

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
COMPLIANCE EXAMINATION**

(In accordance with the Single Audit Act  
and OMB Circular A-133)

Year Ended June 30, 2013

Performed as Special Assistant Auditors for  
the Auditor General, State of Illinois



**CliftonLarsonAllen**

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
COMPLIANCE EXAMINATION  
(In Accordance with the Single Audit Act and OMB Circular A-133)  
Year Ended June 30, 2013**

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**SOUTHERN ILLINOIS UNIVERSITY  
BOARD OF TRUSTEES AND OFFICERS OF ADMINISTRATION  
Fiscal Year 2013**

**BOARD OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY**

Randal Thomas, Chair	Springfield
Donna Manering, Vice Chair	Makanda
Don Lowery, Secretary	Golconda
Jesse Cler	Carbondale
David Hamilton	Edwardsville
Roger Herrin	Harrisburg
Shirley Portwood	Godfrey
Marquita Wiley	Belleville

**OFFICERS OF SOUTHERN ILLINOIS UNIVERSITY**

Glen Poshard, President  
Lucas Crater, Interim General Counsel  
Paul Sarvela, Vice President, Academic Affairs  
Duane Stucky, Senior Vice President, Financial and Administrative Affairs and Board Treasurer  
Misty Whittington, Executive Secretary of the Board

**OFFICERS OF ADMINISTRATION, SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**

Rita Cheng, Chancellor  
John W. Nicklow, Provost and Vice Chancellor for Academic Affairs  
J. Kevin Dorsey, Dean and Provost, School of Medicine  
Kevin D. Bame, Vice Chancellor for Administration and Finance  
James Salmo, Vice Chancellor for Development and Alumni Relations

**OFFICERS OF ADMINISTRATION, SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE**

Julie Furst-Bowe, Chancellor  
Ann M. Boyle, Interim Provost and Vice Chancellor for Academic Affairs  
Narbeth Emmanuel, Vice Chancellor for Student Affairs  
Patrick Hundley, Vice Chancellor for University Relations  
Kenneth Neher, Vice Chancellor for Administration



SOUTHERN ILLINOIS UNIVERSITY

April 14, 2014

CliftonLarsonAllen LLP  
301 SW Adams, Suite 900  
P.O. Box 1835  
Peoria, IL 61656-1835

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of Southern Illinois University (University). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the University's compliance with the following assertions during the one-year period ended June 30, 2013. Based on this evaluation, we assert that during the year ended June 30, 2013, the University has materially complied with the assertions below.

- A. The University has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The University has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the University on behalf of the State or held in trust by the University have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

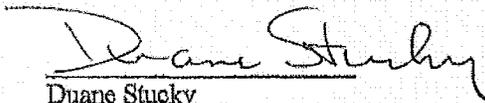
Office of the President, Stone Center - Mail Code 6801, 1400 Douglas Drive, Carbondale, Illinois 62901

Yours very truly,

Southern Illinois University



Glenn Poshard  
President



Duane Stucky  
Senior Vice President for Financial and Administrative Affairs



Luke Crater  
Interim General Counsel

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
COMPLIANCE EXAMINATION  
Year Ended June 30, 2013**

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANTS' REPORT**

The Independent Accountants' Report on State Compliance and on Internal Control over Compliance for State Compliance Purposes does not contain scope limitations or disclaimers, but does include a qualified opinion for compliance and a material weakness over internal controls.

**SUMMARY OF FINDINGS**

<b><u>Number of</u></b>	<b><u>Current Report</u></b>	<b><u>Prior Report</u></b>
Findings	19	15
Repeated findings	6	4
Prior recommendations implemented or not repeated	9	2

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

<b><u>Finding No.</u></b>	<b><u>Page</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
<b><u>FINDINGS (GOVERNMENT AUDITING STANDARDS)</u></b>			
2013-001	17	Misstatement of Accounts Receivable	Material Weakness
<b><u>FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)</u></b>			
2013-002	19	Failure to Meet Head Start Earmarking Requirements - Edwardsville Campus	Significant Deficiency and Noncompliance
2013-003	21	Errors in Reporting Volunteer Hours Used to Meet Head Start Matching Requirement - Edwardsville and Carbondale Campuses	Significant Deficiency and Noncompliance
2013-004	23	Incorrect Calculation of Indirect Costs for the TRIO Program - Edwardsville Campus	Significant Deficiency and Noncompliance
2013-005	25	Improper Award of Federal Supplemental Educational Opportunity Grant - Edwardsville Campus	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
COMPLIANCE EXAMINATION  
Year Ended June 30, 2013**

**COMPLIANCE REPORT**

**SUMMARY**

FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

<b><u>Finding No.</u></b>	<b><u>Page</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
2013-006	26	Incorrect Calculation Regarding Return of Title IV Funds - Carbondale Campus	Significant Deficiency and Noncompliance
2013-007	28	Grading Policy Not Properly Applied - Edwardsville Campus	Significant Deficiency and Noncompliance
2013-008	30	No Formalized Signoff Evidencing Review of Indirect Costs for Head Start Program - Edwardsville Campus	Significant Deficiency and Noncompliance
2013-009	31	No Formalized Signoff Evidencing Review and Approval of Patient Financial Applications - School of Medicine - Center for Family Medicine	Significant Deficiency and Noncompliance
2013-010	33	Use of Outdated Federal Poverty Level Guidelines in Determining Patient Ability to Pay - School of Medicine - Center for Family Medicine	Significant Deficiency and Noncompliance
2013-011	35	Patient Nominal Fee Charge at or Below One-Hundred Percent of Federal Poverty Level - School of Medicine - Center for Family Medicine	Significant Deficiency and Noncompliance

FINDINGS (STATE COMPLIANCE)

2013-012	36	Inadequate Control Over Access to and Disposal of Confidential Information	Significant Deficiency and Noncompliance
2013-013	39	Firewall Administration Weaknesses - Edwardsville and Carbondale Campuses	Significant Deficiency and Noncompliance
2013-014	41	Security Access Weaknesses - Edwardsville and Carbondale Campuses	Significant Deficiency and Noncompliance
2013-015	43	Inadequate Controls Over Computer Inventory	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
COMPLIANCE EXAMINATION  
Year Ended June 30, 2013**

**COMPLIANCE REPORT**

**SUMMARY**

FINDINGS (STATE COMPLIANCE)

2013-016	45	Time Sheets are not Required	Significant Deficiency and Noncompliance
2013-017	46	Failure of Internal Controls Over Cash to Identity Theft Timely	Significant Deficiency and Noncompliance
2013-018	48	Failure to Report Automobile Accidents Timely	Significant Deficiency and Noncompliance
2013-019	49	Failure to Prepare High School Feedback System Reports	Significant Deficiency and Noncompliance

In addition, the following finding which was reported as a current finding relating to *Government Auditing Standards* also meets the reporting requirements for State compliance.

2013-001	17	Misstatement of Accounts Receivable	Material Weakness and Material Noncompliance
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PRIOR FINDINGS NOT REPEATED

A.	51	Financial Reporting Process for the University
B.	51	Allowance for Doubtful Accounts
C.	51	Misstatement of Inventory
D.	52	Head Start Cash Management Controls - Edwardsville Campus
E.	52	Untimely Notification of Enrollment Status Changes to National Student Loan Data System (NSLDS) - Edwardsville Campus
F.	52	Lack of Reconciliation of School Account Statement (SAS) to Financial Records - Edwardsville Campus
G.	53	Noncompliance with the University Guidelines
H.	53	Noncompliance with Ethics Training Requirements
I.	53	Performance Evaluations Not Completed

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY**

**COMPLIANCE REPORT**

**SUMMARY**

EXIT CONFERENCE

The University waived an exit conference in correspondence dated February 11, 2014 and March 17, 2014 from Ms. Kimberly A. Labonte, Director of Internal Audit.

The responses to the recommendations were provided by Ms. Kimberly A. Labonte, Director of Internal Audit, in letters dated February 19, 2014 and March 17, 2014.



**Independent Accountants' Report on State Compliance  
and on Internal Control Over Compliance  
for State Compliance Purposes**

Honorable William G. Holland  
Auditor General  
State of Illinois

and

Board of Trustees  
Southern Illinois University

**Compliance**

As Special Assistant Auditors for the Auditor General, we have examined Southern Illinois University's (University) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the year ended June 30, 2013. The management of the University is responsible for compliance with these requirements. Our responsibility is to express an opinion on the University's compliance based on our examination.

- A. The University has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The University has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the University on behalf of the State or held in trust by the University have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the University's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the University's compliance with specified requirements.

As described in item 2013-001 in the accompanying schedule of findings and questioned costs, the University did not comply with requirements regarding applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations, and ensuring State revenues and receipts collected by the University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law. Compliance with such requirements is necessary, in our opinion, for the University to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the University complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the year ended June 30, 2013. However, the results of our procedures disclosed other instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings and questioned costs as items 2013-012, 2013-013, 2013-014, 2013-015, 2013-016, 2013-017, 2013-018, and 2013-019.

### **Internal Control**

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the University's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*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 the requirements listed in the first paragraph of this report 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 requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-001 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-012, 2013-013, 2013-014, 2013-015, 2013-016, 2013-017, 2013-018, and 2013-019 to be significant deficiencies.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The University's responses to the findings identified in our examination are described in the accompanying schedule of findings and questioned costs. We did not examine the University's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Board of Trustees, University management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

Peoria, Illinois  
April 14, 2014



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

Honorable William G. Holland  
Auditor General, State of Illinois  
and  
Board of Trustees  
Southern Illinois University

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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 business-type activities of Southern Illinois University and the aggregate discretely presented component units, collectively a component unit of the State of Illinois, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Southern Illinois University's basic financial statements, and have issued our report thereon dated January 6, 2014.

Our report was modified to include a reference to other auditors. Other auditors audited the financial statements of Southern Illinois University's discretely presented component units, as described in our report on Southern Illinois University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Association of Alumni, Former Students and Friends of Southern Illinois University, Inc. (at Carbondale), was not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Southern Illinois University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southern Illinois University's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern Illinois 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 or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 entity'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 to be a material weakness (2013-001).

### **Compliance and Other Matters**

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

### **Southern Illinois University's Response to Findings**

Southern Illinois University's response to the finding identified in our audit is described in the accompanying schedule of findings. Southern Illinois 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.

### **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 result of that testing, and not to provide an opinion on the effectiveness of Southern Illinois 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 Southern Illinois University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Peoria, Illinois  
January 6, 2014



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

Honorable William G. Holland  
Auditor General  
State of Illinois

and

Board of Trustees  
Southern Illinois University

**Report on Compliance for Each Major Federal Program**

We have audited Southern Illinois University's (University) compliance 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 each of the University's major federal programs for the year ended June 30, 2013. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The schedule of expenditures of federal awards and our audit described below does not include expenditures of federal awards for those agencies determined to be component units of the University for financial statement purposes.

***Management's Responsibility***

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

***Auditors' 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.

### ***Opinion on Each Major Federal Program***

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-002, 2013-003, 2013-004, 2013-005, 2013-006, 2013-007, 2013-008, 2013-009, 2013-010, and 2013-011. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control over Compliance**

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as 2013-002, 2013-003, 2013-004, 2013-005, 2013-006, 2013-007, 2013-008, 2013-009, 2013-010, and 2013-011 that we consider to be significant deficiencies.

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

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 business-type activities and aggregate discretely presented component units of the University as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated January 6, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to January 6, 2014. 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 other 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 taken as a whole.

*CliftonLarsonAllen LLP*

Peoria, Illinois

April 14, 2014

except for our report on the Schedule of Expenditures of Federal Awards, for which the date is January 6, 2014

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   x   Yes        No
- Significant deficiencies identified that are not considered to be material weaknesses?        Yes   x   None reported

Noncompliance material to financial statements noted?        Yes   x   No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?        Yes   x   No
- Significant deficiencies identified that are not considered to be material weaknesses?   x   Yes        None reported

Type of auditor's report issued on compliance for major programs: Unmodified.

Any audit findings disclosed that are required to be reported in accordance with Section 510 (a) of OMB Circular A-133?   x   Yes        No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Various	(1) Student Financial Aid Cluster
93.600	(2) Head Start
Various	(3) TRIO Cluster
93.224	(14) Federal Qualified Health Center Cluster

Dollar threshold used to distinguish between Type A and Type B programs:   \$1,660,284  

Auditee qualified as low-risk auditee?        Yes   x   No

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
FINDINGS, RECOMMENDATIONS, AND UNIVERSITY RESPONSES  
Year Ended June 30, 2013**

**CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS**

**2013-001. Finding: Misstatement of Accounts Receivable**

Southern Illinois University (the University) did not establish an adequate process to review receivables to ensure all amounts recorded are in conformity with accounting principles generally accepted in the United States of America.

The Carbondale campus implemented the use of a fixed fringe benefit rate negotiated with the federal Department of Health and Human Services in 2009 to facilitate the administration of grants. Consequently, a fringe benefit clearing account was established at that time to receive transfers from grant and overhead accounts when the negotiated fringe benefit rate was applied during each payroll run. These funds were then used to remit the actual cost of the associated fringe benefit expense to the vendors. Because the University is only allowed to request reimbursement for fringe benefit allocations to the extent allowed by the predetermined negotiated rate, the fringe benefit clearing account accumulated a negative balance when actual expenses exceeded the amounts reimbursed. Those excess expenses were subsequently accounted for as a receivable. Since amounts allocated in excess of those rates may not be reimbursable until future years, this negative balance should not have been recognized as revenue earned in the current period.

The University's method of accounting for unrecovered fringe benefit expense resulted in the Carbondale campus overstating receivables by \$6.0 million and \$3.4 million and understating operating expenses by \$2.6 million and \$1.5 million in fiscal years ended June 30, 2013 and 2012, respectively. The University's system of internal controls failed to identify this improper revenue recognition.

An audit adjustment was proposed to the University in order for the financial statements to be presented in accordance with accounting principles generally accepted in the United States of America. University management agreed to adjust the University's financial statements for the \$6.0 million receivable misstatement in fiscal year 2013. The University declined to restate prior year's financial statements because the adjustments to those financial statements were not material.

The University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation to pay has been incurred. University receivables should be reviewed to ensure amounts recorded are in conformity with accounting principles generally accepted in the United States of America.

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**CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS**

**2013-001. Finding: Misstatement of Accounts Receivable (CONTINUED)**

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurances that revenues and expenditures are properly recorded and accounted for to permit the preparation of accounts and reliable financial reports and to maintain accountability over the State's resources.

University officials stated that when a fringe benefit fixed rate is negotiated in advance for a fiscal year (or other time period), the over or under recovery for the previous year may be included as an adjustment to the fringe benefit cost for the next year's rate negotiation. The four negotiated fringe benefit rates approved subsequent to the fiscal year 2009 initial rate included a component to cover the shortfalls incurred. However, the University improperly accounted for the under recovery of fringe benefit expense to grant and overhead accounts as a receivable within the University's financial statements starting in fiscal year 2009. The carryforward provision allowed under OMB A-21 guidance is a change in the estimate of the allowable fringe benefit costs to be allocated to grant and overhead accounts and does not create any revenue recognition or deferral of expenses.

Failure to properly evaluate the adequacy of receivables could result in misstatement of the financial statements. (Finding Code No. 2013-001)

**Recommendation**

We recommend the University evaluate the adequacy of receivables to ensure revenue and expenses are properly recognized in accordance with generally accepted accounting standards to improve controls over financial reporting and ensure the University's annual financial statements are fairly presented.

**University Response**

The University agrees with the finding and the recommendation.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS**

**2013-002. Finding: Failure to Meet Head Start Earmarking Requirements – Edwardsville Campus**

Federal Agency: U.S. Department of Health and Human Services  
CFDA Number: 93.600  
Program Name: Head Start  
Questioned Costs: None Noted

The East St. Louis Center of the Edwardsville campus failed to meet the Head Start program's requirement for enrollment of children with disabilities.

The East St. Louis campus had funded enrollment of only 6 percent of children with disabilities, which is less than the required 10 percent for the Head Start program.

