

UNIVERSITY OF LOUISVILLE

**Single Audit Reports and the
Schedule of Expenditures of Federal Awards
for the Year Ended
June 30, 2014**

UNIVERSITY OF LOUISVILLE

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UNIVERSITY OF LOUISVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| STUDENT FINANCIAL AID CLUSTER | | | |
| UNITED STATES DEPARTMENT OF EDUCATION | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | | \$ 612,973 |
| Federal Work Study Program | 84.033 | | 731,543 |
| Federal Perkins Loan Program | 84.038 | | 9,854,860 |
| Federal Pell Grant Program | 84.063 | | 19,269,169 |
| William D. Ford Federal Direct Loan Program | 84.268 | | 139,998,979 |
| Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | 84.379 | | 178,088 |
| SUBTOTAL UNITED STATES DEPARTMENT OF EDUCATION | | | 170,645,612 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students | 93.342 | | 8,357,548 |
| Nursing Student Loans | 93.364 | | 176,391 |
| SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | 8,533,939 |
| TOTAL STUDENT FINANCIAL AID CLUSTER | | | 179,179,551 |
| RESEARCH AND DEVELOPMENT CLUSTER | | | |
| DEPARTMENT OF AGRICULTURE | | | |
| Agricultural Research – Basic and Applied Research | 10.001 | | 30,820 |
| SUBTOTAL DEPARTMENT OF AGRICULTURE | | | 30,820 |
| DEPARTMENT OF COMMERCE | | | |
| ARRA – Measurements and Engineering Research and Standards | 11.609 | | 570,819 |
| SUBTOTAL DEPARTMENT OF AGRICULTURE | | | 570,819 |
| DEPARTMENT OF DEFENSE | | | |
| Department of Defense Contracts | 12.000 | SP4701-10-C-0034 | 478,955 |
| Through Christopher & Dana Reeve Foundation | 12.000 | NOA3-2010(SH) | 3,596 |
| Through Confidential | 12.000 | Federal Contractor | 746,750 |
| Through Jewish Hospital | 12.000 | W81XWH-09-2-0124 | (558) |
| Through Metabiota, Inc. | 12.000 | COLLABORATIVE BIOLOG | 16,224 |
| Through Mound Laser & Photonics Center, Inc. | 12.000 | FA8650-13-M-5060.C-5021 | 176,916 |
| Through Spectral Sciences, Inc. | 12.000 | Multiple | 38,254 |
| Through Techshot, Inc. | 12.000 | W81XWH-11-C-0017 | 58,161 |
| Through Texas Research Institute Austin, Inc. | 12.000 | N112-153 | 99,356 |
| Basic and Applied Scientific Research | 12.300 | | 133,359 |
| Basic Scientific Research – Combating Weapons of Mass Destruction through Southern Research Institute | 12.351 | Multiple | 286 |
| Military Medical Research and Development | 12.420 | | 2,014,920 |
| Through Christine Kleinert Institute | 12.420 | W81XWH-13-2-0057 | 58,235 |
| Through Christopher & Dana Reeve Foundation | 12.420 | Multiple | 229,222 |
| Through Jewish Hospital | 12.420 | W81XWH-07-1-0185 | (363) |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|---|--------|--------------------------|-----------------------------|
| Through National Stem Cell Foundation | 12.420 | W81XWH-10-1-0688 | \$ 16,236 |
| Through Owensboro Medical Health System | 12.420 | W81XWH-10-2-0082 | 180,719 |
| Through University of Florida | 12.420 | UF11142 | 15,640 |
| Through University of Pittsburgh | 12.420 | 0027150 (408007-2) | 152,516 |
| Basic Scientific Research | 12.431 | | 305,321 |
| Through University of Florida Research Foundation | 12.431 | UF-EIES-0914001-ULR | (13,550) |
| Basic, Applied, and Advanced Research in Science and Engineering | | | |
| Through Academie of Applied Science | 12.630 | AAS Jr Science Sympo | 4,898 |
| Air Force Defense Research Sciences Program | | | |
| Through Spectral Sciences, Inc. | 12.800 | FA9453-13-M-0055 | 30,476 |
| Through UES, Inc. | 12.800 | FA8650-09-D-5037 001 | 9,138 |
| Through Universal Technology Corporation | 12.800 | 13-T5690-09-C1 | 12,101 |
| Research and Technology Development through Scientific Technology Systems, Inc. | 12.910 | DARPA-BAA-12-38 | 97,481 |
| SUBTOTAL DEPARTMENT OF DEFENSE | | | 4,864,289 |
| DEPARTMENT OF INTERIOR | | | |
| Department of Interior Contracts | 15.000 | | 16,037 |
| Conservation Grants Private Stewardship for Imperiled Species | 15.632 | | 54,639 |
| SUBTOTAL DEPARTMENT OF INTERIOR | | | 70,676 |
| DEPARTMENT OF JUSTICE | | | |
| Legal Assistance for Victims through Legal Aid Society, Inc. | 16.524 | 2010-wl-ax-0050 | 43,822 |
| Juvenile Justice and Delinquency Prevention - Allocation to States through State of Kentucky | 16.540 | 2009-JF-FX-0044 | 66,261 |
| National Institute of Justice Research, Evaluation, and Development Project Grants | | | |
| Through University of Kentucky Research Foundation | 16.560 | 3048109943-13-154 | 56,066 |
| Juvenile Mentoring Program | 16.726 | | 56,908 |
| Criminal and Juvenile Justice and Mental Health Collaboration Program through State of Kentucky | 16.745 | PON2 02510000007772 | (207) |
| Congressionally Recommended Awards | 16.753 | | 62,225 |
| SUBTOTAL DEPARTMENT OF JUSTICE | | | 285,075 |
| DEPARTMENT OF TRANSPORTATION | | | |
| Aviation Research Grants | 20.108 | | 18,666 |
| Highway Research and Development Program through Health Effects Institute, Inc. | 20.200 | 8006-09-3-2 | 7,131 |
| Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research | | | |
| Through University of Kentucky Research Foundation | 20.505 | 3049025158-14-052 | 31,531 |
| University Transportation Centers Program through Marshall University Research Corporation | 20.701 | RC-P1300354 | 220,376 |
| SUBTOTAL DEPARTMENT OF TRANSPORTATION | | | 277,704 |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | |
| NASA Contracts | | | |
| Through Oregon State University | 43.000 | NS224A-A | 57,520 |
| Through Space Telescope Science Institute | 43.000 | Multiple | 4,079 |
| Through University of Kentucky Research Foundation | 43.000 | Multiple | 54,901 |
| Education through University of Kentucky Research Foundation | 43.008 | 3048110296-13-192 | 205,936 |
| SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | 322,436 |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| NATIONAL SCIENCE FOUNDATION | | | |
| National Science Foundation Contracts | 47.000 | BCS-1230062 | \$ 4,000 |
| Through Western Kentucky University | 47.000 | WKURF 596855-08-03 | (3,441) |
| Through University of Kentucky Research Foundation | 47.000 | UKRF3048107645-14-09 | 15,357 |
| Engineering Grants | 47.041 | | 964,685 |
| Through NaugaNeedles, LLC | 47.041 | SBIR II IIP-1058576 | 3 |
| Mathematical and Physical Sciences | 47.049 | | 548,790 |
| Through Wayne State University | 47.049 | DMS-1312603 | 8,120 |
| Geosciences | 47.050 | | 32,265 |
| Computer and Information Science and Engineering | 47.070 | | 19,877 |
| Biological Sciences | 47.074 | | 812,074 |
| Through Marquette University | 47.074 | NSF MCB-0951110 | 14,859 |
| Social, Behavioral, and Economic Sciences | 47.075 | | 159,314 |
| Education and Human Resources | 47.076 | | 1,351,001 |
| Through University of Kentucky Research Foundation | 47.076 | Multiple | 1,978 |
| Office of Experimental Program to Stimulate Competitive Research | | | |
| Through University of Kentucky Research Foundation | 47.081 | 3048108525-12-379,380 | 306,631 |
| ARRA – Trans-NSF Recovery Act Research Support | | | |
| Through University of Kentucky Research Foundation – ARRA | 47.082 | 3048106819-10-085 | 210,372 |
| SUBTOTAL NATIONAL SCIENCE FOUNDATION | | | <u>4,445,885</u> |
| DEPARTMENT OF VETERANS AFFAIRS | | | |
| Sharing Specialized Medical Resources | 64.018 | | <u>730,903</u> |
| SUBTOTAL DEPARTMENT OF VERTERANS AFFAIRS | | | <u>730,903</u> |
| ENVIRONMENTAL PROTECTION AGENCY | | | |
| 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 | 9,113 |
| Nonpoint Source Implementation Grants | | | |
| Through Cumberland Valley Resource Conservation | 66.460 | Sinking Creek Water | 126,890 |
| Through Pulaski County Conservation District | 66.460 | Brushy Creek Sediment | 121,520 |
| Through State of Kentucky | 66.460 | Multiple | 84,391 |
| Regional Wetland Program Development Grants | 66.461 | | 73,964 |
| Through State of Kentucky | 66.461 | PON2129 1200002095 1 | 2,874 |
| SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY | | | <u>418,752</u> |
| DEPARTMENT OF ENERGY | | | |
| Department of Energy Contracts | 81.000 | | 47,433 |
| Basic Energy Sciences | 81.049 | | 112,044 |
| Through Apiq Semiconductor, LLC | 81.049 | WindPowerWBG SBIR | 46,119 |
| Through University of Kentucky Research Foundation | 81.049 | 3048103802-12-391 | 375,233 |
| Advanced Research and Projects Agency – Energy Financial Assistance Program | | | |
| Through Gas Technology Institute | 81.135 | S439 | 48,197 |
| SUBTOTAL DEPARTMENT OF ENERGY | | | <u>629,026</u> |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|---|--------|--------------------------|-----------------------------|
| DEPARTMENT OF EDUCATION | | | |
| National Institute on Disability and Rehabilitation Research Through Criterion Health, Inc. | 84.133 | | \$ 486,911 |
| Education Research, Development and Dissemination Through Development Services Group, Inc. | 84.133 | H133S100082 | 11,216 |
| Research in Special Education | 84.305 | | 351,928 |
| | 84.305 | Sub#DSG UL 2012-13 | 103,984 |
| | 84.324 | | 8,485 |
| SUBTOTAL DEPARTMENT OF EDUCATION | | | 962,524 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Department of Health and Human Services Contracts Through American College of Radiology | 93.000 | | 770,127 |
| Through Children's Hospital of Philadelphia | 93.000 | RTOG 0631 | 123 |
| Through Corixa Corporation | 93.000 | Multiple | 5,020 |
| Through Duke Clinical Research Institute | 93.000 | Multiple | 336,015 |
| Through Hemophilia Group of Georgia | 93.000 | Multiple | 49,262 |
| Through Methodist Hospital Research Group | 93.000 | 6 H30MC24046-02-02 | 6,826 |
| Through Noveratech, LLC | 93.000 | 18020002-071 | 12,664 |
| Through S.C. Liver Research Consortium | 93.000 | REDUCING LAPAROTOMY | 3,058 |
| Through University of Michigan | 93.000 | CTS-1027-05 | 1,434 |
| Through University of Pittsburgh | 93.000 | REVIVE-IT | 13,670 |
| Family Smoking Prevention and Tobacco Control Act Regulatory Research Through National American Heart Association | 93.077 | SUB 0017924-3 | (6,864) |
