	3049024850-13-127	40,999
Teenage Pregnancy Prevention Program	93.297		1,237,081
Nursing Research	93.361		2,242
Cancer Cause and Prevention Research through Morehouse School of Medicine	93.393	EPIC	4,091
Cancer Research Manpower	93.398		642,913
Community Transformation Grants and National Dissemination and Support	93.531		39,286
Refugee and Entrant Assistance			
Through Catholic Charities	93.576	252-10-8080-2013	12,991
Through Kentucky Office for Refugees	93.576	252-10-8080-2012	34,286
Children and Families Early Learning Fund	93.577		10,000
Assistance for Torture Victims	93.604		64,820
Children's Justice Grants to States through State of Kentucky	93.643	PO2 736 1200004474 1	183,392
Child Welfare Research Training or Demonstration	93.648		21,505
Adoption Opportunities	93.652		117,190
Through State of Kentucky	93.652	Multiple	51,489
Foster Care Title IV-E through Eastern Kentucky University	93.658	Multiple	574,392
Children, Youth and Families - Child Abuse and Neglected Discretionary Activities	93.670		7,472
ARRA - National Center for Research Resources, Recovery Act Construction Support	93.702		255,286
ARRA - Prevention and Wellness - State, Territories and Pacific Islands through State of Kentucky	93.723	PO2 728 110000261671	(683)
Heart and Vascular Diseases Research	93.837		140,768
Blood Diseases and Resources Research	93.839		308,946
Diabetes, Endocrinology and Metabolism Research	93.847		22,348
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		29,755
Health Care and Other Facilities	93.887		1,109,941
Specially Selected Health Projects	93.888		17,893
National Bioterrorism Hospital Preparedness Program			
Through University of Kentucky Research Foundation	93.889	UKRF304810953513018	88,417
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		690,794
Ryan White HIV/AIDS Dental Reimbursements	93.924		692,769
Geriatric Education Centers through University of Kentucky	93.969	Multiple	91,492
Maternal and Child Health Services Block Grant through State of Kentucky	93.994	Multiple	438,463
<b>SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>8,681,713</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			
Social Innovation Fund through Meade Activity Center	94.019	MAC 2012	24,062

**UNIVERSITY OF LOUISVILLE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013 (CONTINUED)**

Federal Grant or Program Title	CFDA #	Pass Through Entity #	Fiscal 2013 Expenditures
DEPARTMENT OF HOMELAND SECURITY			
Hazard Mitigation through State of Kentucky			
Through Louisville/Jefferson County Metro Government	97.039	PO 284859	\$ 15,034
Through State of Kentucky	97.039	Multiple	466,570
Pre-Disaster Mitigation			
Through Kentucky Community & Technical College System	97.047	PO2 095 1000024 771	7,801
Through State of Kentucky	97.047	PO2 095 0900022153 1	(397)
SUBTOTAL DEPARTMENT OF HOMELAND SECURITY			<u>489,008</u>
<b>TOTAL OTHER PROGRAMS</b>			<u>12,672,611</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 269,468,486</u>

**UNIVERSITY OF LOUISVILLE**

**NOTES TO SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2013**

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**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (Schedule) of the University of Louisville (University) has been prepared in the format as set forth in U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The purpose of the Schedule is to present a consolidated summary of those expenditures of the University for the year ended June 30, 2013, which has been financed by the U.S. Government (Federal awards). For purposes of the Schedule, Federal awards include all Federal assistance and procurement relationships entered into directly and indirectly between the University and the Federal government and sub-awards from non-federal organizations made under federally sponsored agreements.

The accounting principles followed by the University and used in preparing the Schedule are as follows:

The schedule of expenditures of federal awards includes amounts expended by the University and its affiliated corporation, the University of Louisville Research Foundation, Inc.

Deductions (expenditures) for direct costs are recognized as incurred using the accrual method of accounting and the cost accounting principles contained in OMB Circular A-21, *Cost Principles for Educational Institutions*. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Moreover, expenditures include a portion of costs associated with general University activities (facilities and administrative costs) which are allocated to awards under negotiated formulas commonly referred to as indirect cost rates.