The University monitored the enrollment statuses quarterly throughout the grant period and requested a waiver; however, the University did not request the waiver in a timely manner. The University did request the waiver earlier than in the prior year; however, guidance in Program Instruction ACF-PI-HS-09-04 requires if the 10 percent requirement is not met by the midpoint of its program year, another waiver should be requested. The midpoint of the program year was March 1, 2013. In a letter to the Administration for Children and Families dated August 5, 2013, the University acknowledged they did not meet the earmarking requirement and requested a waiver of this requirement. The University had received communication from the Administration for Children and Families that the waiver was in the evaluation/pending status and the waiver was subsequently approved on January 2, 2014.

University management is responsible for establishing and maintaining internal controls over compliance with enrollment levels of not less than 10 percent children with disabilities as stipulated in the grant agreement between the University and the Department of Health and Human Services unless a waiver has been approved by Administration for Children and Families.

According to University officials, SIUE East St. Louis Head Start experienced several barriers to achieving the enrollment requirement due to challenges of one school district in meeting mandated Individual with Disabilities Act timelines and duplication of the screening process by several other Local Education Agencies. Additionally, verbal communication by Head Start program staff with the funding agency led to a misunderstanding on the submission deadlines for the Disability Waiver Request. This delayed the review and approval of the waiver by the funding agency which was subsequently received in fiscal year 2014 for the fiscal year 2013 request.

Noncompliance with enrollment requirements could result in a loss of funding. (Finding Code No. 2013-002, 12-5, 11-4, 10-3)

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-002. Finding: Failure to Meet Head Start Earmarking Requirements – Edwardsville Campus (Continued)**

**Recommendation**

We recommend if the enrollment levels are not met half way through the program year, a waiver should be requested according to U.S. Department of Health and Human Services guidelines in Program Instruction ACF-PI-HS-09-04.

**University Response**

Accept. The program instruction (ACF-PI HS-09-04) states the Regional Office may grant a waiver for a period of up to three years, but in the absence of unusual circumstances waivers will not be granted for more than one year. However, we have been advised by the Head Start Manager at the Regional Office to proceed in requesting a waiver, while guidance is not clear regarding the requirement to do so beyond three years. The waiver for the current program year is expected to be requested by the midpoint of March 1, 2014.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-003. Finding: Errors in Reporting Volunteer Hours Used to Meet Head Start Matching Requirement – Edwardsville and Carbondale Campuses**

Federal Agency: U.S. Department of Health and Human Services  
CFDA Number: 93.600  
Program Name: Head Start  
Questioned Costs: None Noted

A failure to perform internal control procedures over compliance with matching requirements resulted in inaccurate reporting of volunteer hours used to meet matching requirements for the Head Start program.

At both the Carbondale and Edwardsville campuses there were instances in which reports prepared to summarize volunteer timesheets were not mathematically accurate and/or lacked evidence of review and approval.

In the prior year, there were errors noted in the monthly reports for volunteer time sheets for both campuses. In the current year, we noted no errors in the monthly volunteer time sheets on the Carbondale campus and the reports were being adequately reviewed. However, on the Edwardsville campus, we noted errors in the monthly reports that were selected for testing.

Our tests involved reviewing 40 volunteer time sheets for each Carbondale and Edwardsville campus over 4 different months at various centers served by the Head Start program. We noted errors in the monthly reports and individual volunteer time sheets for Edwardsville and one error in the individual volunteer time sheet for Carbondale. At Edwardsville, volunteer hours were inaccurately reported on the July, August, September and October 2012 monthly reports. Additionally, these monthly reports were not reviewed in a timely manner. Four individual time sheets had issues relating to controls over approval. At Carbondale, we noted one time sheet that was inadvertently missed in the approval process based on established internal control procedures.

Grantees are required to contribute at least 20 percent of the costs of the program through cash or in-kind contributions, unless a lesser amount has been approved by the U.S. Department of Health and Human Services (45 CFR sections 1301.20 and 1301.21). The University is responsible for establishing and maintaining effective internal control over compliance with the requirements and regulations applicable to their Head Start program. Acceptable matching is to be verifiable from the non-Federal entity's records.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-003. Finding: Errors in Reporting Volunteer Hours Used to Meet Head Start Matching Requirement – Edwardsville and Carbondale Campuses**  
(Continued)

According to University officials, the individual time sheet errors were not caught due to an oversight. On the Edwardsville campus for the first three months of fiscal year 2013 and under the direction of the previous ESL Director, the accounting position at the Head Start office was vacant and was not filled until October 2012, when a new accountant was hired. The individuals assigned by the ESL Director to carry out those functions at that time did not perform the required reviews. The University has since implemented review policies and procedures to accurately report monthly volunteer time sheets.

Without effective review procedures, the University risks not meeting the matching requirements of the Head Start program that could result in the loss of funding. (Finding Code No. 2013-003, 12-6)

**Recommendation**

We recommend the University follow the procedures that have been established regarding reviewer monitoring of responsibilities and maintenance of proper documentation.

**University Response**

Accept. At SIUE, monitoring and review procedures for the volunteer hours used to meet matching for the Head Start program were implemented in October 2012. All errors noted were from prior to this implementation. At SIUC, accounting staff have been directed to ensure that procedures are followed and that all volunteer time sheets are checked for signatures.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-004. Finding: Incorrect Calculation of Indirect Costs for the TRIO Program - Edwardsville Campus**

Federal Agency: U.S. Department of Education  
CFDA Number: 84.047  
Program Name: TRIO Cluster  
Questioned Costs: \$668.80

The Edwardsville campus incorrectly calculated the indirect costs (IDCs) on expenditures for the TRIO program by including stipends, which are unallowable, in the expenditure base. The Edwardsville campus also did not have a formalized signoff evidencing supervisory review of the indirect cost calculations.

The grants selected for testing allowed 8 percent of indirect costs on the expenditures, excluding stipends.

During our testing of the indirect cost calculations for two grants in the TRIO programs, it was noted that the calculation of indirect costs for the current year were completed inaccurately in two of the four quarters that were tested. Quarter 1 for the Upward Bound Math & Science IDCs and Quarter 4 for the Upward Bound EC IDCs were calculated by including stipends in the expenditure base, which are unallowable under the program. The total amount overdrawn on the two quarters was \$668.80. It was also noted that there were no formal signoffs evidencing supervisory review to ensure that the indirect cost calculations were correct and recorded in the general ledger.

For the purpose of calculating indirect costs on training grants, a modified total direct cost base consists of total direct costs minus (i) the amount of each sub-award in excess of \$25,000; (ii) stipends; (iii) tuition and related fees; and (iv) equipment as defined in 34 CFR 74.2 and 80.3 (34 CFR 75.562(c)(2)). University management is responsible for reviewing grant agreements and verifying that indirect costs are properly applied. Prior to the quarterly calculation of indirect costs, stipends paid out during the quarter need to be subtracted from the expenditure base before the calculation of the indirect cost is applied.

According to University officials, the duties of preparing the IDC reports were shifted at the end of fiscal year 2012. In error, the employee assigned to prepare the report assumed that because the total indirect recoverable was calculated against direct costs less stipends, that charging of total direct costs monthly up to the allowable recovery amount could be performed.

Without effective review procedures, the University is at a greater risk for noncompliance with Federal regulations that could result in the loss of funding. (Finding Code No. 2013-004)

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-004. Finding: Incorrect Calculation of Indirect Costs for the TRIO Program - Edwardsville Campus (Continued)**

**Recommendation**

We recommend the University provide further training and implement formalized review procedures to properly record the indirect costs according to the grant agreements.

**University Response**

Accept. Procedures have been established to formalize and document the review of the indirect cost calculations for the TRIO programs and the error in the calculation has been corrected.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-005. Finding: Improper Award of Federal Supplemental Educational Opportunity Grant - Edwardsville Campus**

Federal Agency: U.S. Department of Education  
CFDA Number: 84.007  
Program Name: Student Financial Aid Cluster  
Questioned Costs: None Noted

The Edwardsville campus improperly awarded a Federal Supplemental Educational Opportunity Grant (FSEOG) to an eligible student who was not the neediest.

During our testing of 40 Edwardsville students for eligibility during the Fall 2012, Spring 2013 and Summer 2013 semesters, 1 student in our sample was awarded FSEOG and was tested for FSEOG compliance. This student was not the neediest student according to the guidelines.

In selecting among eligible students for FSEOG awards in each year, an institution shall select those students with the lowest Expected Family Contributions (EFCs) who will also receive Federal Pell Grants in that year as required by Title 34: Education, part 676.10(a)(1).

According to University officials, the University was unaware that summer FSEOG had to be awarded to students with the lowest expected family contributions who will also receive Federal Pell Grants in that year.

Improper awarding of FSEOG deprives other qualifying students of this grant. (Finding Code No. 2013-005)

**Recommendation**

We recommend the University review and update their packaging policies and procedures for awarding FSEOG to students.

**University Response**

Accept. Packaging policies are being revised to ensure that FSEOG are awarded to the neediest person first, and that records are maintained to verify this has occurred.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-006. Finding: Incorrect Calculation Regarding Return of Title IV Funds -  
Carbondale Campus**

Federal Agency: U.S. Department of Education  
CFDA Number: Various  
Program Name: Student Financial Aid  
Questioned Costs: \$1041.40

The Carbondale campus used the wrong number of calendar days in return of Title IV calculations.

The return of Title IV calculations are performed using the number of calendar days completed in the period divided by the total number of calendar days in the period. Both the days completed and total days in the term were one day less than they should have been.

Out of 60 students tested, we noted 32 students (53%) in which the wrong number of days was used for the days completed in the term as well as the total number of days in the term. As a result, the University over-refunded \$1,041.40 of Student Financial Aid funds to the Department of Education. According to the University the amount was too insignificant to request a refund.

During the current examination period, our sample testing indicated the University improved certain controls over some items noted in the prior finding regarding the return of Title IV funds. The University returned refunds within 45 days and determined withdrawal dates within 30 days as required by federal regulations.

According to 34 CFR 668.22(f)(1)(i) the percentage of payment period of enrollment completed in the case of a program measured in credit hours, by dividing the total number of calendar days in the enrollment period into the number of calendar days completed in that period as of the student withdrawal date. Institutions are required to accurately perform return of Title IV calculations using the calculation prescribed by the Department of Education and return unearned funds within 45 days of determining the student withdrew.

According to University officials, a formula error in the calculation tool used by the University is responsible for the deficiency.

The return of Title IV calculation determines the amount of federal financial assistance that the student is entitled to based on the number of days they completed in the period. Due to the calculation error, 32 students were deprived of \$1,041.40 of assistance, an average of \$32.54 each, that they were entitled to. According to the University because the amounts were not significant they did not credit the students' accounts for the excess financial assistance refunded to the U.S. Department of Education. (Finding Code No. 2013-006, 12-7)

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-006. Finding: Incorrect Calculation Regarding Return of Title IV Funds - Carbondale Campus (Continued)**

**Recommendation**

We recommend the University update the spreadsheet used to calculate the return of Title IV funds to be in compliance with Federal Regulations. In addition, we recommend the University credit the students' accounts for the excess refunded financial assistance.

**University Response**

Accept. The calculation was corrected immediately upon notification of the error. We are pursuing two options for verifying future calculations. Additionally, we will determine an appropriate source of institutional funds from which to credit these students' accounts.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-007. Finding: Grading Policy Not Properly Applied – Edwardsville Campus**

Federal Agency: U.S. Department of Education  
CFDA Number: Various  
Program Name: Student Financial Aid  
Questioned Costs: None Noted

Professors at the Edwardsville campus are not consistently applying the grading policy to ensure the reliability of the grades assigned for purposes of Title IV funds return calculations.

Out of three students tested for failing grades, it was determined that at least one (33.3%) was awarded an incorrect grade of F by the professor instead of the appropriate grade of WF. The accuracy of another could not be determined as the faculty member could not recall the specifics of the situation. No determination of amounts that might be refundable to the U.S. Department of Education was made for these two students since a withdrawal date was never determined. These three students were identified for testing, as all other grades assigned for the semesters were indicative of an unofficial withdraw.

According to 34 CFR 668.22(f)(1)(i) the percentage of payment period of enrollment completed in the case of a program measured in credit hours, by dividing the total number of calendar days in the enrollment period into the number of calendar days completed in that period as of the student withdrawal date. Institutions are required to accurately perform return of Title IV calculations using the calculation prescribed by the Department of Education and return unearned funds within 45 days of determining the student withdrew.

Per the Edwardsville grading policy, for students who fail to complete a course and therefore “unofficially” withdraw, faculty are instructed to evaluate the student’s attendance and/or participation and determine whether the student should be assigned the grade of an NS (Non-attendance), UW (Unauthorized withdrawal), WR (Withdrawal by the Registrar), WF (Withdrawal Failing) or F (Failure). All the grades above, excluding the F, could indicate that a return calculation should be performed. Students that receive F grades are considered to have completed the course and earned the failing grade, and are consequently eliminated from any calculation for return of Title IV aid. However, given the newness of this policy and the uncertainty of its consistent application, an additional control to ensure the accuracy of the return of Title IV funds is warranted.

University officials stated that the faculty was informed of the new grading policy, including a pop up message that is received every time an F grade is entered. Therefore, it appears this instance was a misapplication of the policy by the faculty member.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-007. Finding: Grading Policy Not Properly Applied – Edwardsville Campus  
(Continued)**

Due to the inconsistent application of the grading policy, these students were not considered to be withdrawals by the University. In turn, a return of Title IV calculation was not completed and potentially unearned federal funds were not returned to the Department of Education. Failure to return funds as required under federal regulations deprives the federal program of available resources. (Finding Code No. 2013-007)

**Recommendation**

We recommend that the Edwardsville campus implement controls to identify potentially inconsistent grades that may qualify as unofficial withdrawals and require the return of Title IV funds to the U. S. Department of Education.

**University Response**

Accept. Since 2012 the Edwardsville campus has had a new grading policy in place to help “identify potentially inconsistent grades that may qualify as unofficial withdrawals and require the return of Title IV funds”. This policy was implemented with the full cooperation of the SIUE Faculty Senate. The faculty has done an admirable job applying the new policy to more than 13,000 students each term. However, in order to avoid a finding of this nature in the future, we must do more than simply identify these potentially inconsistent grades. Therefore, we will implement an additional administrative process to confirm the intent of each potentially inconsistent grade with the faculty member assigning the grade, in order to determine if a return of funds is necessary.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-008. Finding: No Formalized Signoff Evidencing Review of Indirect Costs for Head Start Program – Edwardsville Campus**

Federal Agency: U.S. Department of Health and Human Services  
CFDA Number: 93.600  
Program Name: Head Start  
Questioned Costs: None Noted

The Edwardsville campus did not have evidence of a documented review over the indirect cost calculations for the Head Start Program.

During our sample testing of indirect cost calculations for five quarters for this program, we noted that the calculations were being performed in accordance with the grant agreement; however, there was no formal signoff evidencing supervisory review of the calculations for accuracy and to determine that the indirect costs were properly recorded in the general ledger.

The University is responsible for establishing and maintaining effective internal controls over compliance with calculating the indirect costs in the Head Start Program. These controls should be formalized to include the supervisor's signoff evidencing that these control activities are being performed.

University officials stated that a review of the indirect cost calculations for the Head Start Program is performed, however, the review and approval is not documented.

Without effective review procedures, the University risks not meeting its matching requirement or recovering its indirect costs incurred. (Finding Code No. 2013-008)

**Recommendation**

We recommend that the Edwardsville campus maintain proper documentation of the review and approval of the Head Start indirect cost calculations.

**University Response**

Accept. Procedures will be established to formalize and document the review of the indirect cost calculations for the Head Start programs.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-009. Finding: No Formalized Signoff Evidencing Review and Approval of Patient Financial Applications - School of Medicine - Center for Family Medicine**

Federal Agency: U.S. Department of Health and Human Services/ Health Resources and Services Administration

CFDA Number: 93.224

Program Name: Federal Qualified Health Center Cluster

Questioned Costs: None

The Southern Illinois University School of Medicine - Center for Family Medicine (Center) did not have a documented review process for the patient financial applications for the Federal Qualified Health Center cluster program.