| Prevention of Disease, Disability, and Death through Immunization and Control of Respiratory and Related Diseases | 93.077 | Multiple | 403,440 |
| Biological Response to Environmental Health Hazards | 93.083 | | 916,799 |
| Oral Disease and Disorders Research Through University of Akron | 93.113 | | 49,743 |
| Through University of Bristol | 93.121 | | 2,607,295 |
| Through University of Texas at Austin | 93.121 | 00840UL | 3,100,371 |
| Through University of Washington | 93.121 | Multiple | 3,348 |
| Human Genome Research Through HudsonAlpha Institute for Biotechnology | 93.121 | UTA13-000775 | 115,254 |
| Research Related to Deafness and Communication Disorders Through University of Virginia | 93.121 | 722100 | 53,028 |
| Disabilities Prevention through Christopher & Dana Reeve Foundation | 93.172 | 1UM1HG0007301 | 116,520 |
| Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects | 93.172 | 5-31866 | 12,018 |
| Research and Training in Complementary and Alternative Medicine Through University of South Florida | 93.173 | | (2) |
| Through Massachusetts General Hospital | 93.173 | GC11990-136407 | 425,828 |
| National Center on Sleep Disorders Research | 93.173 | Multiple | 185,238 |
| Mental Health Research Grants | 93.184 | | 944,689 |
| Occupational Safety and Health Research Grants | 93.185 | | 41,986 |
| Alcohol Research Programs Through EndoProtech, Inc. | 93.213 | | 413,304 |
| Through Cleveland Clinic Lerner College of Medicine | 93.213 | TN01 TYPE 1 DIABETES | 2,233 |
| | 93.213 | SU01AT00061308 | 15,571 |
| | 93.233 | | 272,087 |
| | 93.242 | | 699,197 |
| | 93.262 | | 166,843 |
| | 93.273 | | 1,711,105 |
| | 93.273 | 1R43AA021331-01 | 3,855 |
| | 93.273 | 347,432,435-SUB | 270,812 |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|-----------------------|--------------------------|
| Drug Abuse Research Programs | 93.279 | | \$ 391,678 |
| Through Ann & Robert H. Lurie Children's Hospital | 93.279 | 901474-Louisville | 49,051 |
| Discovery and Applied Research for Technological Innovations to Improve Human Health | | | |
| Through University of California, Los Angeles | 93.286 | 1R01EB00761501A1 | 194,142 |
| Minority Health and Health Disparities Research | 93.307 | | 23,842 |
| Trans-NIH Research Support | 93.310 | | 357,825 |
| Through University of Kansas Medical Center | 93.310 | FY2014-060 | 9,671 |
| Through Vanderbilt University | 93.310 | VUMC 42921 | 1,282 |
| Nursing Research | 93.361 | | 139,718 |
| Through Johns Hopkins University | 93.361 | 1R03NR012558-01 | 7,051 |
| Through University of Kentucky Research Foundation | 93.361 | 3048109238-13-196 | 1,138 |
| Research Infrastructure | 93.389 | | 609,920 |
| Through Case Western Reserve University | 93.389 | 3 UL1 RR024989-04S3 | 1,201 |
| Cancer Cause and Prevention Research | 93.393 | | 1,664,874 |
| Through University of Massachusetts | 93.393 | 6114213/RFS900199 | 14,994 |
| Through Morehouse School of Medicine | 93.393 | 5R01CA166785-02 | 2,911 |
| Cancer Detection and Diagnosis Research | 93.394 | | 265,416 |
| Cancer Treatment Research | 93.395 | | 724,814 |
| Through Advanced Cancer Therapeutics | 93.395 | 1R43CA165300-01A1 | (1,427) |
| Through American College of Radiology | 93.395 | Multiple | 22,424 |
| Through Beth Israel Deaconess Medical Center | 93.395 | 01026208 | 19,551 |
| Through CureSearch National Research Foundation, Inc. | 93.395 | Multiple | (4,676) |
| Through Duke Clinical Research Institute | 93.395 | ACOSOG Z5031 | 1,394 |
| Through Indiana University – Purdue University | 93.395 | Multiple | 21,378 |
| Through Radiation Therapy Oncology Group | 93.395 | Multiple | 1,335 |
| Through Southwest Oncology Group | 93.395 | Multiple | 2,516 |
| Through 3P Biotechnologies, Inc. | 93.395 | 1R43CA162417-01A1 | 50,363 |
| Through University of Michigan | 93.395 | Multiple | 76,166 |
| Through University of North Carolina at Chapel Hill | 93.395 | 5-50398 | 651 |
| Cancer Biology Research | 93.396 | | 1,290,806 |
| Through University of Kentucky Research Foundation | 93.396 | P01CA163223 | 90,001 |
| Through University of Southern California | 93.396 | 45390120 | 3,389 |
| Cancer Centers Support Grants | | | |
| Through Methodist Hospital Research Institute | 93.397 | 18020002-0042 | 13,706 |
| Through University of Southern California | 93.397 | Multiple | 63,236 |
| Cancer Research Manpower | 93.398 | | 23,760 |
| ARRA - TRANS-NIH Recovery Act Research Support | 93.701 | | 129,257 |
| Through Emmes Corporation, EPP (NCI) – ARRA | 93.701 | 1U01NS026835-01A1 | 5,042 |
| Through Duke Clinical Research Institute – ARRA | 93.701 | ARRA: RC2AR058934 | (43,899) |
| Through Georgetown University – ARRA | 93.701 | RX 4335-029-UL | (3,065) |
| Through Social & Scientific Systems, Inc. – ARRA | 93.701 | ARRA, IRC-004 | 2,329 |
| ARRA - National Center for Research Resources, Recovery Act Construction Support | 93.702 | | 7,092,783 |
| ARRA - Prevention and Wellness-State, Territories and Pacific Islands | | | |
| Through State of Kentucky – ARRA | 93.723 | PON272813000024468 1 | 864 |
| Heart and Vascular Diseases Research | 93.837 | | 8,897,978 |
| Through Angiomics, Inc. | 93.837 | 1R41HL115849-01A1 | 20,591 |
| Through APK Advanced Medical Technologies Inc. | 93.837 | 1R44HL117426-01 | 215,688 |
| Through Heartware, Inc. | 93.837 | 1R43HL103014-01A1 | 300,267 |
| Through Indiana University | 93.837 | IN4688149ULRF | 70,989 |
| Through S.C.R., Inc. | 93.837 | 2R44HL102981-02A1 | 278,918 |
| Through University of Michigan | 93.837 | U01HL094345 | 219 |
| Through University of South Florida | 93.837 | 6382-1000-00-A | 44,448 |
| Through University of Texas at Houston | 93.837 | 0008802Q | 34,506 |
| Through University of Toledo | 93.837 | CORAL NS 2007-014 | (638) |
| Through Wayne State University | 93.837 | WSU10044 | (64) |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| Lung Diseases Research | 93.838 | | \$ 267,346 |
| Through Children's Hospital Boston | 93.838 | 1U01HL107681-02 | 32 |
| Through Duke University | 93.838 | 7 R01 HL064894-06 | 1,141 |
| Through Mayo Clinic | 93.838 | Multiple | 17,865 |
| Through National Jewish Medical Research Center | 93.838 | 2 P01 HL036577-21A1 | (10,405) |
| Blood Diseases and Resources Research | 93.839 | | 580,930 |
| Through CureSearch National Childhood Cancer Foundation | 93.839 | 0501: U01 HL 69254 | 6,086 |
| Through New England Research Institutes | 93.839 | SCDCRN | 3,150 |
| Through Noveratech | 93.839 | 1R43HL114235-01 -SUB | 78,004 |
| Arthritis, Musculoskeletal and Skin Diseases Research | 93.846 | | 355,752 |
| Through Cincinnati Children's Hospital Medical Center | 93.846 | 5P60AR047784-08 | 77 |
| Through Oklahoma Medical Research Foundation | 93.846 | 1 R01 AR055176-01A2 | 41,967 |
| Through University of Michigan | 93.846 | 5P01AG010821-09 | 211 |
| Through Washington University | 93.846 | 1 R01 AR055176-01A2 | 3,988 |
| Diabetes, Endocrinology, and Metabolism Research | 93.847 | | 2,707,421 |
| Through ApoVax, Inc. | 93.847 | 1R41DK081296-01A2 | (1,800) |
| Through Medical College of Georgia | 93.847 | 5 U24 DK076169-08 | 27,000 |
| Through Nationwide Children's Hospital | 93.847 | 952613 | 33,462 |
| Through Ohio State University | 93.847 | 60031090 | 155,017 |
| Through Regenerex, Inc. | 93.847 | 2R42DK074331-03A2 | 302,841 |
| Through Rush University Medical Center | 93.847 | 1R01DK101350-01 | 37,712 |
| Through Techshot | 93.847 | 2R44DK072647-04A1 | 41,734 |
| Through University of North Carolina at Chapel Hill | 93.847 | 5-32729 | 5,488 |
| Through University of South Florida | 93.847 | TN-07, ORAL INSULIN | 63 |
| Extramural Research Programs in the Neurosciences and Neurological Disorders | 93.853 | | 1,982,498 |
| Through Cincinnati Children's Hospital Medical Center | 93.853 | SUBAWARD 109540 | 23,940 |
| Through Columbia University | 93.853 | 7 U01 NS043975-07 | 1,625 |
| Through New Jersey Medical School | 93.853 | CREST TRIAL 99-705 | 555 |
| Through University of Cincinnati | 93.853 | U01-NS052220 | 921 |
| Through University of Minnesota | 93.853 | ATACH-II | 16,590 |
| Through University of Texas at Houston | 93.853 | ICTuS 2/3 | 630 |
| Through University of Washington | 93.853 | PENUT TRIAL | 10,397 |
| Allergy, Immunology and Transplantation Research | 93.855 | | 2,237,564 |
| Through Massachusetts General Hospital | 93.855 | Subaward No. 219473 | 20,483 |
| Through Medigen, Inc. | 93.855 | Multiple | 123,506 |
| Through NeoStem, Inc. | 93.855 | 1R43AI098325-01 | 165,554 |
| Through Regenerex, Inc. | 93.855 | 1R41AI098336-01 | 77,265 |
| Through Washington University St. Louis Medical School | 93.855 | Multiple | 63,625 |
| Microbiology and Infectious Diseases Research through University of Alabama Birmingham | 93.856 | 06-0046 | 465 |
| Pharmacology, Physiology, and Biological Chemistry Research | 93.859 | | 8,129,047 |
| Population Research | 93.864 | | 454 |
| Center for Research for Mothers and Children | 93.865 | | 653,859 |
| Through Ann & Robert Lurie Children's Memorial Hospital | 93.865 | Multiple | 28,351 |
| Through Duke Clinical Research Institute | 93.865 | RSN-C PTN POPS | 36 |
| Through Minneapolis Medical Research Foundation | 93.865 | 07212-1 | 2,892 |
| Through Oregon Research Institute | 93.865 | First Step: Home/Sch | 41,175 |
| Aging Research | 93.866 | | 352,811 |
| Through University of Utah | 93.866 | 10020166-01 | 44,550 |
| Vision Research – Retinal and Choroidal Diseases Research | 93.867 | | 2,604,786 |
| Through Children's Hospital of Philadelphia | 93.867 | Multiple | 12,409 |
| Through Cleveland Clinic Lerner College of Medicine | 93.867 | 227SUB | 58,129 |
| Through Johns Hopkins University | 93.867 | 2001683744 | 53,208 |
| Through Stanford University | 93.867 | 23914230-41077-B | 2,198 |
| Through Yale University | 93.867 | M14A11797(A09123) | 14,054 |
| Health Care and Other Facilities | 93.887 | | 647,667 |
| SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | 58,928,537 |