**UNIVERSITY OF LOUISVILLE**

**NOTES TO SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2013 (CONTINUED)**

**2. SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, the University provided federal awards to subrecipients as follows:

<b>FEDERAL FUNDS PROVIDED TO SUBRECIPIENTS</b>	<b>CFDA #</b>	<b>Fiscal 2013 Expenditures</b>
Economic Adjustment Assistance	11.307	\$ 139,167
Community Development Block Grants/Discretionary Grants	14.219	112,893
Capacity Building for Sustainable Communities	14.705	88,350
Conservation Grants Private Stewardship for Imperiled Species	15.632	19,414
National Aeronautics and Space Administration	43.000	30,478
Education and Human Resources	47.076	200,970
Pollution Prevention Grants Program through State of Kentucky	66.708	37,291
Special Education Grants to States through State of Kentucky	84.027	5,291
Career and Technical Education -- National Programs	84.051	926,803
Fund for the Improvement of Postsecondary Education	84.116	33,443
Special Education - State Personnel Development	84.323	4,141
Research in Special Education	84.324	17,081
Model State Supported Area Health Education Centers	93.107	502,528
Biological Response to Environmental Health Hazards	93.113	2,239
Oral Disease and Disorders Research	93.121	58,671
Research Related to Deafness and Communication Disorders	93.173	143,698
Mental Health Research Grants	93.242	16,000
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	17,087
Drug Abuse and Addiction Research Programs	93.279	22,927
National Center for Research Resources	93.389	4,578
Cancer Cause and Prevention Research	93.393	70,985
Cancer Detection and Diagnosis Research	93.394	11,947
Cancer Treatment Research	93.395	47,308
Adoption Opportunities	93.652	30,038
Heart and Vascular Diseases Research	93.837	1,678,815
Lung Diseases Research	93.838	20,943
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	31,795
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	92,917
Clinical Research Related to Neurological Disorders	93.853	123,600
Allergy, Immunology, and Transplantation Research	93.855	165,867
Biomedical Research and Research Training	93.859	1,500,545
Child Health and Human Development Extramural Research	93.865	25,105
Aging Research	93.866	212,959
Retinal and Choroidal Diseases Research	93.867	139,068
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.924	31,835
U.S. Dept. of Homeland Security	97.000	15,058
Hazard Mitigation through State of Kentucky	97.039	11,317
<b>TOTAL FEDERAL FUNDS PROVIDED TO SUBRECIPIENTS</b>		<b>\$ 6,593,152</b>



**UNIVERSITY OF LOUISVILLE**

**NOTES TO SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2013 (CONTINUED)**

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**3. NON-CASH FINANCIAL ASSISTANCE**

Outstanding loan balances at June 30, 2013 were as follows:

	<u>CFDA #</u>	<u>Total</u>
Federal Perkins Loan Program	84.038	\$ 8,735,022
Health Professions Student Loans - Medical	93.342	833
Health Professions Primary Care - Medical	93.342	4,032,942
Health Professions Student Loans - Dental	93.342	3,287,943
Nursing Student Loans	93.364	176,391
Loans to Disadvantaged Students - Medical	93.342	138,006
Loans to Disadvantaged Students - Dental	93.342	47,300
		<hr/>
Total Student Loans Outstanding		\$ 16,418,437
		<hr/> <hr/>

Loans received by students for the period ending June 30, 2013 were as follows:

	<u>CFDA #</u>	<u>Total</u>
Federal Family Educational Loan Program (FFELP)	84.032	\$ -
Federal Perkins Loan Program	84.038	1,565,137
William D. Ford Federal Direct Loan Program	84.268	136,472,891
Health Professions Primary Care - Medical	93.342	266,130
Health Professions Student Loans - Medical	93.342	-
Health Professions Student Loans - Dental	93.342	350,000
Nursing Student Loans	93.364	-
Loans to Disadvantaged Students - Medical	93.342	59,686
Loans to Disadvantaged Students - Dental	93.342	-
		<hr/>
Total Non-Cash Financial Assistance		\$ 138,713,844
		<hr/> <hr/>

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

Board of Trustees  
University of Louisville  
Louisville, Kentucky

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the University of Louisville and Affiliated Corporations (University) and its aggregate discretely presented component unit, collectively, a component unit of the Commonwealth of Kentucky, which are comprised of the statement of net position as of June 30, 2013, and the related statements of revenues, expenses and change in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 2, 2013. The consolidated financial statements of the University of Louisville Foundation, Inc. and Affiliates, a component unit included in the financial statements of the aggregate discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the University's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

## **Compliance**

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

## **Other Matters**

We noted certain matters that we reported to the University's management in a separate letter dated October 2, 2013.