During our testing of patient's financial applications for this program, we noted that the financial applications were being completed in accordance with the grant agreement; however, there was no evidence that the applications were being formally reviewed and approved for 22 (55%) of 40 patient applications tested.

The University is responsible for establishing and maintaining effective internal controls over compliance with the completion of the patient's financial application for the Federal Qualified Health Center cluster program. These controls should be formalized to include the evidence that these control activities are being performed.

University officials stated that while a review of the patient's financial applications for the Federal Qualified Health Center cluster is performed, consideration had not been given to the need for documenting a formalized review over the patient's applications for the Federal Qualified Health Center Program.

Without effective review procedures, the Center risks the possibility of patients being approved for the program when the eligibility requirements are not properly being met. (Finding Code No. 2013-009)

**Recommendation**

We recommend the Center establish and implement an effective system of internal controls to perform and document a supervisory review and approval of all patient applications to ensure eligibility requirements are being met.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-009. Finding: No Formalized Signoff Evidencing Review and Approval of Patient Financial Applications - School of Medicine - Center for Family Medicine (Continued)**

**University Response**

Accept. The Center has added a step in the application process. An additional third page is appended to each application where recommendations from the counselor are completed and the entire application is submitted to the Insurance Manager/Supervisor for review and final approval. If the Insurance Manager/Supervisor is unavailable, the review and final approval is performed by the Chief Financial Officer.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-010. Finding: Use of Outdated Federal Poverty Level Guidelines in Determining Patient Ability to Pay - School of Medicine - Center for Family Medicine**

Federal Agency: U.S. Department of Health and Human Services/ Health Resources and Services Administration

CFDA Number: 93.224

Program Name: Federal Qualified Health Center Cluster

Questioned Costs: None

The Southern Illinois University School of Medicine - Center for Family Medicine (Center) improperly utilized the 2012 HHS federal poverty level guidelines to make a determination of the patient's eligibility for services provided under the Federal Qualified Health Center program for all applications sample tested from January 24, 2013 through June 30, 2013.

During our testing of 40 patients' financial applications for the Federal Qualified Health Center program, we noted that 27 (67%) of the patients' financial applications were improperly using the 2012 HHS federal poverty level guidelines to make a determination of the patient's eligibility for services provided under the Federal Qualified Health Center program. The 2013 HHS federal poverty guidelines became effective January 24, 2013.

As required by the Federal Qualified Health Center program, the patient's eligibility is determined on the basis of the most recent official poverty guidelines, as revised annually by HHS (42 CFR sections 51c.107(b)(5), 56.108(b)(5), and 56.303(f)). The poverty guidelines are issued each year in the Federal Register and HHS maintains a page on the Internet that provides the poverty guidelines (<http://aspe.hhs.gov/poverty/>).

University officials stated the Center's Board approved the Patient Sliding Discount Schedule in September 2012. Consideration had not been given for the need to update the federal poverty level guidelines that became effective January 24, 2013 for 2013 patient encounters as outlined in the Patient Sliding Discount Schedule for the Federal Qualified Health Center program.

Noncompliance with eligibility requirements could result in medical services being provided to ineligible recipients at reduced federal guideline rates. (Finding Code No. 2013-010)

**Recommendation**

We recommend the Center establish and implement an effective system of internal controls to ensure that the Center utilizes the most recent official poverty guidelines to determine the eligibility of benefit recipients.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-010. Finding: Use of Outdated Federal Poverty Level Guidelines in Determining Patient Ability to Pay - School of Medicine - Center for Family Medicine (Continued)**

**University Response**

Accept. This matter was identified to health center management staff at the HRSA site visit, and was corrected immediately at the July meeting of the FQHC Board, where the sliding fee scale was presented with the 2013 FPL and approved. To prevent this from reoccurring, a policy is now in place to update the sliding fee scale at the Annual meeting of the Board in January each year.

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**CURRENT FINDINGS - FEDERAL AND QUESTIONED COSTS (CONTINUED)**

**2013-011. Finding: Patient Nominal Fee Charge at or Below One-Hundred Percent of Federal Poverty Level - School of Medicine - Center for Family Medicine**

Federal Agency: U.S. Department of Health and Human Services/ Health Resources and Services Administration

CFDA Number: 93.224

Program Name: Federal Qualified Health Center Cluster

Questioned Costs: None

The Southern Illinois University School of Medicine - Center for Family Medicine (Center) was improperly writing off the patient's nominal fee charge required under the grant agreement for patients at or below one-hundred percent of the federal poverty level guidelines that also qualified for Medicaid.

During our testing of patient program income for the Federal Qualified Health Center program, we noted that for 12 (30%) of the 40 patient invoice charges tested the required nominal fee amounts of \$20 per patient (\$240) were improperly written off for patients at or below one-hundred percent of the federal poverty level guidelines that also qualified for Medicaid through June 30, 2013.

As required by the Federal Qualified Health Center program grant agreement, all patients receiving services under the program with ability to pay at or below two-hundred percent of the federal poverty guidelines are required to pay a nominal fee for such services.

University officials stated that patients who are at or below one-hundred percent of the federal poverty level guidelines typically qualify for Medicaid, however some patients choose not to sign up for Medicaid regardless of eligibility. The Center erroneously interpreted the grant requirement as patients eligible for Medicaid would be excluded from the nominal fee charge.

Noncompliance with grant requirements for fee charges could result in a loss of fee revenue or federal grant funding to the Center. (Finding Code No. 2013-011)

**Recommendation**

We recommend the Center establish and implement an effective system of internal controls to ensure that the proper nominal fee charge is assessed to patients who qualify with the ability to pay in accordance with the grant agreement.

**University Response**

Accept. This matter was identified to health center staff at the time of the HRSA site visit, and was immediately corrected. A nominal fee of \$10 was instituted for all patients who do not have a Medicaid or other insurance co-pay.

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**CURRENT FINDINGS - STATE COMPLIANCE**

**2013-012. Finding: Inadequate Control over Access to and Disposal of Confidential Information**

The University has weaknesses regarding the security and control of confidential information.

The University lacked University-wide procedures for addressing the security and disposal of confidential information, had not assured lockable bins were consistently used for disposing confidential information, and had not performed a formal risk assessment for identifying all confidential information and assessing existing security over access to confidential information.

During our review, we noted:

- Although a lockable bin for storing confidential information until it could be properly shredded was located within approximately 10 feet, confidential information, including protected health information, was found within a waste can at one School of Medicine employee's desk.
- The University had not ensured all confidential information in electronic form was adequately protected (i.e. encrypted or redacted).
- The University had three security incidents that exposed data and three additional security incidents that may have exposed data.

Of the six incidents, the University had determined three of the incidents were compromises and breach notifications were not necessary. Of the three classified as breaches, at the time of our review, required notifications were only sent with regard to the SIUE breach involving student information (names, SSN's and/or grades) on 1,577 students. A faculty member placed his grade-book on the University's website. Upon identification, the file was immediately removed from the website and the notification process was initiated.

Two other breaches (in August and September 2012) at SIUC involved hard drives infected with malware that contained personal information (names and SSN's) for approximately 107 students. SIUC initially determined these incidents were compromises and notification was not required. However, after management determined the drives were no longer available for full analysis to confirm the lack of a breach, they planned to send notification letters to the affected students.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-012. Finding: Inadequate Control over Access to and Disposal of Confidential Information (Continued)**

SIUC classified the three remaining incidents as compromises that did not require breach notifications. One incident, involving the University's primary backup system and approximately 70,000 persons, was not considered a breach by SIUC even though the security system was bypassed and the system contained an old piece of malware. In addition, the backup system was accessible from the Internet, and the incident went undetected for approximately 12 days. No notifications were sent because the University determined no data was taken. The other two incidents were also classified as compromises by SIUC as they stated they were able to determine that no data was taken; however, little information regarding these incidents was available.

The Personal Information Protection Act (815 ILCS 530) requires entities identify and protect all nonpublic personal information. The Act also requires entities that collect personal information to notify Illinois resident at no charge if there has been a breach. In addition, the Health Insurance Portability and Accountability (HIPAA) requires the protection of the privacy and security of protected health information.

University officials stated that the University-wide security policies and formal risk assessment will be addressed when the campuses fill their information security positions. Furthermore, the SIUC incidents are partially a result of constrained resources with almost 40 unfilled IT positions and less than half the IT staff as the average of its peers (according to the Educause Core Data Survey). This has resulted in extreme inadequacies of both technology tools and staff resources in the system administration and security groups. Not enough focus or priority has been previously placed on information security which has resulted in inadequate policies, procedures, and controls. The SIUE incident was the result of a user error and was not malicious in nature.

Confidential and personal identifiable information maintained by the University should be adequately secured at all times. As such, it is the University's responsibility to assure adequate procedures for safeguarding all confidential information have been established, effectively communicated to all personnel, and continually enforced. Inherent within this responsibility is the requirement of adequate disposition of all confidential information that is no longer needed. Failure to establish adequate procedures to protect and timely dispose of confidential information and to enforce compliance with established procedures can lead to such information being compromised. (Finding Code Nos. 2013-012)

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-012. Finding: Inadequate Control over Access to and Disposal of Confidential Information (Continued)**

**Recommendation**

We recommend the University:

- Review existing policies regarding the security and control of confidential information, and assure University-wide procedures exist for ensuring confidential and personal information is adequately secured in both electronic and hardcopy format. Confidential and personal information in hardcopy format should be adequately secured at all times prior to shredding.
- Perform a formal risk assessment to evaluate its computer environment and data maintained to assure adequate security controls, including physical and logical access restrictions, have been established to safeguard its computer resources and confidential information.
- Ensure confidential information is adequately secured with methods such as encryption or redaction, including such data maintained on backup media.
- Perform and document reviews of all security incidents and ensure compliance with the notification requirements in the Personal Information Protection Act.

**University Response**

Accept. The campuses have begun to work together to review, document, and create University wide policies on the control of confidential information. The particular recurring incident at the SOM is being addressed by Human Resources. The School of Medicine has a sanction policy regarding HIPAA protected data, and is continuing to enhance mandatory annual training regarding the handling of confidential data. SIUC and SIUE will perform formal risk assessments of their computer environments. SIUC has already performed an inventory of electronic confidential information and is working to secure this confidential information in a variety of ways including deleting files where not needed, encrypting files and/or encrypting hard drives. SIUE is in the process of conducting an inventory of electronic confidential information, and will also begin encrypting files and/or hard drives for those individuals with a business need for access to confidential data. Additionally, the campuses are exploring the cost and feasibility of encrypting databases in their ERP systems. Finally, SIUC will perform and document all security incidents in compliance with the Personal Information Protection Act effective immediately. SIUE is in compliance with the Personal Information Protection Act but will transition the responsibility of compliance and reporting from the Chief Information Officer to the Chief Information Security Officer. While many of these initiatives have been started, due to the significant resources needed to accomplish these items, the timeframe for completion ranges from June to December of 2014.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-013. Finding: Firewall Administration Weaknesses - Edwardsville and Carbondale Campuses**

The University had not ensured adequate administration controls were established over firewalls.

During our review, we noted:

- Formal change management and patch management policies for firewalls did not exist;
- Comprehensive reviews of firewall logs or configuration rules were not performed;
- Several security configurations and alerts were not established.

The University had not established a formal change management policy. The lack of a policy resulted in SIUC being unable to provide a listing of all changes made to firewalls. In addition, the lack of a formal process to ensure system patches were applied, contributed to the vulnerability that was exploited on the University's primary backup system (see finding 2013-012).

We found a comprehensive review of firewall logs or configuration rules were not performed. Additionally, there was no process in place to regularly test firewall configurations, such as performing vulnerability assessments or penetration testing.

Generally accepted information technology guidance endorses strong change management and patch management policies and procedures to ensure changes are appropriately reviewed, authorized, and tested prior to being implemented. In addition, the guidance endorses the maintenance of adequate administrative controls to ensure appropriately governed access to University computer resources.

SIUC officials stated that technology departments were previously operated as separate units which has made both patch management and change management practices inconsistent across the organization. More comprehensive policies and procedures that will apply to all areas have yet to be adopted. SIUC officials stated that the tasks of developing a comprehensive change control review procedure will continue. Penetration testing and vulnerability scans have not yet been addressed due to a lack of staffing, and will be included in the job duties of the new security officer.

Without adequate administrative controls, unauthorized access may be obtained and the University's computer environment compromised. Inadequate change management and patch management policies and procedures could result in program manipulation, unauthorized access, unintentional disclosure of confidential and/or sensitive information, or unscheduled system downtime. (Finding Code No. 2013-013)

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-013. Finding: Firewall Administration Weaknesses - Edwardsville and Carbondale Campuses (Continued)**

**Recommendation**

We recommend the University establish an adequate change management and patch management policy and procedures for governing the process of making changes to key networking devices. At a minimum, the policy should include:

- Requesting, authorizing, and implementing changes;
- Change tracking and documentation maintenance;
- Patch management to ensure patches are applied in a timely manner.

We also recommend the University establish appropriate firewall administration controls. Administrative controls should also include:

- Ensuring the firewall alerts are established and regularly reviewed;
- Performing regular comprehensive reviews of firewall logs and configuration rules;
- Testing firewall security postures by performing vulnerability assessments and penetration testing.

**University Response**

Accept. SIUC concurs with the finding and the recommendations and will establish comprehensive change management policies and procedures and will implement an automated change management tracking system. Additionally, SIUC will establish formal firewall administration controls and audit procedures. SIUC will also continue its practice of vulnerability assessments and will also perform regular penetration testing on its enterprise systems. SIUE does not have formal change management and patch management policies in place, but rather has informal practices in place. We will reduce our informal practices regarding these matters to writing. SIUE will begin regular penetration testing on its enterprise systems by December 31, 2014.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-014. Finding: Security Access Weaknesses - Edwardsville and Carbondale Campuses**

The University had not established formal policies and procedures for performing and monitoring security administration activities to computer resources, including servers, databases, and operating systems.

While the University had established procedures for performing security administration activities and reviews of user access rights for the network, Banner application and AIS application, formal procedures for administering access rights to personnel at the operating system or database levels did not exist.

During our review, we noted:

- Documented policies, procedures and standard request forms were not used to govern IT security administration on the University servers, including programmers or database administrators who were granted access to powerful accounts without formal approval or adequate documentation.
- The University did not consistently perform periodic access reviews of these accounts to ensure employees were still active and access privileges were still appropriate.
- The University modified its baseline security defaults to allow a lengthy password change interval, with a password phrase. However, password complexity requirements such as mandated special characters were not required. In addition, the change interval applied to all user accounts including those with administrative and high-level access privileges.

Generally accepted information technology guidance endorses formal access policies and procedures to guide security administration activities including access and review procedures. Formal access request procedures should be used to ensure access is reviewed and authorized for all accounts, especially powerful accounts having high-level access privileges. Password complexity requirements to ensure strong passwords are essential for prolonged password change intervals.

SIUC officials stated that Information Technology departments were previously operated as separate units, which has made access policies and procedures inconsistent across the organization. More comprehensive policies and procedures that will apply to all areas have yet to be adopted. Specifically in regards to the password change, we believe the current password configuration is more secure than the shorter password with special characters. SIUE officials stated that consideration had not been given to using request forms for IT administrators, as we have very few such personnel and believe we are in compliance with higher education practices.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-014. Finding: Security Access Weaknesses - Edwardsville and Carbondale Campuses (Continued)**

Without establishing formal access procedures, strong password constructs, and enforcing period access reviews to ensure security administration and monitoring, there is an increased risk of unauthorized or inappropriate access to University resources. (Finding Code No. 2013-014)

**Recommendation**

We recommend the University ensure security administrative access policies for the University's computing environment be formally established and consistently enforced for all accounts, especially powerful accounts such as those used by programmers, database administrators, and system administrators. Periodic reviews of access rights should be required on all critical systems, particularly for those having special access privileges.

Additionally, we recommend the University implement complexity requirements (i.e. upper case, lower case, numbers, special characters) in the composition of passwords. The University should also formally assess the risk of permitting all accounts, including accounts with powerful access privileges or access to critical systems, to use the current baseline security defaults.