UNIVERSITY OF LOUISVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| DEPARTMENT OF HOMELAND SECURITY | | | |
| Department of Homeland Security Contracts | | | |
| Through National Institute for Hometown Security, Inc. | 97.000 | Multiple | \$ 620,108 |
| Through Murray State University | 97.000 | OSP#2010-096, Gantt | (110) |
| Through Western Kentucky University | 97.000 | 556102-13-002 | <u>(3,133)</u> |
| SUBTOTAL DEPARTMENT OF HOMELAND SECURITY | | | <u>616,865</u> |
| TOTAL RESEARCH AND DEVELOPMENT CLUSTER | | | <u>73,154,311</u> |
| ECONOMIC DEVELOPMENT CLUSTER | | | |
| DEPARTMENT OF COMMERCE | | | |
| Economic Adjustment Assistance through State of Kentucky | 11.307 | PON2 112 11000028651 | <u>31,660</u> |
| SUBTOTAL DEPARTMENT OF COMMERCE | | | <u>31,660</u> |
| TOTAL ECONOMIC DEVELOPMENT CLUSTER | | | <u>31,660</u> |
| HIGHWAY PLANNING AND CONSTRUCTION CLUSTER | | | |
| DEPARTMENT OF TRANSPORTATION | | | |
| Highway Training and Construction | | | |
| Through State of Kentucky | 20.205 | PO2-628-1100004100 | <u>12,666</u> |
| SUBTOTAL DEPARTMENT OF TRANSPORTATION | | | <u>12,666</u> |
| TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER | | | <u>12,666</u> |
| SPECIAL EDUCATION (IDEA) CLUSTER | | | |
| DEPARTMENT OF EDUCATION | | | |
| Special Education through State of Kentucky | 84.027 | PON254013000025841 | <u>844,333</u> |
| SUBTOTAL DEPARTMENT OF EDUCATION | | | <u>844,333</u> |
| TOTAL SPECIAL EDUCATION (IDEA) CLUSTER | | | <u>844,333</u> |