The purpose of this communication 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 compliance. This communication 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.

**BKD, LLP**

Louisville, Kentucky  
October 2, 2013

**Independent Auditor's Report on Compliance With Requirements That  
Could Have a Direct and Material Effect on Each Major Program  
and on Internal Control Over Compliance in Accordance  
With OMB Circular A-133 and Schedule  
of Expenditures of Federal Awards**

Board of Trustees  
University of Louisville  
Louisville, Kentucky

### **Report on Compliance for The Major Federal Program**

We have audited the compliance of the University of Louisville and Affiliated Corporations (University) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2013. The University's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the University's management.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the University's major federal program 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for its major federal program. Our audit does not provide a legal determination on the University's compliance with those requirements.

### **Basis for Qualified Opinion on Student Financial Aid Cluster**

As described in item 2013-001 in the accompanying schedule of findings and questioned costs, the University did not comply with requirements regarding verification for its Student Financial Aid Cluster program. Compliance with such requirements is necessary, in our opinion, for the University to comply with requirements applicable to that program.

### **Qualified Opinion on Student Financial Aid Cluster**

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2013.

### **Report on Internal Control Over Compliance**

The 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 requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University'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.

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

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

We have audited the financial statements of the University and its discretely presented component unit as of and for the year ended June 30, 2013, and have issued our report thereon dated October 2, 2013, which contained an Emphasis of Matter paragraph regarding a change in accounting principle. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Matter**

The University's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

*BKD, LLP*

Louisville, Kentucky  
October 2, 2013



**University of Louisville**  
**Schedule of Findings and Questioned Costs (continued)**  
**Year Ended June 30, 2013**

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

Reference Number	Finding	Questioned Costs
	No matters are reportable.	N/A

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

Reference Number	Finding	Questioned Costs
2013-001	<p>U.S. Department of Education – Student Financial Assistance            CFDA No. 84.063, Federal Pell Grant Program            Program Year 2012 – 2013</p> <p>Criteria of Specific Requirement – Special tests and provisions related to verification of student aid applications.</p> <p>Condition – Federal regulations provide that the University is responsible for verifying certain information on the student’s application for financial aid. The University did not update certain students’ aid applications and award information for discrepancies between the aid applications and supporting documentation.</p> <p>Context – Out of a population of 3,372 applications selected by the Central Processing System for verification, a sample of 25 applications was selected for testing. For four students tested, the University did not update inaccurate information reported on the ISIR in order to correct the Expected Family Contribution (EFC). As a result, the University over-awarded \$2,400 in Pell Grant awards to one student.</p> <p>Effect – Aid applications and expected family contributions were not updated for four students and for one of these students, incorrect awards were disbursed.</p> <p>Cause – The Financial Aid Office obtained the appropriate information to verify the information on the students’ applications but did not update the information and amounts awarded based on this information.</p> <p>Recommendation – The University should ensure all information obtained during the verification process is used to update the student applications/financial aid awards. This could include adding a secondary review of the verification worksheets and information technology system.</p>	\$2,400



**University of Louisville**  
**Schedule of Findings and Questioned Costs (continued)**  
**Year Ended June 30, 2013**

<b>Reference Number</b>	<b>Finding</b>	<b>Questioned Costs</b>
	<p>Views of Responsible Officials and Planned Corrective Actions – The University implemented a secondary review of the verification process in December 2012 and will continue to utilize a secondary review on 100 percent of the data entry of verification worksheets and associated ISIR corrections. The University reviewed the information technology system’s verification functions and made changes to the verification process to better meet compliance requirements. The University will also retrain all staff on verification form visual scanning and mark-up procedures. In addition, the University re-evaluated those students noted with errors and properly returned any funding deemed necessary by September 30, 2013.</p>	

**University of Louisville**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended June 30, 2013**

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

<b>Reference Number</b>	<b>Finding</b>	<b>Status</b>
	No matters are reportable.	N/A