**University Response**

Accept. SIUC and SIUE will create a policy and an approval process for system administrators for critical systems as identified by the risk management process. Furthermore, SIUC believes that its change to a 16 character password increased the entropy (strength) of our passwords which made us more secure. We believe this is even in the absence of required special characters and with the extended change interval of 365 days. Those are both factors in the entropy and are included in the results. Additionally, we already recommend that users with access to confidential information have complex passphrases. However, we will further change this recommendation to a policy to make passphrases for all users even more secure. SIUE does plan to explore requiring more complex passwords though it will be limited by our current systems.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-015. Finding: Inadequate Controls over Computer Inventory**

Southern Illinois University (University) was unable to locate 357 computers and related items (265 from Carbondale and 92 from Edwardsville) during their annual inventory. These items were deemed by the University to have been lost or stolen during fiscal year 2013, with original acquisition value of \$463,274.

During the current year examination, we noted the University implemented two of the four recommendations from the prior year's audit finding. The University performed an assessment to determine if missing computers contained confidential information, and procedures were established to immediately notify security personnel of any missing or stolen computers. However, the University failed to enhance their practices to prevent the theft or loss of computers. The computers noted as missing represent .13 percent of the University's total equipment value at June 30, 2013.

During testing, the auditors noted the University had not protected its computers with encryption software, thus increasing the risk that confidential information could be exposed. Confidential information routinely collected and maintained by the University includes education records, health records, personal information, and sensitive information.

The State Property Control Act (30 ILCS 605/4 and 6.02) requires that the University be accountable for the supervision, control and inventory of all items under its control. In addition, the University had the responsibility to ensure that confidential information is protected from disclosure and that provisions in the Personal Information Protection Act (815 ILCS 530) are followed.

University officials stated this matter was first brought to the University's attention in mid-March 2013. University IT personnel have been actively working on a plan to implement encryption by June 2014 on those computers which continue to have access to confidential information. Due to timing, the number of computers unable to be located as reported on the last annual inventory is not representative of the efforts taken since the finding was received.

In addition, University officials stated that they file police reports for computers reported as stolen. Some of the missing computers were undoubtedly lost or stolen, however, in many instances missing computers are later located by department staff and properly cleared of data and surplus. It is the University's practice to remove unlocated equipment items from its inventory, after due diligence has been exhausted in searching for them.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-015. Finding: Inadequate Controls over Computer Inventory (Continued)**

Failure to maintain sufficient controls over computer inventory resulted in a lack of control over State property and the risks associated with the potential exposure of confidential information. (Finding Code No. 2013-015, 12-11)

**Recommendation**

We recommend the University:

- review current practices to determine if enhancements can be implemented to prevent the theft or loss of computers;
- ensure confidential information is adequately secured with methods such as encryption or redaction.

**University Response**

Accept. SIU has been actively working to enhance efforts to reduce the number of computers reported as lost or stolen and to protect data on its computers. Both campuses have taken measures to communicate the importance of accurate inventory procedures to staff and to locate computers reported as missing. This is evidenced by the updated count of unlocated computers of 207 for fiscal year 2013 (121 from Carbondale and 86 from Edwardsville) rather than the initial 357 mentioned above. This represents a reduction in computers reported as lost or stolen from the prior year. Additionally, measures have been taken to identify individuals with access to confidential information, and plans are in progress to encrypt data on computers with access to confidential data by June 2014.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-016. Finding: Timesheets Are Not Required**

The University does not have a policy that requires all employees to periodically submit timesheets documenting the time spent each day on official University business to the nearest quarter hour as required by the State Officials and Employees Ethics Act (Act).

The Act required the Illinois Board of Higher Education (IBHE), with respect to State employees of public universities, to adopt and implement personnel policies. The IBHE adopted personnel policies for public universities on February 1, 2004, in accordance with the Act. However, the University has not incorporated IBHE policies into the University's policies.

We noted that the University's faculty did not submit timesheets in compliance with the Act. The process is effectively a "negative" timekeeping system whereby the employee is assumed to be working unless noted otherwise. No time sheets documenting the time spent each day on official State business to the nearest quarter hour are required for faculty. During fiscal year 2007, the University adopted a policy to require timesheets from all employees except faculty.

The Act (5 ILCS 430/5-5(c)) states, "The policies shall require State employees to periodically submit timesheets documenting the time spent each day on official State business to the nearest quarter hour."

University officials indicated there is currently no formal policy in place for faculty to submit timesheets.

By not requiring appropriate timesheets from all of its employees, the University does not have complete documentation of the time spent by faculty on official state business as contemplated by the Act. (Finding Code No. 2013-016, 12-10, 11-5, 10-4, 09-3, 08-5, 07-10, 06-4, 05-1)

**Recommendation**

We recommend the University amend its policies to require all employees to submit timesheets in compliance with the Act.

**University Response**

Accept. Southern Illinois University continues to require all employees, including Faculty, to request time off and the University maintains and reports the time requested and approved. This practice is similar to and consistent with the practice of other public universities. The University will continue to work with other public universities and the IBHE in resolution of this issue.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-017. Finding: Failure of Internal Controls over Cash to Identify Theft Timely**

Southern Illinois University's (University) internal controls designed to safeguard cash failed to timely identify two instances of theft.

During our examination, it was brought to our attention by the internal auditor of the University of two cases of cash theft within the University.

The first instance occurred at the Carbondale campus in the Student Health Center. During the year, the department noted a single instance of cash theft, which was caught through the department's internal controls and dated back to at least August 2011 (discovered May 2013). Once noticed by the department, they contacted the internal auditor of the University for assistance in dealing with the apparent theft and confirming the total amount missing. After internal audit review, it was determined that approximately \$33,000 of cash was missing. Currently, the University is seeking restitution in coordination with the State's Attorney office. The case is currently pending in court with a court date set for March 2014. It was noted that the total average cash processed by the department during the year is approximately \$68,015. The amount missing represents about 48.5% of the department's annual cash collections. The Student Health Center represents approximately 1.02% of cash handled at the Carbondale Campus and thus is immaterial to the financial statements as a whole. The University's controls did not work timely to identify the incident that was occurring within the Carbondale Student Health Center during more than a one year period.

The second instance occurred at the Edwardsville campus in the School of Education. During a review of Pcard transactions by Internal Audit, two Pcard transactions (netting to \$440) were flagged due to not appearing to be a legitimate business purpose, and were brought to the attention of the Department card approver by the internal auditor of the University. After looking into these transactions further, it was discovered by the internal auditor that the Pcard purchases were not business related. The internal audit department then investigated the matter further by examining other duties held by the employee and recognized that the employee also had cash handling responsibilities. During this investigation, the internal audit department noted approximately \$6,950 of cash missing from the University which dated back to July 2012 and was never caught by the University's cash management internal controls. The instance was caught by internal audit in August 2013. As a result, in total, there was approximately \$7,390 of missing money noted in the department (\$440 for invalid Pcard purchase, and \$6,950 of cash). The University has been working with the State Prosecutor to arrest the suspect, however, the employee has yet to be located by the police. As a result, University risk management is currently working with the insurance company to seek reimbursement. It was noted that the total average cash processed by the department during the year is approximately \$8,170. The amount of missing cash represents approximately 85% of the department's cash collections during the year. The amount missing in the Department of Education represents approximately .24% of cash handled by the Edwardsville campus and thus is immaterial to the financial statements as a whole. The University's controls did not work timely to safeguard cash as they did not identify the missing money within the Edwardsville Department of Education for over a year.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-017. Finding: Failure of Internal Controls over Cash to Identify Theft Timely (Continued)**

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all state agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that: (1) resources are utilized efficiently, effectively, and in compliance with applicable law; (2) obligations and costs are in compliance with applicable law; (3) funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation; (4) revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources; and (5) funds held outside the State Treasury are managed, used, and obtained in strict accordance with the terms of their enabling authorities and that no unauthorized funds exist.

University officials stated that in both instances, controls had been designed to prevent and detect instances of theft, but the controls were not being effectively carried out within the noted departments.

While the University appears to have the proper controls in place to properly safeguard the cash of the University and timely detect any instances of fraudulent or suspicious activity, it is also important that those controls are monitored in each department to determine if they are working effectively. In these instances, the monitoring controls failed and the internal controls in place did not properly and timely catch each instance of missing money. The failure of internal controls could allow theft and fraudulent activity to go undetected if not properly implemented and exercised. (Finding Code No. 2013-017)

**Recommendation**

We recommend the University conduct an evaluation of the controls in place over the collection of cash and make the necessary enhancements to ensure their effectiveness.

**University Response**

Accept. Internal controls have been strengthened within the two departments noted. Additionally, a review of cash collections across both campuses is planned by Internal Audit later this fiscal year.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-018. Finding: Failure to Report Automobile Accidents Timely**

Southern Illinois University (University) did not report automobile accidents to the Department of Central Management Services (DCMS) on a timely basis.

During our examination, we noted 2 of 25 (8 percent) accidents tested at the Carbondale campus were not reported to DCMS timely. We noted the accidents were reported 1 to 5 days late.

During our examination, we noted 1 of 5 (20 percent) accidents tested at the Edwardsville campus were not reported to DCMS timely. The accident was reported 14 days late.

Per DCMS guidelines (Motor Vehicle Liability: State of Illinois Self-Insured Motor Vehicle Liability Plan 4.2 Notice of Occurrence), the Motorist's Report of Illinois Vehicle Accident (Form SR-1) is to be completed within 7 days of the accident.

University officials stated that University departments are instructed to report all accidents to Travel Service within 48 hours of occurrence. Travel Service reports accident information to DCMS within 1 business day of notification from the department or driver of the University vehicle involved in the accident. Some travel situations cause delayed reporting by the departments to Travel Service. The two accidents at the Carbondale campus that were reported to DCMS after the 7 calendar day deadline had no damage to University vehicles. Departments are now instructed to notify Travel Services within 48 hours of all accidents/incidents, no matter how minor. The late filing of the accident at SIUE was due to the fact that the accident occurred on Wednesday, December 19; three days before the University closed for the holidays. The police report and notice to DCMS was filed after the holiday break.

Failure to report accident information within 7 calendar days of the date of the accident could result in forfeiture of insurance coverage. (Finding Code No. 2013-018, 12-14)

**Recommendation**

We recommend that internal controls be established to ensure that automobile accidents are reported to DCMS within 7 calendar days.

**University Response**

Accept. Additional measures have been taken on both campuses to communicate the requirement and importance of timely accident reporting to the appropriate campus officials.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-019. Finding: Failure to Prepare High School Feedback System Reports**

Southern Illinois University (University) did not prepare High School Feedback System reports to high schools within the State.

Auditors examined the last collaborative High School Feedback System report prepared by the University in collaboration with the other Illinois Universities on the Illinois Board of Higher Education (IBHE) website. It was posted in March 11, 2013 and covered the academic years 2008-2010.

The Southern Illinois University Law (Law) (110 ILCS 520/8d) requires the University – in collaboration with Chicago State University, Illinois State University, Eastern Illinois University, Governors State University, Northeastern Illinois University, the University of Illinois, and Western Illinois University – annually prepare and submit a single report to each high school within the State concerning the academic progress and success of the high school's former students. Pursuant to the Law, the report must include the number of high school graduates enrolled in each University and the major of each, the number of high school graduates who have withdrawn from each University, and student performance in University coursework.

University officials stated that prior to 2007, Southern Illinois University compiled data and disseminated a report to public high school principals for purposes of fulfilling the Management Act. In October 2007, adoption of Senate Joint Resolution 59 (SJR 59) relating to Students College Readiness, expanded this project to include participation by postsecondary institutions and directed public accessibility to the reports. As a result, the IBHE, the Illinois State Board of Education (ISBE), and Illinois Community College Board (ICCB) developed an Illinois High School to College Success Report in concert with a vendor. Data for this report is obtained from each State University, including SIU, through the longitudinal database that was created. Due to the transition to the new database, the reports published thus far have not been annual but rather cover a period of years. It appears for all practical purposes, that the language in the Management Act has been superseded, at least in practice, by the SJR.

Failure to prepare and submit High School Feedback System reports to the State's high schools limits opportunities for the high schools to identify areas for improving student success in University coursework. (Finding Code No. 2013-019)

**Recommendation**

We recommend the University collaborate with the other State Universities to prepare High School Feedback System reports for each high school within the State annually, or seek a legislative remedy to the statutory requirement.

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**CURRENT FINDINGS - STATE COMPLIANCE (CONTINUED)**

**2013-019. Finding: Failure to Prepare High School Feedback System Reports** (Continued)

**University Response**

Accept. SIU plans to work with IBHE to correct the governing statutes, so that they reflect the new role of ACT (the vendor) in providing this information.

**STATE OF ILLINOIS  
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PRIOR FINDINGS NOT REPEATED  
Year Ended June 30, 2013**

**A. Finding: Financial Reporting Process for the University**

During our review of the draft financial statements of Southern Illinois University (the University) provided to the auditors, several errors related to the draft financial statements were identified and corrected. Part of cash and cash equivalents, short-term investments and long-term investments were not properly classified as restricted on the Statement of Net Assets in accordance with Government Accounting Standards Board Statement No. 34. (Finding Code No. 12-1)

Status: Not Repeated

During the current year engagement, the auditors noted the University improved controls over financial reporting to ensure the presentation and disclosure of the University's annual financial statements were in accordance with generally accepted accounting standards.

**B. Finding: Allowance for Doubtful Accounts**

Southern Illinois University (the University) did not establish an adequate process to estimate the allowance for doubtful accounts for accounts and notes receivable. (Finding Code No. 12-2)

Status: Not Repeated

During the current year engagement, the auditors noted the University maintained documentation used to arrive at the accounting estimates for the allowance for doubtful accounts using relevant, sufficient and reliable data in accordance with generally accepted accounting principles.

**C. Finding: Misstatement of Inventory**

Southern Illinois University (the University) did not establish an adequate process to value text book services inventory at fiscal year-end. Text book inventory accounts were overstated by \$2.0 million and \$2.2 million at June 30, 2012 and 2011, respectively. (Finding Code No. 12-3)

Status: Not Repeated

During the current year engagement, the auditors noted the University adopted review procedures to evaluate the appropriate valuation of text book inventory.

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PRIOR FINDINGS NOT REPEATED (CONTINUED)  
Year Ended June 30, 2013**

**D. Finding: Head Start Cash Management Controls – Edwardsville Campus**

The East St. Louis Center of the Edwardsville campus did not perform a formalized review of budget to actual reports for their Head Start program. (Finding Code No. 12-4)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated the Edwardsville campus created formalized policies and procedures related to the review of budget to actual reports and documentation of internal control procedures and retention of fiscal monitoring for the Head Start program and that those reviews were being performed.

**E. Finding: Untimely Notification of Enrollment Status Changes to National Student Loan Data System (NSLDS) – Edwardsville Campus**

The Edwardsville campus did not have effective controls in place to ensure updates of student enrollment status are reported to the NSLDS on a timely bases. (Finding Code No. 12-8)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated the University had adopted review procedures in regard to updating NSLDS for unofficial withdrawals on a timely basis and that those withdrawals were being reported to the NSLDS timely.

**F. Finding: Lack of Reconciliation of School Account Statement (SAS) to Financial Records – Edwardsville Campus**

The University was not reconciling the SAS data files to the institution's financial records on a monthly basis. (Finding Code No. 12-9)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated the University had adopted a policy requiring monthly reconciliations be performed between SAS reports and University financial records and that those reconciliations were being performed.

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PRIOR FINDINGS NOT REPEATED (CONTINUED)  
Year Ended June 30, 2013**

**G. Finding: Noncompliance With the University Guidelines**

The University had a subsidy between accounting entities. (Finding Code No. 12-12)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated the University did not have subsidies between accounting entities.

**H. Finding: Noncompliance With Ethics Training Requirements**

The University did not have adequate internal controls to ensure new employees timely completed ethics training. (Finding Code No. 12-13)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated that ethics training for new employees was completed timely.

**I. Finding: Performance Evaluations Not Completed**

The University did not complete annual performance evaluations for all employees at the Carbondale campus. (Finding Code No. 12-15)

Status: Not Repeated

During the current examination period, the auditors' sample testing indicated that annual performance evaluations were completed timely.