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|---|--------|--------------------------|-----------------------------|
| TRIO CLUSTER | | | |
| DEPARTMENT OF EDUCATION | | | |
| TRIO – Student Support Services | 84.042 | | \$ 219,729 |
| TRIO – Talent Search | 84.044 | | 290,953 |
| TRIO – Upward Bound | 84.047 | | 641,012 |
| Through Council for Opportunity in Education | 84.047 | COE - Upward Bound | (7,508) |
| SUBTOTAL DEPARTMENT OF EDUCATION | | | <u>1,144,186</u> |
| TOTAL TRIO CLUSTER | | | <u>1,144,186</u> |
| SCHOOL IMPROVEMENTS GRANTS CLUSTER | | | |
| DEPARTMENT OF EDUCATION | | | |
| School Improvement Grants through State of Kentucky | 84.377 | PON254012000029051 | <u>275,982</u> |
| SUBTOTAL DEPARTMENT OF EDUCATION | | | <u>275,982</u> |
| TOTAL SCHOOL IMPROVEMENTS GRANTS CLUSTER | | | <u>275,982</u> |
| TANF CLUSTER | | | |
| Temporary Assistance for Needy Families through Eastern Kentucky University | 93.558 | 452660-14-157 | <u>83,317</u> |
| TOTAL TANF CLUSTER | | | <u>83,317</u> |
| MEDICAID CLUSTER | | | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Medical Assistance Program through State of Kentucky | 93.778 | Multiple | <u>101,208</u> |
| SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>101,208</u> |
| TOTAL MEDICAID CLUSTER | | | <u>101,208</u> |