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS SUMMARY  
Year ended June 30, 2013**

	<b>Federal Expenditures</b>		
	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
U.S. Department of Education	\$ 33,055,951	\$ 19,505,635	\$ 52,561,586
U.S. Department of Health and Human Services	16,414,102	12,961,291	29,375,393
National Science Foundation	3,881,254	1,207,688	5,088,942
U.S. Department of Agriculture	1,789,293	686,412	2,475,705
U.S. Department of Labor	1,273,534	16,616	1,290,150
U.S. Department of Defense	1,774,188	15,062	1,789,250
U.S. Department of Transportation	1,251,366	324,507	1,575,873
U.S. Department of Energy	678,949	58,469	737,418
U.S. Department of Commerce	976,310	-	976,310
U.S. Department of the Interior	2,341,892	391,650	2,733,542
U.S. Department of Homeland Security	488,376	64,963	553,339
Library of Congress	146,928	251,726	398,654
U.S. Small Business Administration	189,106	128,336	317,442
National Foundation on the Arts and the Humanities	73,895	82,413	156,308
National Aeronautics and Space Administration	81,177	410,551	491,728
U.S. Department of Justice	231,719	-	231,719
U.S. Environmental Protection Agency	65,467	34,352	99,819
U.S. Department of State	60,247	-	60,247
U.S. Department of Housing and Urban Development	104,739	59,540	164,279
Corporation for National Service	-	39,065	39,065
U.S. Department of Veterans Affairs	36,960	-	36,960
U.S. Postal Service	-	4,253	4,253
<b>TOTAL FEDERAL GRANTS AND CONTRACTS</b>	<u>\$ 64,915,453</u>	<u>\$ 36,242,529</u>	<u>\$ 101,157,982</u>

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<b>Direct Grants and Contracts:</b>				
Student Support Services	(3)	84.042		\$ 270,247
Upward Bound	(3)	84.047		173,720
Upward Bound	(3)	84.047		191,161
Rehabilitation Long Term Training		84.129		20,012
Rehabilitation Counselor Supervision		84.129		155,158
Rehabilitation Long Term Training		84.129		123,991
SIUC McNair Program	(3)	84.217		37,898
SIUC McNair Program	(3)	84.217		126,578
Rehab Continuing Education Program		84.264		822,547
				<u>1,921,312</u>
<b>Financial Assistance:</b>				
Supplemental Educational Opportunity Grant	(1)	84.007		674,279
Cooperative Work Study Program	(1)	84.033		1,926,954
Pell Grant Program-FY10	(1)	84.063		(1,338)
Pell Grant Program-FY11	(1)	84.063		(3,556)
Pell Grant Program-FY12	(1)	84.063		130,266
Pell Grant Program-FY13	(1)	84.063		25,951,778
TEACH Grant-FY12	(1)	84.379		35,880
				<u>28,714,263</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Board of Higher Education:</i>				
Southern Illinois Partnership for Achievement		84.367	11NCLB5	158,349
RAMPD Up Rural Access		84.367	11NCLB6	203,757
Southern Illinois Partnership for Achievement		84.367	12NCLB5	134,945
RAMPD Up Rural Access		84.367	11NCLB6	205,352
High School to College Success	(12)	84.372	NA	15,963
				<u>718,366</u>
<i>Illinois Community College Board:</i>				
Adult Basic Education		84.002	NA	1,363

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Illinois Department of Human Services:</i>				
EDC Third Party Agreement	(5)	84.126	46CQ011649	\$ (43,397)
EDC Third Party Agreement	(5)	84.126	46CR011649	867,058
Placement of Adults with Disabilities	(5)	84.390	40CMARA042	(1,141)
Transition Services to Youth with Disabilities	(5)	84.390	40CMARA080	(765)
				<u>821,755</u>
<i>Illinois State Board of Education:</i>				
Career and Technical Education Curriculum		84.048	4720-00	2,084
Career and Technical Education Curriculum		84.048	4720-00	535,739
Science Math and Action Research		84.336	4936-80	1,104
Science Math and Action Research		84.366	4936-80	150,285
Partnership for Improved Science Instruction		84.366	4936-10	46,589
Science Math and Action Research		84.366	4936-80	17,994
				<u>753,795</u>
<i>Illinois State University:</i>				
Do Teachers Teach Students	(6)	84.048	12D286.03	3,475
Students Recruiting Students		84.048	12D286.02	5,957
				<u>9,432</u>
<i>Southern Illinois University Edwardsville:</i>				
State Personnel Development Grant	(11)	84.027	763944	<u>34,312</u>
<i>California State University:</i>				
Technical Assistance Outreach		84.335	F-11-2963SIU	<u>5,630</u>
<i>Carbondale Elementary School District No. 95:</i>				
Fresh Fit and Fly Physical Education Program		84.215	NA	<u>75,374</u>
<i>Public Broadcasting Service:</i>				
PBS Teacherline		84.286	NA	<u>349</u>
				<u>2,420,376</u>
<b>Total U.S. Department of Education</b>				<u>\$ 33,055,951</u>

SOUTHERN ILLINOIS UNIVERSITY CARBONDALE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013

Federal Grantor/Pass Through Grantor/Program Title			Federal CFDA/Grant/ Contract Number	Flow-Thru Grantor's Number	Disbursements/ Expenditures
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
<b>Direct Grants and Contracts:</b>					
Effects of Vitamin B3 on Traumatic Brain Injury	(6)		93.701		\$ (735)
Sources and Wetting Characteristics	(6)		93.262		157,361
Frontal Lobe Size and Executive Dysfunction	(6)		93.701		147,179
Illinois Catch on to Health Consortium			93.912		(864,333)
<i>Surface-functionalized Spions for PH</i>	(6)		93.286		88,221
Surface-functionalized Spions for PH	(6)		93.286		81,489
Head Start	(2)	(2)	93.600		16,519
<i>Head Start</i>	(2)	(2)	93.600		435
Head Start	(2)	(2)	93.600		3,102,183
Head Start	(2)	(2)	93.600		42,479
<i>Metal Dependent Phosphohydrolase Activity</i>	(6)		93.859		255
Super-High Resolution Optical Nanoscopy	(6)		93.859		11,056
NRT and Bupropion Mechanisms	(6)		93.279		11,065
Small RNAs and HFQ	(6)		93.855		41,300
Biosynthesis of Taxol Precursors	(6)		93.395		45,568
<i>Waiting for a Better Future</i>	(6)		93.279		46,589
Nicotine for Marijuana Withdrawal	(6)		93.279		282,751
Frontal Lobe Size and Executive Function	(6)		93.865		27,334
Effects of Antecedent and Response	(6)		93.865		182,914
Opioid-Dopamine Interactions	(6)		93.865		358
Ryanodine Receptor Channels	(6)		93.859		69,627
Interaction of Caloric Restriction	(6)		93.866		18,104
Transcriptional Activation	(6)		93.859		340
Developing D-Methlonine	(6)		93.173		226,094
Glycine Receptor in Rat Tinnitus	(6)		93.173		270,172
Tumor Metastases Suppression	(6)		93.396		(2,237)
KAI1 in Tumor Progression	(6)		93.396		(2,461)
Endogenous Modulation	(6)		93.173		221,406
Mechanisms of Fatigue	(6)		93.855		390,500
Features of Chronic Tinnitus	(6)		93.173		352,304
Aldose Reductase	(6)		93.393		(1,096)

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
Alox15B as Tumor Suppressor	(6)	93.393		\$ 188,325
Chromatin Remodeling and Transcription	(6)	93.859		173,220
Mitoenergetic Failure in Brain	(6)	93.866		194,193
Core A: Somatotropic Axis	(6)	93.866		1,255,013
Ginseng and Its Constituents	(6)	93.701		-
Enhancing Physical Activity	(6)	93.394		269,129
Project 1: Somatotropic Axis	(6)	93.866		199,511
A Novel Approach to Chronic Pain Treatment	(6)	93.279		278,699
Developing D-Methlonine	(6)	93.701		(1,533)
Proteasome Regulation of Transcriptional Activation	(6)	93.859		18,039
Modifications in Prostate Cells	(6)	93.701		(3,254)
Genital Herpes Vaccine	(6)	93.701		36,433
DEAF-1 in Development	(6)	93.701		28,575
Bile and Obesity Surgery	(6)	93.701		16,306
Circadian Clock Disruption	(6)	93.113		223,575
LS-1: Neuroprotection in PD	(6)	93.853		84,486
NF-KB Mediated Induction	(6)	93.393		281,661
Physical Activity: Exploring Cytokine	(6)	93.393		12,182
Enhancing Residency Training		93.884		52
Biotherapeutic Triple-Negative Breast Cancer	(6)	93.701		116,374
Forkhead Transcription Factor	(6)	93.701		34,915
Regulation and Function of RHOX8	(6)	93.701		211,090
Coding in Auditory Neurons	(6)	93.173		126,264
Hill Supplement: Somatotropic Axis	(6)	93.866		-
FS-Zone: Neuroprotection in Parkinson	(6)	93.853		7,591
Affordable Care Act: Primary Residency		93.510		322,292
Developmental Origins of Phenotypic	(6)	93.866		182,464
Targeting Inflammation for the Amelioration	(6)	93.173		150,941
Understanding the Role of Class II Activator	(6)	93.846		157,686
Research Supplement for Tumor Metastases	(6)	93.396		9,065
Fish Oil in the Treatment of Ovarian Cancer	(6)	93.393		64,206
Therapeutic Efficacy of Flaxseed	(6)	93.213		380,462
Effects of Dietary Soy Compounds	(6)	93.213		100,769
Prevention and Treatment of Hearing Loss	(6)	93.173		140,633

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
RNA Splicing in Archaea	(6)	93.859		\$ 96,008
Longevity Gene and Calorie Restriction	(6)	93.866		477,342
Transcriptional Activation	(6)	93.859		333,886
Mechanisms of Cochlear Oxidative Stress	(6)	93.173		144,766
Pro-Inflammatory Regulation	(6)	93.865		73,818
FQHC Health Center Cluster	(14)	93.224		760,360
DNA Mismatch Repair	(6)	93.859		77,831
Illinois Catch on to Health Consortium		93.912		1,290,071
				<u>13,476,187</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Administrative Office of the Illinois Courts:</i>				
Juvenile Justice Clinic		93.586	G-1101	37,527
Juvenile Justice Clinic		93.586	G-10041	109,664
				<u>147,191</u>
<i>Illinois Department of Children and Family Services:</i>				
CMRN-Swofford		93.643	IGA3779083	188,934
CMRN-Swofford		93.669	IGA3779083	60,000
Project 12-Ways Enhancement		93.667	597348029	11,863
Project 12-Ways Enhancement		93.667	0597348020	21,514
Project 12-Ways Enhancement		93.667	0597348021	1,768
Project 12-Ways Enhancement		93.667	0597348022	28
				<u>284,107</u>
<i>Illinois Department of Human Services:</i>				
Mobile School Health Center Program		93.994	11GQ01012	(2,678)
Mobile School Health Center Program		93.994	FCSRE02000	100,661
Project 12-Ways		93.667	81XQ054000	(16,916)
Employability Development		93.667	81XQ055000	(168)
Project 12-Ways		93.667	NA	598,546
Employability Development		93.667	81XQ055000	50,255
				<u>729,700</u>

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Illinois Department of Public Health:</i>			
Illinois Breast and Cervical	93.283	36100002A	\$ 14,964
Community Initiative Cancer Coalition	93.283	23282014	5,755
Central Illinois Care Connect	93.917	15780151	(11,339)
Central Illinois Care Connect	93.917	25780058	688,024
Creating an Asthma Friendly Campus	93.070	23283009	458
Creating an Asthma Friendly Campus	93.070	33283009	1,853
Dental Sealant Program	93.994	23480142	(2,072)
Dental Sealant Program	93.994	33480141	6,001
			<u>703,644</u>
<i>Southern Illinois University Edwardsville:</i>			
An Innovative Approach to Pain	93.Unknown	767158	<u>14,614</u>
<i>University of Illinois:</i>			
II Lend Training Program	93.110	T73MC11047-04-01	2,542
II Lend Training Program	93.110	T73MC11047-05-0	21,184
			<u>23,726</u>
<i>University of Florida:</i>			
Form and Function in Neuronal Networks	(6) 93.853	UF-EIES-1234007-SIU	<u>155,120</u>
<i>University of Maryland:</i>			
Stress Depression Serotonin	(6) 93.242	SR00002278	<u>177,144</u>
<i>Virginia Commonwealth University:</i>			
Kaspain: A Randomized Trial	(6) 93.846	PT107007-SC103389	<u>165,227</u>
<i>University of North Carolina:</i>			
Next Generation Digital Breast Tomosynthesis	(6) 93.394	5-30013	<u>31,844</u>
<i>University of Washington:</i>			
Multi-Drug Combinations	(6) 93.865	666581	<u>241,237</u>
<i>Colorado State University:</i>			
Glutamate Receptor Desensitization	(6) 93.242	G-4499-2	<u>6,969</u>

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Association of American Medical Colleges:</i>				
Integrated Curriculum in Population Health		93.283	NA	\$ 24
<i>Duke University Medical Center:</i>				
AMERICAN COLLEGE OF SURGEONS ONCOLOGY GROUP-HAZELRIGG-DUKE UNIV MEDICAL CENT	(6)	93.395	NA	8,303
<i>Egyptian Area Agency on Aging:</i>				
Legal Services to Older Persons	(13)	93.044	SUBAWARD	11,694
Legal Services to Older Persons	(13)	93.044	FY 2013 SUBAWARD	32,898
				<u>44,592</u>
<i>Fluid Measurement Technologies:</i>				
Fluid Measurement Technologies	(6)	93.Unknown	NA	772
<i>The H Group:</i>				
ACRA/ACC Model		93.243	NA	51,562
Open Door		93.667	NA	24,864
				<u>76,426</u>
<i>Southern Illinois Healthcare:</i>				
Delta Innovative Project		93.912	NA	(47,367)
Delta Innovative Project		93.912	NA	74,033
				<u>26,666</u>
<i>Washington University:</i>				
Attract Trial	(6)	93.839	2905378N WU-09-100	16,125
Inducible System in the Uterine Stroma	(6)	93.865	WU-13-67	15,335
				<u>31,460</u>
<i>Brigham and Women's Hospital:</i>				
Ancillary 129XE Studies for Copdgene	(6)	93.837	NA	(15,800)
<i>St. Judes Children Hospital:</i>				
Gene Therapy of Sickle Cell Disease	(6)	93.839	110446180-7495122	58,143

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
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<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>National Childhood Cancer Foundation:</i>				
NCCF Clinical Trial	(6)	93.395	98543-1022	\$ 26,807
Children's Oncology Group	(6)	93.395	98543-1022	(1)
				<u>26,806</u>
				<u>2,937,915</u>
<b>Total U.S. Department of Health and Human Services</b>				<u>\$ 16,414,102</u>

**NATIONAL SCIENCE FOUNDATION**

**Direct Grants and Contracts:**

<i>Practical Quantum Error Prevention Protocols</i>	(6)	47.070		\$ (121)
Collaborative Research: LTREB	(6)	47.074		1,582
Heartland Partnerships: Inquiry-Based Education		47.076		49,558
<i>Stochastic Dynamical Systems</i>	(6)	47.049		31,218
Investigations in Enantioselective Interactions	(6)	47.049		6,808
Collaborative Research in IPY	(6)	47.074		95,210
<i>Collaborative Research: Using Amphibian Declines</i>	(6)	47.074		3,799
Career: Programmable Active Lithography	(6)	47.049		269,401
Development of a New Instrument	(6)	47.074		62,969
Static and Dynamic Response	(6)	47.041		61
Collaborative Research: Microbially Mediated Anaerobic	(6)	47.078		18,410
<i>Collaborative Research: Assessment of T-Wave</i>	(6)	47.050		20,236
Collaborative Research: Consortium	(6)	47.041		66,080
REU Site for Interdisciplinary Materials	(6)	47.049		1,808
<i>REU Site for Interdisciplinary Materials</i>	(6)	47.049		(951)
Career: Simulation Studies of Time Evaluation	(6)	47.082		96,263
Isotope Ratio Mass Spectrometer	(6)	47.050		(1,500)
CAREER: Programmable Active Lithography	(6)	47.049		710
Analyzing Working Nanosensors	(6)	47.041		51,647
<i>Green Scholarships</i>		47.076		101,110
RIG: Mechanisms of Molecular Recognition	(6)	47.074		33,693
Southern IL Undergrad Recruitment and Retention	(6)	47.082		1,057