UNIVERSITY OF LOUISVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| OTHER PROGRAMS | | | |
| DEPARTMENT OF AGRICULTURE | | | |
| Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Through State of Kentucky | 10.557 | PO2 728 1200004961 1 | \$ 287,915 |
| Rural Energy for America Program | 10.868 | | <u>1,366</u> |
| SUBTOTAL DEPARTMENT OF AGRICULTURE | | | <u>289,281</u> |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | |
| Community Development Block Grants – Small Cities Program Through the Governor’s Office for Local Development – State of Kentucky | 14.219 | PON2 112 11000023171 | 145,560 |
| Capacity Building for Sustainable Communities Through Institute for Sustainable Communities | 14.705 | Capacity Building | 206,860 |
| | 14.705 | | <u>42,283</u> |
| SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | <u>394,703</u> |
| DEPARTMENT OF JUSTICE | | | |
| Department of Justice Contracts | 16.000 | | 18,269 |
| Project Safe Neighborhoods through Louisville Metro Government | 16.609 | Violent Gang And Gun | 22,861 |
| Public Safety Partnership and Community Policing Grants | 16.710 | | <u>17,547</u> |
| SUBTOTAL DEPARTMENT OF JUSTICE | | | <u>58,677</u> |
| DEPARTMENT OF LABOR | | | |
| Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants Through Edvantia, Inc. | 17.282 | Multiple | <u>10,998</u> |
| SUBTOTAL DEPARTMENT OF LABOR | | | <u>10,998</u> |
| DEPARTMENT OF STATE | | | |
| Academic Exchange Programs – Scholars | 19.401 | | <u>271,488</u> |
| SUBTOTAL DEPARTMENT OF STATE | | | <u>271,488</u> |
| ENVIRONMENTAL PROTECTION AGENCY | | | |
| Environmental Finance Center Grants | 66.203 | | 143,046 |
| Surveys, Studies, Investigations and Demonstrations, and Training Grants Through New Mexico Institute of Mining & Technology | 66.424 | P0011490-NMT BTTA10 | 85,882 |
| Pollution Prevention Grants Program Through State of Kentucky | 66.708 | | 169,555 |
| Source Reduction Assistance Through State of Kentucky | 66.708 | PO2 129 1400002256 1 | 42,040 |
| Source Reduction Assistance Through State of Kentucky | 66.717 | | 37,098 |
| Brownfield Assessment and Cleanup Cooperative Agreements through State of Kentucky | 66.818 | BF-95482511-0 | <u>10,786</u> |
| SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY | | | <u>488,407</u> |
| DEPARTMENT OF ENERGY | | | |
| State Energy Program Special Projects through State of Kentucky | 81.119 | Multiple | <u>50,586</u> |
| SUBTOTAL DEPARTMENT OF ENERGY | | | <u>50,586</u> |