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Providing Predictable Timing for Task Migration</i>	(6)	47.070		\$ 62,197
IGERT: Multidisciplinary Team-Based Training		47.076		577,807
IGERT: Multidisciplinary Team-Based Training		47.076		95,009
<i>Collaborative Proposal: Ultra-High Performance</i>	(6)	47.041		9,212
Leadership Development Program		47.076		8,416
Leadership Development Program		47.076		257,519
<i>Tree Ring Studies of Hydroclimatic Variability</i>	(6)	47.050		68,431
Nets Small Collaborative Research	(6)	47.070		55,595
Integral Representation of Langlands	(6)	47.049		42,585
<i>Constrained Statistical Inference</i>	(6)	47.049		21,042
Scents and Scent-Ability	(6)	47.074		42
CNH: Clime Change Hydrology	(6)	47.075		254,132
Collaborative Research: Carbon Nanohorns	(6)	47.049		7,813
Wormnet II Assembling the Annelid Tree of Life	(6)	47.074		147,592
<i>Climate Change Impacts on Regional Wind Climates</i>	(6)	47.075		31,427
Vulnerable Host Stages Development	(6)	47.074		33,495
Bayesian Approach for Modeling	(6)	47.041		90,792
<i>Rapid: A Massive Floodplain Reconnects</i>	(6)	47.074		4,501
LTREB Renewal	(6)	47.074		37,679
REU: Ultra High Performance	(6)	47.041		3,095
Fundamental Studies of Efficiency Droop	(6)	47.041		73,697
Stream Consumers and Lotic Ecosystem Rates	(6)	47.074		18,797
Experimental and Theoretical Investigations	(6)	47.041		48,124
A Community of Problem Solvers		47.076		34,896
A Community of Problem Solvers		47.076		272,404
Analysis of Stability and Instability	(6)	47.049		22,250
Doctoral Dissertation Improvement	(6)	47.075		3,849
Doctoral Dissertation Improvement	(6)	47.075		9,000
REU Site for Interdisciplinary Materials	(6)	47.049		30,493
The Role of Ecological Heterogeneity	(6)	47.074		57,530
REU Site for Interdisciplinary Materials	(6)	47.049		74,688
Embedded Thermoelectric Cooling	(6)	47.070		14,597
Doctoral Dissertation	(6)	47.075		15,856
Doctoral Dissertation	(6)	47.074		4,149

**SOUTHERN ILLINOIS UNIVERSITY CARBONDALE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

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Geospatial Modeling	(6)	47.041		\$ 359
Ill Small Pattern Learning	(6)	47.070		20,318
Convergence Ecology	(6)	47.074		16,670
Convergence Ecology	(6)	47.074		37,124
Impedance-Based Bioelectric Tongue	(6)	47.041		4,525
Doctoral Dissertation	(6)	47.075		14,374
				<u>3,491,129</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Chicago State University:</i>				
ILSAMP: Year 2		47.076	53725	(1,944)
ILSAMP Support and Experience		47.076	53725	22,663
				<u>20,719</u>
<i>Arizona State University:</i>				
Evolutionary Diversification	(6)	47.074	10-0362	30,429
<i>Kansas State University:</i>				
Konza Prairie: Community and Ecosystem	(6)	47.074	S09060	23,547
Riparian Influences	(6)	47.074	S09062	31,803
				<u>55,350</u>
<i>University of Minnesota:</i>				
Predictive Stream Restoration Studies	(6)	47.050	PO#A536621614	46,640
<i>Rice University:</i>				
United States Japan Cooperative Research	(6)	47.079	R3C756	27,564
<i>University of Iowa:</i>				
Understanding Water-Human Dynamics	(6)	47.041	W000108455	11,230
People Water and Climate	(6)	47.075	W000314797	5,452
				<u>16,682</u>
<i>The Algebra Project:</i>				
Developing Student Cohorts	(6)	47.DRL-0822175	NSF #DRL-0822175 (PRIME)	89,471
Bridging Math and Media	(6)	47.1031633	1031633	62,261
				<u>151,732</u>

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<i>Washington University:</i> Collaborative Research	(6)	47.050	WU-HT-09-31 (PO#2905710N)	\$ 4,135
<i>Midwest Energy Group</i> Low-Cost Biodiesel Production	(6)	47.Unknown	NA	(975)
<i>Consortium for Ocean Leadership:</i> IODP Supervast Spreading Rate	(6)	47.050	BA-87	20,266
<i>J. Craig Venter Institute:</i> Bi-Nuclear Genome Organization in Tetrahymena	(6)	47.074	JCVI-12-009/MCB-1158346	10,369
<i>START International Inc.:</i> Implications of Climate Control on Agricultural Practices	(6)	47.Unknown	2013-06	7,214
				<u>390,125</u>
<b>Total National Science Foundation</b>				<u>\$ 3,881,254</u>

**U.S. DEPARTMENT OF AGRICULTURE**

**Direct Grants and Contracts:**

Institutional Mechanisms of Recreation	(6)	10.652		\$ 2,542
Touch the Trail of Tears		10.09-PA-11090800-017		2,415
Shawnee National Forest Vegetation Plot Analysis	(6)	10.09-CS-11090804-028		206
Characterization of the Nematode Fauna	(6)	10.680		26,038
Identification of Novel Sources	(6)	10.001		8,231
Trail Surveys in the Kinkaid and Hutchins Creek	(6)	10.10-CS-11090800-01		22,798
Trail of Tears Testing	(6)	10.10-CS-11090800-015		2,960
Study of Forest Wetland and Grassland	(6)	10.10-CS-110		11,196
Estimating the Costs of Continuous Conservation Tillage	(6)	10.250		2,814
Effect of Storm Damage on Densities	(6)	10.10-9617-0877CA		3,819
Midwest Regional Canola Research Program	(6)	10.200		9,205
WSIU Television Digital Transion Rural Content		10.861		562,747

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Urban and Community Forestry in Illinois	(6)	10.11-DG-11420004-237		\$ 85,360
Tree Ring Chemistry and Growth	(6)	10.11-JV-11242301-129		3,647
Stream Biomonitoring Program	(6)	10.11090800-20		561
Viral Hemorrhagic Septicemia		10.11-9617-0877CA		59,580
<i>Development of a Farmers Market</i>		10.168		37,534
SNF Archaeological Collections Rehabilitation Project	(6)	10.12-CS-11090800-017		9,798
Building Better Buffers	(6)	10.69-5A12-10-309		20,059
McIntire-Stennis	(6)	10.202		223,843
Accumulation of Engineered Nanoparticles	(6)	10.310		137,984
				<u>1,233,337</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Department of Agriculture:</i>				
Developing Vine Balance Strategies	(6)	10.170	SC-11-48	81
Farm to School: A Case Study	(6)	10.170	NA	1,260
Documenting Nutritional Value	(6)	10.170	SC-12-27	22,837
Establish and Disseminate Vine Balance	(6)	10.170	SC-12-33	8,549
				<u>32,727</u>
<i>Illinois Department of Natural Resources:</i>				
Urban and Community Forestry Volunteer	(6)	10.675	RC13UCFRV01	58,329
<i>Illinois State Board of Education:</i>				
School Meals Initiative		10.560	NA	75,781
<i>University of Illinois:</i>				
Suppression of Soybean Diseases	(6)	10.215	2010-02370-02	2,935
Nested Association Mapping	(6)	10.001	2012-03152-06	1,239
Evaluation of Selected WAOB/WASDE	(6)	10.206	2013-01520-01	14,552
				<u>18,726</u>
<i>California State University-Fresno:</i>				
Agricultural Development for Afghanistan		10.962	SC350122-11-03	201,362
<i>Iowa State University:</i>				
An Analysis of the Impact of Biofuel	(6)	10.310	416-40-39A	28,896

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<i>Kansas State University:</i>				
Ecotypic Variation and Functional Response		10.206	S09009	\$ 3,109
<i>University of Arkansas:</i>				
Charcoal Rot Cultivar Evaluation	(6)	10.Unknown	82151-04	35,462
<i>Connecticut Agricultural Experiment Station:</i>				
Nanoparticle Contamination	(6)	10.310	CAES-AC-2011-05	38,911
<i>Southern Illinois Coal Belt Champion Community:</i>				
Rural Microenterprise Technical Assistance Program		10.Unknown	NA	52,290
<i>Southern Illinois Research Park:</i>				
Student Innovation Incubator		10.773	NA	10,363
				555,956
				\$ 1,789,293
<b>Total U.S. Department of Agriculture</b>				
<b>U.S. DEPARTMENT OF LABOR</b>				
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Department of Commerce and Economic Opportunity:</i>				
Illinois Worknet Transition	(4)	17.258	10-676003	\$ 115,004
Illinois Worknet Transition	(4)	17.259	10-676003	124,014
Illinois Worknet Transition	(4)	17.278	10-676003	155,668
Workforce Innovation Fund Manufacturing Project		17.283	12-112003	7,673
Developing an Illinois Pathways Web Site		17.267	09-113093	36,338
Layoff Aversion and Rapid Response	(4)	17.278	11-654010	616,461
				1,055,158
<i>Illinois Department of Employment Security:</i>				
IDES Web Site Development	(9)	17.207	11c30	207,307
<i>Delta Center Inc.</i>				
Delta Youthbuild		17.Unknown	NA	11,069
				\$ 1,273,534
<b>Total U.S. Department of Labor</b>				

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<b>U.S. DEPARTMENT OF DEFENSE</b>			
<b>Direct Grants and Contracts:</b>			
<i>Spatial Assessment of Cumulative Vehicle Use</i>	(6) 12.W9132T-08-2-0019		\$ 37,075
Dynamic Loading on Composite	(6) 12.300		62,484
Assisted Migration as a Management Tool	(6) 12.SI-1692		94,650
Evaluating Linkages Between Habitat and Pallid Sturgeon	(6) 12.W912HZ-10-2-0		(4,523)
Pallid Sturgeon Biological Opinion	(6) 12.W912HZ-11-2-0029		40,479
Missouri River Pallid Sturgeon Recruitment	(6) 12.W9128F-12-P-0199		17,066
Monitoring Responses of the Texas Horned Lizard	(6) 12.630		1
<i>Monitoring Responses of the Texas Horned Lizard</i>	(6) 12.630		27,478
Aldo-Keto Reductase	(6) 12.420		204,067
Venom of Tropical Predatory Ant	(6) 12.420		41,866
Nanog, Cancer Stem Cells	(6) 12.420		24,217
BMP7 Dormancy	(6) 12.420		4,968
Triple Negative Breast Cancer	(6) 12.420		6,559
A Novel Therapy for Metastatic Melanoma	(6) 12.420		36,644
<i>Tumor-Associated Macrophage</i>	(6) 12.420		16,639
Identification of Dormant Stem Cell in Prostate Cancer	(6) 12.420		1,678
Adenosine A3 Receptor	(6) 12.420		(51)
Phase II Clinical Trials	(6) 12.420		439,075
Research in Prevention and Treatment of Hearing Loss	(6) 12.420		348,651
<i>GABAA Receptor Subtype in Thalamus</i>	(6) 12.300		256,472
Cell Source and Mechanism of Hair Cell Regeneration	(6) 12.300		60,998
			<u>1,716,493</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Military Affairs:</i>			
Resurvey for Bats on Sparta Training Area	(6) 12.Unknown	NA	<u>12,097</u>
<i>Academy of Applied Sciences:</i>			
Illinois Junior Science Symposium	12.630	NA	8,503
Illinois Junior Science Symposium	12.630	NA	<u>11,650</u>
			<u>20,153</u>

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<i>Vanderbilt University:</i>				
Screening and Monitoring Response	(6)	12.Unknown	NA	\$ 25,446
				<u>57,695</u>
<b>Total U.S. Department of Defense</b>				<u>\$ 1,774,188</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Department of Transportation:</i>				
Building a Bridge for Young Minds	(10)	20.205	NA	\$ (1,738)
Building a Bridge for Young Minds	(10)	20.205	NA	2,510
ET2 for Construction Industry	(10)	20.205	NA	21,527
Archaeological Assessment of the Hickory Hill	(10)	20.205	NA	50,532
Building a Bridge for Young Minds	(10)	20.205	NA	(3,891)
Rural Medical Transportation Network	(10)	20.205	SPR-PL-3000(47)	(340,002)
Southwestern Illinois Regional Occupant Protection	(8)	20.600	OP2-0865-067	25,147
Southwestern Illinois Regional Occupant Protection	(8)	20.600	OP-13-074	98,611
Institute of Intelligent Systems	(10)	20.205	NA	144,795
Think First	(8)	20.613	OP2-5480-273	89,554
Think First	(8)	20.613	OP2-5480-274	8,130
Think First	(8)	20.613	OP-13-191	25,714
Think First	(8)	20.600	OP-13-192	200,037
Rural Medical Transportation Network	(10)	20.205	SPR-PL-3000(47)	776,745
				<u>1,097,671</u>
<i>State of Georgia:</i>				
National Airport Data Safety Collection		20.Unknown	NA	651
<i>GCR &amp; Associates, Inc.:</i>				
National Airport Safety Data Collection		20.Unknown	NA	21,444
Airport Safety Data Collection Program		20.Unknown	NA	42,534
Airport Safety Data Collection Program		20.Unknown	NA	97,487
				<u>161,465</u>
<i>Aviation Management Consulting Group:</i>				
Business Planning for General Aviation Airports	(6)	20.Unknown	NA	(8,421)
<b>Total U.S. Department of Transportation</b>				<u>\$ 1,251,366</u>

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<b>U.S. DEPARTMENT OF ENERGY</b>			
<b>Direct Grants and Contracts:</b>			
First Principles Based Simulation	(6) 81.041		\$ 53,723
High-Performance Networks	(6) 81.049		61,326
Professional Science Masters in Advanced Energy	81.049		88,776
Risk Assessment and Monitoring of Stored CO2	(6) 81.133		29,972
Understanding Compound Phase Transitions	(6) 81.049		207,769
Development of a Population Genetics	(6) 81.GG65-11WB47955		1,485
HVOF Thermal Spray TIC/TIB2 Coatings	(6) 81.057		43,759
			<u>486,810</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>University of California at Berkeley:</i>			
Molecular Determinants of Community Activity	(6) 81.Unknown	6836597	<u>138,266</u>
<i>University of Nebraska:</i>			
Viral Mediation of Subsurface Communities	(6) 81.049	25-0506-0082-002	<u>14,119</u>
<i>UT-Battelle, LLC:</i>			
Probing Phase Transitions	(6) 81.DE-AC058-000R22725	4000091160	<u>56</u>
<i>Advanced Resources International:</i>			
Changes in Coal Properties	(6) 81.DE-FE0001560	09FE007998	<u>39,736</u>
<i>Argonne National Lab:</i>			
Metal Borides for Developing Superior Plates	(6) 81.DE-AC02-06CH11357	DE-AC02-06CH11357 sub 9F-32102	<u>(38)</u>
			<u>192,139</u>
<b>Total U.S. Department of Energy</b>			<u>\$ 678,949</u>