UNIVERSITY OF LOUISVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|--|--------|--------------------------|-----------------------------|
| DEPARTMENT OF EDUCATION | | | |
| Department of Education Contract through State of Kentucky | 84.000 | PON2540 1300000397 1 | \$ 28,479 |
| UL Perkins Field-Based Leadership Project 2013-14 | 84.045 | | 28,284 |
| Career and Technical Education – Basic Grants to States | | | |
| Through Colton Redlands Yucaipa Regional Occupational Program | 84.048 | NRCCTE CRYROP | 546 |
| Through Cornell University | 84.048 | 68471-9999 | 7,748 |
| Through Providence Public School Department | 84.048 | ULRF Providence PSD | 7,212 |
| Through Oregon Department of Education | 84.048 | Contract 8695 | 24,251 |
| Through State of Kentucky | 84.048 | Multiple | 3,279 |
| Career and Technical Education – National Programs | 84.051 | | (30,528) |
| Fund for the Improvement of Postsecondary Education | 84.116 | | 24,097 |
| Safe and Drug-Free Schools and Communities – State Grants | | | |
| Through State of Kentucky | 84.186 | Head Start Mental | 32,769 |
| Fund for the Improvement of Education | | | |
| Through Ewing Marion Kauffman Foundation | 84.215 | 20130212 | 11,552 |
| Through Jefferson County Public Schools | 84.215 | U215X080020-11 | 18,195 |
| Through Ohio Valley Education Cooperative | 84.215 | MOA OVEC 130562 | 25,555 |
| Special Education – Personnel Development to Improve Services and Results for Children with Disabilities | | | |
| Through State of Kentucky | 84.235 | THRIVE | (2,160) |
| Special Education – State Program Improvement Grants for Children with Disabilities | | | |
| Through Bellewood Presbyterian Home for Children | 84.323 | Multiple | 426,938 |
| Special Education – Personnel Development to Improve Services and Results for Children with Disabilities | 84.325 | | 247,777 |
| Gaining Early Awareness and Readiness for Undergraduate Programs through State of Kentucky | 84.334 | PO2 415 1000004108 2 | (241) |
| Child Care Access Means Parents in School | 84.335 | | 115,443 |
| Mathematics and Science Partnerships | | | |
| Through Jefferson County Public Schools | 84.366 | PON2540130000017981 | 42,832 |
| Through State of Kentucky | 84.366 | PON254013000002411 | 2,541 |
| Improving Teacher Quality State Grants | | | |
| Through National Writing Project | 84.367 | Multiple | 12,540 |
| Through State of Kentucky | 84.367 | PO241512000035941 | 11,498 |
| ARRA – Investing in Innovation (i3) Fund through State of Kentucky | 84.411 | ARRA: College Access | 471,372 |
| National Writing Project through National Writing Project Corporation | 84.928 | 92-KY03 Amendment 21 | (5,229) |
| SUBTOTAL DEPARTMENT OF EDUCATION | | | 1,504,750 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Healthy Marriage Promotion and Responsible Fatherhood Grants | 93.086 | | (4,160) |
| Enhance Safety of Children Affected by Substance Abuse through Eastern Kentucky University | 93.087 | EKU 452668-14-160 | 52,952 |
| Model State Supported Area Health Education Centers | 93.107 | | 765,706 |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | | 16,282 |
| Emergency Medical Services for Children | 93.127 | | 178,509 |
| Coordinated Services and Access to Research to Women, Infants, Children & Youth | 93.153 | | 517,926 |
| Grants to States to Support Oral Health Workforce Activities through State of Kentucky | 93.236 | PO2 728 12000054221 | 8,110 |
| Substance Abuse and Mental Health Services – Projects of Regional and National Significance | 93.243 | | 411,063 |
| Through American Academy of Addiction Psychiatry | 93.243 | H79Ti023439 | 5,000 |
| Advanced Nursing Education Grant Program | 93.247 | | 370,683 |
| Centers for Disease Control & Prevention: Investigations and Technical Assistance | | | |
| Through Catholic Charities | 93.283 | 261-10-8080-2013 | 48,389 |
| Through Kentuckiana Regional Planning & Development Agency | 93.283 | Multiple | 140,694 |
| Through State of Kentucky | 93.283 | Multiple | 137,489 |
| Through University of Kentucky Research Foundation | 93.283 | Multiple | 119,032 |
| Teenage Pregnancy Prevention Program through Case Western Reserve University | 93.297 | 5 TP2AH000010-02.03.04 | 1,009,490 |
| Cancer Research Manpower | 93.398 | | 577,887 |
| Community Transformation Grants and National Dissemination and Support | | | |
| Through Louisville/Jefferson Co Metro Government | 93.531 | Multiple | 35,018 |

UNIVERSITY OF LOUISVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014 (CONTINUED)

| Federal Grant or Program Title | CFDA # | Pass Through Entity # | Fiscal 2014 Expenditures |
|---|----------------------------|---|------------------------------|
| The Coordinated Chronic Disease Prevention and Health Promotion Program Through State of Kentucky | 93.544 | PON27281200002131 1 | \$ 32,706 |
| Refugee and Entrant Assistance Through Catholic Charities Through State of Kentucky | 93.576 | 252-10-8080-2013 252-10-8080-2012 | 40,636 4,867 |
| Family Violence Prevention and Services Assistance for Torture Victims | 93.592 93.604 | | 60,643 318,013 |
| Children's Justice Grants to States through State of Kentucky Child Welfare Research Training or Demonstration | 93.643 93.648 | PO2 736 1200004474 1 | 172,936 (4,659) |
| Adoption Opportunities Through State of Kentucky | 93.652 93.652 | PO2 736 1200005067 1 | 318,341 51,824 |
| Foster Care Title IV-E Through Eastern Kentucky University Through Seven Counties Services | 93.658 93.658 | Multiple 1H79T1024158-01 | 587,611 17,699 |
| National Bioterrorism Hospital Preparedness Program Through State of Kentucky Through University of Kentucky Research Foundation | 93.889 93.889 | PO272813000044521 UKRF304810953513018 | 178,522 2,846 |
| Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease Ryan White HIV/AIDS Dental Reimbursements | 93.918 93.924 | | 606,364 641,316 |
| Geriatric Education Centers through University of Kentucky Maternal and Child Health Services Block Grant through State of Kentucky | 93.969 93.994 | UKRF304811081414-072 Multiple | 106,576 581,632 |
| SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>8,107,943</u> |
| CORPORATION FOR NATIONAL AND COMMUNITY SERVICE | | | |
| Social Innovation Fund through Kentucky One Health | 94.019 | 2012KHFI013 | <u>60,711</u> |
| SUBTOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE | | | <u>60,711</u> |
| DEPARTMENT OF HOMELAND SECURITY | | | |
| Non-Profit Security Program through State of Kentucky Hazard Mitigation Through Louisville/Jefferson County Metro Government Through State of Kentucky | 97.008 97.039 97.039 | PO2 725 1300003928 1 PO 284859 Multiple | 30,729 61,159 634,855 |
| Assistance to Firefighters Grant | 97.044 | | <u>224,050</u> |
| SUBTOTAL DEPARTMENT OF HOMELAND SECURITY | | | <u>950,793</u> |
| TOTAL OTHER PROGRAMS | | | <u>12,188,337</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 267,015,551</u> |

UNIVERSITY OF LOUISVILLE

**NOTES TO SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014**

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, 2014, 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, 2014 (CONTINUED)**

2. SUBRECIPIENTS

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

| FEDERAL FUNDS PROVIDED TO SUBRECIPIENTS | CFDA # | Fiscal 2014 Expenditures |
|---|---------------|-------------------------------------|
| Community Development Block Grants/Discretionary Grants | 14.219 | 94,786 |
| Capacity Building for Sustainable Communities | 14.705 | 132,710 |
| Conservation Grants Private Stewardship for Imperiled Species | 15.632 | 12,443 |
| Education and Human Resources | 47.076 | 243,874 |
| Pollution Prevention Grants Program | 66.708 | 17,583 |
| Special Education Grants to States | 84.027 | 209,133 |
| Career and Technical Education – National Programs | 84.051 | 75,917 |
| Fund for the Improvement of Postsecondary Education | 84.116 | 7,716 |
| Special Education – State Personnel Development | 84.323 | 1,775 |
| Heart and Vascular Diseases Research | 84.377 | 189,000 |
| Model State Supported Area Health Education Centers | 93.107 | 577,394 |
| Biological Response to Environmental Health Hazards | 93.113 | 126,537 |
| Oral Disease and Disorders Research | 93.121 | 96,217 |
| Research Related to Deafness and Communication Disorders | 93.173 | 78,733 |
| Substance Abuse and Mental Health Services–Projects of Regional and National Significance | 93.243 | 131,255 |
| Drug Abuse and Addiction Research Programs | 93.279 | 26,325 |
| Cancer Cause and Prevention Research | 93.393 | 17,545 |
| Cancer Detection and Diagnosis Research | 93.394 | 4,970 |
| Adoption Opportunities | 93.652 | 116,378 |
| Heart and Vascular Diseases Research | 93.837 | 1,428,620 |
| Blood Diseases and Resources Research | 93.839 | 10,856 |
| Arthritis, Musculoskeletal and Skin Diseases Research | 93.846 | 25,272 |
| Diabetes, Digestive, and Kidney Diseases Extramural Research | 93.847 | 187,004 |
| Clinical Research Related to Neurological Disorders | 93.853 | 135,603 |
| Allergy, Immunology, and Transplantation Research | 93.855 | 264,729 |
| Biomedical Research and Research Training | 93.859 | 1,745,599 |
| Child Health and Human Development Extramural Research | 93.865 | 6,119 |
| Retinal and Choroidal Diseases Research | 93.867 | 112,639 |
| National Bioterrorism Hospital Preparedness Program | 93.889 | 26,195 |
| U.S. Dept. of Homeland Security | 97.000 | 329,031 |
| Hazard Mitigation through State of Kentucky | 97.039 | 11,328 |
| TOTAL FEDERAL FUNDS PROVIDED TO SUBRECIPIENTS | | \$ 6,443,286 |

UNIVERSITY OF LOUISVILLE

**NOTES TO SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014 (CONTINUED)**

3. NON-CASH FINANCIAL ASSISTANCE

Outstanding loan balances at June 30, 2014 were as follows:

| | <u>CFDA #</u> | <u>Total</u> |
|--|---------------|---------------|
| Federal Perkins Loan Program | 84.038 | \$ 8,525,535 |
| Health Professions Student Loans – Medical | 93.342 | (34) |
| Health Professions Primary Care – Medical | 93.342 | 3,813,150 |
| Health Professions Student Loans – Dental | 93.342 | 3,323,657 |
| Nursing Student Loans | 93.364 | 129,275 |
| Loans to Disadvantaged Students – Medical | 93.342 | 182,481 |
| Loans to Disadvantaged Students – Dental | 93.342 | 43,977 |
| | | <hr/> |
| Total Student Loans Outstanding | | \$ 16,018,041 |
| | | <hr/> <hr/> |

Loans received by students for the period ending June 30, 2014 were as follows:

| | <u>CFDA #</u> | <u>Total</u> |
|---|---------------|----------------|
| Federal Perkins Loan Program | 84.038 | \$ 1,119,838 |
| William D. Ford Federal Direct Loan Program | 84.268 | 139,998,979 |
| Health Professions Primary Care – Medical | 93.342 | 277,524 |
| Health Professions Student Loans – Dental | 93.342 | 510,000 |
| Loans to Disadvantaged Students – Medical | 93.342 | 63,000 |
| | | <hr/> |
| Total Non-Cash Financial Assistance | | \$ 141,969,341 |
| | | <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 basic financial statements of the University of Louisville and Affiliated Corporations (University) and its aggregate discretely presented components, collectively, a component unit of the Commonwealth of Kentucky, which comprise the statement of net position as of June 30, 2014, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the basic financial statements, and have issued our report thereon dated September 29, 2014, which contained “emphasis of matter” paragraphs regarding a change in accounting principle, a change in reporting entity and a restatement of previously issued financial statements and a reference to the report of other auditors. Other auditors audited the financial statements of the University of Louisville Physicians, Inc., a discretely presented component unit, as described in our report on the University’s financial statements. The consolidated financial statements of the University of Louisville Foundation, Inc. and Affiliates and the financial statements of the University of Louisville Physicians, Inc., discretely presented component units of the University, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and, therefore, there can be no assurance that all material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 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. 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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014-001 to be a material weakness.