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<b>U.S. DEPARTMENT OF COMMERCE</b>			
<b>Direct Grants and Contracts:</b>			
Use of Alternative Lipid Sources	(6)	11.427	\$ 8,965
Life After Redbay-Graduate Research	(6)	11.440	13,962
Graphene Based Ultrathin Membrances	(6)	11.609	28,688
			<u>51,615</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Bradley University:</i>			
Manufacturing Extension-NIST	11.611	NA	264,030
Illinois Manufacturing Extension Center	11.611	NA	418,899
Illinois Manufacturing Extension Center	11.611	NA	69
			<u>682,998</u>
<i>Public Broadcasting Service:</i>			
Warn Act Generator Funding	11.553	51-51-W106067	241,697
			<u>924,695</u>
<b>Total U.S. Department of Commerce</b>			<u>\$ 976,310</u>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
<b>Direct Grants and Contracts:</b>			
Special Wildlife Studies	(6)	15.Unknown	\$ 4,092
Scaphirhynchus Sturgeon Genetic Analysis	(6)	15.608	2,350
Status of Paddlefish	(6)	15.301816J229	(5,876)
Prevent Extinction	(6)	15.657	9,405
<i>Habitat and Wildlife Research</i>	(6)	15.608	12,069
Evaluating Spring Migrating Waterfowl	(6)	15.808	26,557
River Use Study and Monitoring	(6)	15.H6000080300	3,617
<i>Cherokee Trail of Tears-Related Sites</i>	(6)	15.945	10,943
Ground Truthing Data	(6)	15.944	26,403
Reconstruction of Pallid Sturgeon Structure	(6)	15.808	23,265
<i>Low Cost Green Technology</i>	(6)	15.255	15,072
Evaluating Asian Carps Detection Techniques	(6)	15.631	5,505

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Assessment of Equestrian Recreation	(6)	15.916		\$ 4,779
<i>Improved Sulfate-Reducing Bioreactors</i>	(6)	15.255		75,302
Stream Restoration	(6)	15.255		48,189
Genetic Analysis of Missouri River Sturgeon Larvae	(6)	15.G12PX01458		12,465
North American Fishes Book	(6)	15.G12PX01513		500
Nesting Ecology of Kittlitz's Murrelet	(6)	15.Unknown		8,434
				<hr/> 283,071 <hr/>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Department of Natural Resources:</i>				
Public Service Chemistry Internship Program		15.252	6084004	10,462
Comprehensive Assessment	(6)	15.662	CAFWS-74 R18900014	39,567
Reducing and Controlling Asian Carp	(6)	15.662	CAFWS-74	43,347
Bobwhite Quail Life	(7)	15.611	W-99-R-24	(5,733)
Ploidy Age and Growth	(6)	15.662	CAFWS-74, 12CAFWS74B	14,087
Monitoring of Asian Carp Population	(6)	15.662	CAFWS-74, 12CAFWS74E	774,902
Field Evaluation of Zequanox	(7)	15.611	cafws-86	21,672
Long Term Fish Population Monitoring	(7)	15.605	F-187-R-01	55,153
Monitoring VHS Status of Fish Populations	(6)	15.662	CAFWS-93	29,856
Ohio River Fish Population Monitoring	(7)	15.605	F187R2	32
Survey for the Pathogen Batrachochytrium	(6)	15.634	T-56-R-1	1,951
Illinois Conservation Opportunity Areas	(6)	15.634	T-55-P-1	(2,753)
Demonstrating the Benefits of In-Stream Restoration	(6)	15.634	T-66-R-1	133,364
Cooperative Fur Bearing	(7)	15.611	W-135-R-13	3,497
Cooperative Upland Wildlife Research and Surveys	(7)	15.611	W-106-R-22	7,528
Duck Distribution and Habitat	(7)	15.611	W-158-R-02	821
Illinois Deer Investigations	(7)	15.611	W-087-R-34	2,071
Large Carnivores in Illinois	(7)	15.611	W163R2	20,755
Cooperative Fur Bearing	(7)	15.611	W-135-R-14	179,956
Illinois Deer Investigations	(7)	15.611	W-087-R-35	178,076
Cooperative Upland Wildlife Research and Surveys	(7)	15.611	W-106-R-23	180,268
Duck Distribution and Habitat	(7)	15.611	W-158-R-03	98,210
Illinois Wetlands Campaign Planning	(7)	15.611	W-156-R-02	47,098
Wild Turkey Response	(7)	15.611	W-169-R-1	33,298
				<hr/> 1,867,485 <hr/>

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<i>Illinois Emergency Management Agency:</i> Earthquake Awareness and Outreach	(6)	15.807	NA	\$ 8,225
<i>University of California at Berkeley:</i> Sources of Pyrethroid Insecticides	(6)	15.512	7451	3,804
<i>Telecordia:</i> Quantum Computer Science	(6)	15.ACS-20015759 (MOD 4)	20015759 (MOD 4)	84,630
Quantum Computer Science	(6)	15.20015759	20015759	94,677
				<u>179,307</u>
				<u>2,058,821</u>
<b>Total U.S. Department of the Interior</b>				<u>\$ 2,341,892</u>
 <b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Emergency Management Agency:</i> Disaster Grants-Public Assistance		97.036	NA	\$ 335,743
Illinois State Wide Flood Exposure Assessment		97.039	NA	55,477
				<u>391,220</u>
<i>Schuyler County:</i> Illinois Multi-Hazard Mitigation Planning		97.047	NA	(26)
<i>Knox County:</i> Illinois Multi-Hazard Mitigation Planning		97.047	NA	4,446
<i>Christian County:</i> Illinois Multi-Hazard Mitigation Planning		97.039	NA	19,842
<i>Monroe County:</i> Illinois Multi-Hazard Mitigation Planning		97.039	NA	28,399

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<i>Edgar County:</i>			
Illinois Multi-Hazard Mitigation Planning	97.039	NA	\$ 23,421
<i>Boone County:</i>			
Illinois Multi-Hazard Mitigation Planning	97.039	NA	21,074
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 488,376</b>
<b>LIBRARY OF CONGRESS</b>			
<b>Direct Grants and Contracts:</b>			
Teaching with Primary Sources	42.Unknown		\$ 146,928
<b>Total Library of Congress</b>			<b>\$ 146,928</b>
<b>U.S. SMALL BUSINESS ADMINISTRATION</b>			
<b>Direct Grants and Contracts:</b>			
Southern Illinois Research Park Building #3	59.9200700Z0069A		\$ (435)
			(435)
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Commerce and Economic Opportunity:</i>			
Small Business Development Center	59.037	11-081125	70,841
Small Business Development Center	59.037	12-561125	118,700
			189,541
<b>Total U.S. Small Business Administration</b>			<b>\$ 189,106</b>

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<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>			
<b>Direct Grants and Contracts:</b>			
21st Century Collection Management Initiative	45.301		\$ 70,098
			<u>70,098</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Humanities Council:</i>			
Antarctica-Imagined Geographies	45.129	4864	(228)
Petticoats and Sliderulers	45.129	GR-4958-00	4,025
			<u>3,797</u>
<b>Total National Foundation on the Arts and the Humanities</b>			<u>\$ 73,895</u>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>			
<b>Direct Grants and Contracts:</b>			
NASA Wings Summer Camp	43.NNX10AK39G		\$ 8,034
Martian Volatile Budget	43.001		34,052
			<u>42,086</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Universities Space Research Association:</i>			
Acid Fog on Mars	(6) 43.02180-03	02180-03	39,091
<b>Total National Aeronautics and Space Administration</b>			<u>\$ 81,177</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<b>Direct Grants and Contracts:</b>			
Homeland Security in Small Law Enforcement	(6) 16.560		\$ 1,856
Assessing the Effects of Hot Spots	(6) 16.560		183,259
Understanding Influences Across Justice Agencies	(6) 16.2012-R2-CX-0022		15,005
			<u>200,120</u>

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<b>Flow-Thru Grants and Contracts:</b>			
<i>Eastern Illinois University:</i>			
Enforcement of Underage Drinking Laws	16.727	13-02	\$ 9,000
<i>Illinois State Police:</i>			
Bullet Proof Vest Partnership Grant	16.607	NA	900
<i>George Mason University:</i>			
Matrix Demonstration Projects	(6) 16.751	E2024951	8,233
<i>City of Carbondale, Illinois:</i>			
Domestic Violence Clinic	16.2009-WE-AX-0044	2009-WE-AX-0044	2,029
<i>Land of Lincoln Legal Assistance Foundation Inc.:</i>			
Legal Assistance to Victims	16.Unknown	NA	11,437
			<u>31,599</u>
<b>Total U.S. Department of Justice</b>			<u>\$ 231,719</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>Direct Grants and Contracts:</b>			
<i>Star Fellowship</i>	(6) 66.514		\$ 17,362
Sustainable Utilization of Coal Combustion	(6) 66.516		(1,757)
Sustainable Utilization of Coal Combustion	(6) 66.516		33,412
			<u>49,017</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Environmental Protection Agency:</i>			
Intensive Basin Survey Assistance	(6) 66.605	FW-11305	12,818
<i>Illinois Emergency Management Agency:</i>			
State Indoor Radon Grant	66.032	13SIUSCI (RADON)	3,632
			<u>16,450</u>
<b>Total U.S. Environmental Protection Agency</b>			<u>\$ 65,467</u>

SOUTHERN ILLINOIS UNIVERSITY CARBONDALE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>U.S. DEPARTMENT OF STATE</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Academy for Educational Development:</i>			
US Institute for Student Leaders	19.S-EC AAAE-12-CA-184(BR)	S-EC AAAE-12-CA-184(BR)	\$ 51,751
US Institute for Student Leaders	19.S-EC AAAE-12-CA-184(BR)	S-EC AAAE-12-CA-184(BR)	8,496
			<u>60,247</u>
<b>Total U.S. Department of State</b>			<u>\$ 60,247</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Public Health:</i>			
HOPWA	14.241	15780162	\$ 1,605
HOPWA	14.241	25780045	57,602
HOPWA	14.241	35780039A	45,532
			<u>104,739</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 104,739</u>
<b>U.S. DEPARTMENT OF VETERANS AFFAIRS</b>			
<b>Direct Grants and Contracts:</b>			
EDC Veterans Affairs Services	64.V69DP-3339		\$ 1,906
Papers of Ulysses S Grant	89.003		8,000
Threatened Sea Ducks	(6) 11.WE-133R-12-SE-1690		27,054
			<u>36,960</u>
<b>Total U.S. Department of Veterans Affairs</b>			<u>\$ 36,960</u>
<b>TOTAL FEDERAL AWARDS</b>			<u>\$ 64,915,453</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<b>Direct Grants and Contracts:</b>				
Upward Bound -BEV FY09	(3)	84.047	PO47A080489	\$ 68,187
Upward Bound-EC 08/12	(3)	84.047	PO47A080484	122,617
Upward Bound Math and Science 08/12	(3)	84.047	PO47m080163	245,569
Upward Bound - EC FY13-17	(3)	84.047	PO47A121298	386,612
Upward Bound - BEM FY13-17	(3)	84.047	PO47A121293	209,337
Child Care Access Means Parents in Schools		84.335	P335A090238-11-12	88,024
				<u>1,120,346</u>
<b>Financial Assistance:</b>				
Financial Aid-School of Dental Medicine	(1)	84.000	NA	319,503
FWS JOB LOCATOR PROGRAM FY2012	(1)	84.003	P033A111286	-
FWS JOB LOCATOR PROGRAM FY2013	(1)	84.003	P033A121286	44,854
FEDERAL WORK STUDY PROGRAM	(1)	84.003	P033A121286	107,305
FEDERAL WORK STUDY - AMERICA READS TUTOR	(1)	84.003	P033A121286	178,419
Supplemental Education Opportunity Grant	(1)	84.007	P007A121286	423,499
Pell Grant Program	(1)	84.063	PO63P120116	15,963,964
Teach Grant	(1)	84.000	P379T130116	63,358
				<u>17,100,902</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>DePaul University:</i>				
Developing Indicators of Progress Towards a College Degree	(12)	84.384	500961SG102-1	<u>28,272</u>
<i>East St. Louis District #189:</i>				
Back to Basics Transition to Teaching(BTBT3)		84.350	U350A090046A/300031435010	<u>18,810</u>
<i>Illinois Board of Higher Education:</i>				
Students Learning Science Through a Sustained Network of Teachers		84.000	NA	228,060
Students Learning Science Through a Sustained Network of Teachers FY-13		84.367	NA	117,370
				<u>345,430</u>

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Illinois Community College Board:</i>				
Index of Need FY12		84.002	AEL12001	\$ 1,063
Index of Need FY13		84.002	AEL13001	29,484
Adult Education and Family Literacy FY13		84.002	AEL13005	423,365
				<u>453,912</u>
<i>Illinois State Board of Education:</i>				
IDEA, State Personnel Development Grant: IL IHE Partnership	(6)	84.000	4631HE	199,340
Mathematics and Science Leadership Initiative 3		84.366	NA	187,543
				<u>386,883</u>
<i>Monroe-Randolph Regional Office of Education:</i>				
Math Intel Grant Services		84.366	ISBE Federal Award-Fund #29	31,080
<i>National Writing Project Corp./University of California:</i>				
Teacher Leadership Development Project		84.367	08-IL06-SEED2012	20,000
				<u>1,284,387</u>
<b>Total U.S. Department of Education</b>				<b>\$ 19,505,635</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b>Direct Grants and Contracts:</b>				
Head Start Base Operating Grant 12-13	(2)	93.600	05CH5228/30	\$ 7,364,291
Head Start T/TA 12-13	(2)	93.600	05CH5228/30	81,866
Early Head Start Base Operating Grant 12-13	(2)	93.600	05CH5228/30	1,533,120
Early Head Start Base Operating Grant T/TA 12-13	(2)	93.600	05CH5228/30	25,827
Head Start Base Operating Grant FY13/14	(2)	93.600	05CH5228/31	1,882,532
Head Start T/TA FY13/14	(2)	93.600	05CH5228/31	35,334
Early Head Start Base Operating Grant FY13/14	(2)	93.600	05CH5228/31	483,035
Early Head Start T/TA FY13/14	(2)	93.600	05CH5228/31	4,375
Project S.N.A.P. Student Nurse Achievement Program		93.178	D19HP19030-01-00	313,184
Human Beta Cell Metabolic Signaling	(6)	93.647	1R15DK094142-01A1	117,958
Ruth L. Kirschstein National Research Service Award-NIH	(6)	93.000	1F32NR012389-01	63,526
ARRA Targeting the Relief of Chronic Pain with Orally Active Peroxynitrite Decomposition	(6)	93.701	1RC1AR058231-01	12,352
Somatostatin Agonist Treatment for Cognitive Aging and Dementia	(6)	93.866	1R21AG029318-01A2	1,914
EB1 Protein: Regulator of Actin Protrusion and Cell Motility	(6)	93.859	1R15GM093288-01A1	68,043

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
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<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
2011-2012 Head Start T/TA	(2)	93.600	05CH5228/29	\$ 9,088
2011-2012 Early Head Start Base Grant	(2)	93.600	05CH5228/29	-
2011-2012 Early Head Start T/TA	(2)	93.600	05CH5228/29	165
Nurse Anesthetist Traineeships FY13		93.124	1 A22HP24544-01 00	31,122
Advanced Education in Nursing Traineeship FY12		93.358	A10HP08265	74
FCOI-Advanced Education Nursing Traineeship FY13		93.358	A10HP25121	349,920
				<u>12,377,726</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Altarum Institute:</i>				
An Innovative, Case-Based, Inter-Professional Approach to Pain	(6)	93.000	GS-10F-0261K/HHSN271201100111U/SC-12-025	<u>93,023</u>
<i>Illinois Department of Children and Family Services:</i>				
Project Success Program FY 13		93.000	LOA FY2013	264,961
Project Success FY 11/12		93.667	NA	<u>21,741</u>
				<u>286,702</u>
<i>Illinois Department of Public Health:</i>				
Addressing Asthma from a Public Health Perspective		93.070	23283010	2,749
FCOI Addressing Asthma in Illinois - Community Grant		93.070	063-48230-4900-0200	<u>1,360</u>
				<u>4,109</u>
<i>Madison County Probation and Court Services Department:</i>				
Madison County Illinois Drug Court Treatment Enhancement		93.243	1H79T1021891-01	<u>16,930</u>
<i>St. Louis University:</i>				
FCOI-National Children's Study FY13	(6)	93.000		84,659
National Children's Study-St. Louis City Site	(6)	93.847	HHSN267200700033C	86,583
National Children's Study-Macoupin County Site	(6)	93.847	HHSN26720070033C	738
Jefferson County/Gateway Study Ctr-NCS Grant	(6)	93.847	HHSN275200800023C	<u>3,081</u>
				<u>175,061</u>
<i>Stoecker and Associates:</i>				
Automatic Detection of Critical Dermascopy Features	(6)	93.000	SBIR-NIH	<u>3,827</u>
<i>Third Judicial Circuit Madison County:</i>				
Third Judicial Circuit Video Visitation Evaluation		93.586	NA	<u>3,913</u>
				<u>583,565</u>
<b>Total U.S. Department of Health and Human Services</b>				<u>\$ 12,961,291</u>