Compliance and Other Matters

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*.

University's Response to Findings

The University's response to the finding identified in our audit is 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 the financial statements and, accordingly, we express no opinion on it.

We noted certain matters that we reported to the University's management in a separate letter dated September 29, 2014.

Purpose of this Report

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

BKD, LLP

Louisville, Kentucky
September 29, 2014

Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

Board of Trustees
University of Louisville
Louisville, Kentucky

Report on Compliance for Each 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 OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. 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

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and 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 that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Basis for Qualified Opinion on Student Financial Aid Cluster

As described in item 2014-002 in the accompanying schedule of findings and questioned costs, the University did not comply with requirements regarding enrollment status change notification 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 types of compliance requirements referred to above that could have a direct and material effect on its Student Financial Aid Cluster program for the year ended June 30, 2014.

Other Matters

The University's response 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.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each 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 and therefore, material weaknesses may exist that were not identified. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2014-002 to be a material weakness.

The University's response to the finding identified in our audit is 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.

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.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the University and its discretely presented component units as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated September 29, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the 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 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BKD, LLP

Louisville, Kentucky
September 29, 2014

University of Louisville
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Summary of Auditor's Results

1. The opinion expressed in the independent auditor's report was:
 Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting described:

Significant deficiency(ies)? Yes None Reported

Material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)? Yes None Reported

Material weakness(es)? Yes No

5. The opinions expressed in the independent auditor's report on compliance for major federal awards were:
 Unmodified Qualified Adverse Disclaimer

6. The audit disclosed findings required to be reported by OMB Circular A-133? Yes No

7. The University's major program is:

| Cluster/Program | CFDA Number |
|-------------------------------|--------------------|
| Student Financial Aid Cluster | Various |

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$3,000,000.

9. The University is qualified as a low-risk auditee as that term is defined in OMB Circular A-133? Yes No

University of Louisville
Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

Findings Required to be Reported by *Government Auditing Standards*

| Reference Number | Finding | Questioned Costs |
|---------------------|--|---------------------|
| 2014-001 | <p>Criteria or specific requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p>Condition: During the 2014 audit, material adjustments were discovered and recorded by management resulting in a prior year restatement of the University's financial statements.</p> <p>Context: Management is responsible for the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.</p> <p>Effect: Potentially material misstatements in the financial statements and disclosures could occur.</p> <p>Cause: Management obtained additional information on various policies and procedures regarding capitalizing assets and recording of certain Medicaid revenue and related receivables.</p> <p>Recommendation: Management should continue to review policies and procedures throughout the University and continue to provide training and updates to unit business managers.</p> <p>Views of responsible officials and planned corrective actions: Management agrees with the recommendation. Communication is essential to an organization as decentralized and complex as the University and its Affiliates. As of May 2014, the associate vice president for finance and her staff have regular meetings with the financial administration of the Health Science Campus, including their new chief financial officer. Discussions concerning capital asset accounting have been held with the senior business managers involved in the adjustment. Additional training is in development for the library department, as well as senior business managers in all areas. Through the re-organization of the business managers into shared business service units, management can more effectively communicate and educate unit business managers on proper accounting treatment.</p> | N/A |

University of Louisville
Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

Findings Required to be Reported by OMB Circular A-133

| Reference Number | Finding | Questioned Costs |
|------------------|--|------------------|
| 2014-002 | <p>U.S. Department of Education – Student Financial Aid Cluster CFDA No. 84.268, Federal Direct Student Loan Program CFDA No. 84.063, Federal Pell Grant Program Program Year 2013 – 2014</p> <p>Criteria or Specific Requirement – Special tests and provisions related to notifying the National Student Loan Data System (NSLDS) of student enrollment changes within required time frames.</p> <p>Condition – The University is required to submit to the Department of Education via NSLDS enrollment status changes for students that received a loan or Pell grant and did not enroll or ceased to be enrolled on at least a half-time basis within required time frames.</p> <p>Context – Out of a population of 2,241 enrollment status changes, a sample of 25 status changes were selected for testing. For four students tested, the University did not notify the NSLDS within required time frames.</p> <p>Effect – The University did not notify the Department of Education regarding student enrollment changes within required time frames.</p> <p>Cause – Personnel responsible for notification overlooked these students and did not report to the NSLDS within the required time frame.</p> <p>Recommendation – The University should ensure that personnel handling such submissions report enrollment changes to the NSLDS within the required time frames and batch files are complete.</p> <p>Views of Responsible Officials and Planned Corrective Actions – Management agrees with the finding and Members of the Registrar’s Office, the Office of Institutional Research and Planning and the Office of Student Financial Aid have met to discuss needed changes to ensure enrollment data is reported in a means to help ensure federal requirements are met. Management determined the schedule of enrollment reporting to the Clearinghouse will be revised to ensure students who drop to less than half-time, graduate or withdraw are reported in time to be processed by the Clearinghouse and reported to NSLDS within 30 days and more communication between the various departments has been established to ensure accurate, timely and complete information is provided.</p> | None |

University of Louisville
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2014

Findings Required to be Reported by OMB Circular A-133

| Reference Number | Finding | Status |
|-------------------------|--|---------------|
| 2013-001 | <p>U.S. Department of Education – Student Financial Aid Cluster 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> | Corrected |