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
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Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>NATIONAL SCIENCE FOUNDATION</b>			
<b>Direct Grants and Contracts:</b>			
MRI: Acquisition of a 3D Laser Scanner to Support Multi-Disciplinary Research	(6) 47.041	CMMI-1126806	\$ 97,945
Piezoelectric Energy Harvesting Shock Absorber	(6) 47.041	CMMI-1228139	6,044
Spectroscopy of Pd and Pt Catalytic Mimetics-NSF	(6) 47.049	CHE-0612931	692
RUI: Collab Res: Optimal Control of Multi-Input Mathematical Models	(6) 47.049	DMS-1008221	61,660
High Resolution Absorption & Emission Spectroscopy of Diatomic Mental Halides, Nitrides, and Dimers	(6) 47.049	CHE-11122301	17,760
Collaborative Research: Redox Behavior of Heme-Nox Models	(6) 47.049	CHE-1213680	5,484
Collaborative Research: BPC-DP Using Auditory Programming	(6) 47.070	CNS-0940521	142,854
Collaborative Research: Shifting Paradigms	(6) 47.075	SES-0849170	3,523
Documenting the Languages of Manang, Nepal	(6) 47.075	BCS-1149639	110,501
Creating Educational Opportunities Through Partnerships-NSF	(6) 47.076	DUE-0806608	180,154
Collaborative Research:A Disciplinary Commons in Computing Education	(6) 47.076	DUE-0817254	5,597
Regional Collaboration to Improve Science Content-NSF	(6) 47.076	DUE-0837417	24,333
Isothermal Calorimetry in Physical Chemistry and Biochemistry	(6) 47.076	DUE-0941517	15,753
Laying the Groundwork: Status of Women	(6) 47.076	HRD-1008696	39,785
Collaborative Agreement:Maximizing Mentor Effectiveness in Increasing Student Interest and Success in STEM	(6) 47.076	DRL-1139400	307,838
Giving the Zoo Universe a Face	(6) 47.079	AST-0958508	23,587
ARRA-Collaborative Research:Efficient Experimentation for Product and Process Reliability	(6) 47.082	CMMI-0928046	1,377
			<u>1,044,887</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Chicago State University:</i>			
Increasing the Minority Scientist Pool:ILSAMP Phase IV	47.076	HRD-0904024	<u>13,777</u>
<i>University of Oklahoma:</i>			
Redox Behavior of Heme-NO Models	(6) 47.049	CHE-0911537/sub#2010-16	<u>52,245</u>
<i>Youngstown State University:</i>			
Cosmic Castaways Planetarium Show	(6) 47.049	AST-0807873	<u>4,784</u>
<i>Blended Integrated Circuit Systems, LLC:</i>			
Blendics Phase II STTR	(6) 47.000	IIP-0924010	<u>38,603</u>

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<i>Road Narrows LLC:</i> SBIR/STTR Phase II:General Robotic Controller	(6)	47.000	IIP-0848762	\$ 35,748
<i>Science Education Solutions:</i> Teen Science Cafes Network	(6)	47.000	TSCN-SIUE-2012-7-NSF DRL-1223830	6,996
<i>Adler Planetarium:</i> Investigating Audience Engagement with Citizen Science	(6)	47.076	DRL-0917608/1941-IAECS-02	10,648
				<u>162,801</u>
<b>Total National Science Foundation</b>				<u>\$ 1,207,688</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<b>Direct Grants and Contracts:</b>				
ARS/Ethanol Research Agreement 58-0200-9-185	(6)	10.001	58-0200-9-185	\$ 58,562
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois State Board of Education:</i>				
Head Start - Food Service-ISBE		10.558	41-057-029P-00	510,065
Project Success-Food Service - ISBE		10.558	NA	25,539
ECC Food Program - ISBE		10.558	NA	30,101
PALS - Food Service - ISBE		10.558	NA	9,090
Summer Food Prog.		10.558	41-057-029P-00	10,382
School Lunch 99/07		10.558	41-057-029P-00	42,673
				<u>627,850</u>
<b>Total U.S. Department of Agriculture</b>				<u>\$ 686,412</u>
<b>U.S. DEPARTMENT OF LABOR</b>				
<b>Flow-Thru Grants and Contracts:</b>				
<i>Illinois Community College Board:</i>				
7363064 SIPDC - WIA FY12		17.267	NA	\$ 16,616
<b>Total U.S. Department of Labor</b>				<u>\$ 16,616</u>

SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
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Year Ended June 30, 2013

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA/Grant/ Contract Number	Flow-Thru Grantor's Number	Disbursements/ Expenditures
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Washington University:</i>			
Development of a Digital Interface for PSD8C Chip	(6)	12.000	WU-HT-09-40/DE-AC52-06NA25396DOE
			\$ 14,626
<i>Melastable Instruments, Inc:</i>			
STTR: Blue Laser for Oceanographic LIDAR	(6)	12.000	N68335-09-C-0336
			436
<b>Total U.S. Department of Defense</b>			<b>\$ 15,062</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>University of Illinois - Illinois Center for Transportation:</i>			
Highway Incident Management Training Guide, Phase II	(10)	20.205	2011-05776-16
Investigation of Methods & Approaches for Collecting & Recording			
Highway Inventory Data	(10)	20.205	2011-05776-17
Temporary Stabilization Specification Improvements	(10)	20.205	2011-05776-20
			83,226
			324,507
<b>Total U.S. Department of Transportation</b>			<b>\$ 324,507</b>
<b>U.S. DEPARTMENT OF ENERGY</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Washington University:</i>			
Development of an Enhanced HINP Chip	(6)	81.049	WU-13-37/PO 2916436W
			\$ 35,851
<i>University of Georgia:</i>			
Development of Animal Feed Stuffs from the Bio-Fuel Industry	(6)	81.087	NA
			22,618
<b>Total U.S. Department of Energy</b>			<b>\$ 58,469</b>

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
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<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
<b>Direct Grants and Contracts:</b>			
Examining Hybridization Relationships	(6) 15.608	301818J219	\$ 134
Analysis of Concordance Between Lidar Vegetation Classification of Vicksburg National Military Park	(6) 15.944	P11AC60574/H6000080300	4,383
Analysis of Concordance Between Lidar Vegetation - Phase II	(6) 15.945	2115-411C-Nii	753
			<u>5,270</u>
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Natural Resources, Office of Mines and Minerals:</i>			
Subsidence Monitoring Response Team FY10/13	(6) 15.252	AML-GSWA-2010D	161,757
Mine Map Preservation Implementation Project FY10-13	(6) 15.252	AML-GSWA-0010E	222,954
Mine Subsidence Project Aide	15.252	N/A	1,669
			<u>386,380</u>
<b>Total U.S. Department of the Interior</b>			<u>\$ 391,650</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Transportation:</i>			
East St. Louis Evacuation Traffic Study	(6) 97.067	EMW-2011-SS-00035-S01	\$ 64,963
<b>Total U.S. Department of Homeland Security</b>			<u>\$ 64,963</u>
<b>LIBRARY OF CONGRESS</b>			
<b>Direct Grants and Contracts:</b>			
Teaching with Primary Sources-LOC	42.006	00G-LIB-ND001	\$ 251,726
<b>Total Library of Congress</b>			<u>\$ 251,726</u>
<b>U.S. SMALL BUSINESS ADMINISTRATION</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Illinois Department of Commerce and Economic Opportunity:</i>			
Small Business Jobs Grant No.11-801126	59.037	11-081126	\$ 51,252
7363073 SBDC 03 GRANT NO. 12-561126	59.037	12-561226	77,084
			<u>128,336</u>
<b>Total U.S. Small Business Administration</b>			<u>\$ 128,336</u>

**SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
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<u>Federal Grantor/Pass Through Grantor/Program Title</u>		<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>				
<b>Direct Grants and Contracts:</b>				
SIUE Eugene B. Redmond Collection Preservation	(6)	45.149	PG51332-11	\$ -
2012 Abraham Lincoln and the Forgoing of Modern America III-NEH		45.163	BH-50415-11	81,706
Lewis & Clark and Indian Country		45.164	Is-50090-07	707
				<u>82,413</u>
<b>Total National Foundation on the Arts and the Humanities</b>				<u>\$ 82,413</u>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>				
<b>Direct Grants and Contracts:</b>				
The Universal Zoo:Citizen Science - NASA	(6)	43.000	NNX09AD34G	\$ 37,040
Moon Mappers	(6)	43.000	NNG12PB15P	17,566
Guerilla Citizen Science	(6)	43.001	NNX12AB92G	292,587
				<u>347,193</u>
<b>Flow-Thru Grants and Contracts:</b>				
<i>Southwest Research Institute:</i>				
Ice Hunters for New Horizons	(6)	43.000	D99037LM/NASW-02008	<u>12,857</u>
<i>Space Telescope Science Institute:</i>				
Planet Pipeline-STSI	(6)	43.000	46702/EO-12142.07	17,028
Citizen Discoveries of Monster Clouds Around Active Galaxies	(6)	43.000	HST-EO-12525.10-A	13,442
				<u>30,470</u>
<i>University of California Los Angeles:</i>				
Zoo Style Citizen Science-UCLA-DAWN	(6)	43.000	PO2090-P-PA586	<u>20,031</u>
				<u>63,358</u>
<b>Total National Aeronautics and Space Administration</b>				<u>\$ 410,551</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
<b>Direct Grants and Contracts:</b>				
Community Rooted Green Infrastructures for Urban Water Improvements	(6)	66.440	97735301	\$ 32,173
Use of Selenium-Contaminated Plant Waste Materials	(6)	66.516	SU-83603601-0	256
				<u>32,429</u>

SOUTHERN ILLINOIS UNIVERSITY EDWARDSVILLE  
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Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA/Grant/ Contract Number	Flow-Thru Grantor's Number	Disbursements/ Expenditures
<b>Flow-Thru Grants and Contracts:</b>			
<i>East-West Gateway Council of Governments:</i>			
Water Sample Testing, Analysis and Reporting for South Grand Boulevard Great Streets Bioretention	(6) 66.460	66.460	\$ 1,923
<b>Total U.S. Environmental Protection Agency</b>			<u>\$ 34,352</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b>Direct Grants and Contracts:</b>			
HUD Sustainable Communities Regional Planning Grant	(6) 14.703	MORIP0025-10	\$ 59,540
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 59,540</u>
<b>CORPORATION FOR NATIONAL SERVICE</b>			
<b>Flow-Thru Grants and Contracts:</b>			
<i>Lessie Bates Davis Neighborhood House:</i>			
America Reads AmeiCorps Member	94.006	NA	\$ 39,065
<b>Total Corporation for National Service</b>			<u>\$ 39,065</u>
<b>U.S. POSTAL SERVICE</b>			
<b>Direct Grants and Contracts:</b>			
SIU Branch Post Office	287140-90-P-0079	NA	\$ 4,253
<b>Total U.S. Postal Service</b>			<u>\$ 4,253</u>
<b>TOTAL FEDERAL AWARDS</b>			<u><u>\$ 36,242,529</u></u>

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<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA/Grant/ Contract Number</u>	<u>Flow-Thru Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<u>Subtotal of Non Major Clusters:</u>			
(4)Workforce Investment Act Cluster Total Expenditures of \$1,011,147			
(5)Vocational Rehabilitation Cluster Total Expenditures of \$821,755			
(6)Research and Development Cluster Total Expenditures of \$20,197,656			
(7)Fish and Wildlife Cluster Total Expenditures of \$822,702			
(8)Highway Safety Cluster Total Expenditures of \$447,193			
(9)Employment Service Cluster Total Expenditures of \$207,307			
(10)Highway Planning and Construction Total Expenditures of \$974,985			
(11)Special Education Total Expenditures of \$34,312			
(12)Statewide Data Centers Total Expenditures of \$44,235			
(13)Aging Cluster Total Expenditures of \$44,592			

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Southern Illinois University (the "University") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 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.

**NOTE B – STUDENT LOAN PROGRAMS ADMINISTERED BY THE UNIVERSITY**

The University administered the following federal loan programs during the year ended June 30, 2013:

	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
Perkins Loan Program CFDA #84.038			
Outstanding balance, July 1, 2012	\$ 14,561,518	\$ 2,288,607	\$ 16,850,125
Additions:			
Interest income	286,881	55,742	342,623
Decrease in provision for note receivable	<u>2,264,325</u>	<u>-</u>	<u>2,264,325</u>
Total additions	<u>2,551,206</u>	<u>55,742</u>	<u>2,606,948</u>
Deductions:			
Loans canceled or written-off, net	75,014	5,711	80,725
Administrative charges	145,468	96,279	241,747
Increase in provision for notes receivable	<u>-</u>	<u>3,922</u>	<u>3,922</u>
Total deductions	<u>220,482</u>	<u>105,912</u>	<u>326,394</u>
Outstanding balance, June 30, 2013	<u>\$ 16,892,242</u>	<u>\$ 2,238,437</u>	<u>\$ 19,130,679</u>

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE B – STUDENT LOAN PROGRAMS ADMINISTERED BY THE UNIVERSITY (CONTINUED)**

	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
Nursing Student Loan Program CFDA #93.364			
Outstanding balance, July 1, 2012	\$ _____ -	\$ 6,742	\$ 6,742
Additions:			
Interest income	-	252	252
Decrease in provision for notes receivable	_____ -	_____ 125	_____ 125
Total additions	_____ -	_____ 377	_____ 377
Outstanding balance, June 30, 2013	<u>\$ _____ -</u>	<u>\$ 7,119</u>	<u>\$ 7,119</u>
Health Professionals Loan Program CFDA #93.342			
Outstanding balance, July 1, 2012	<u>\$ 1,118,332</u>	<u>\$ 433,575</u>	<u>\$ 1,551,907</u>
Additions:			
Interest income	-	9,316	9,316
Decrease in provision for notes receivable	31,132	-	31,132
Contributions	_____ 23,803	_____ 23,900	_____ 47,703
Total additions	_____ 54,935	_____ 33,216	_____ 88,151
Deductions:			
Refunds to grantor	261,980	-	261,980
Increase in provision for notes receivable	_____ -	_____ 13,157	_____ 13,157
Total deductions	_____ 261,980	_____ 13,157	_____ 275,137
Outstanding balance, June 30, 2013	<u>\$ 911,287</u>	<u>\$ 453,634</u>	<u>\$ 1,364,921</u>

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE B – STUDENT LOAN PROGRAMS ADMINISTERED BY THE UNIVERSITY (CONTINUED)**

	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
Disadvantaged Student Loan Program CFDA #93.342			
Outstanding balance, July 1, 2012	\$ 148,527	\$ -	\$ 148,527
Additions:			
Interest income	4,894	-	4,894
Decrease in provision for notes receivable	<u>3,867</u>	<u>-</u>	<u>3,867</u>
Total additions	<u>8,761</u>	<u>-</u>	<u>8,761</u>
Deductions:			
Refund to grantor	<u>36,202</u>	<u>-</u>	<u>36,202</u>
Total deductions	<u>36,202</u>	<u>-</u>	<u>36,202</u>
Outstanding balance, June 30, 2013	<u>\$ 121,086</u>	<u>\$ -</u>	<u>\$ 121,086</u>

The above deductions include disbursements and expenditures such as loans to students and administrative expenditures.

**NOTE C – FEDERAL DIRECT STUDENT LOAN PROGRAM CFDA #84.268:**

During the fiscal year ended June 30, 2013, the University processed the following amounts of non-cash federal awards in the form of loans under the Federal Direct Student Loan Program (which includes Stafford Loans, Parents' Loans for Undergraduate Students and Supplemental Loans for Students):

	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
Year ended June 30, 2013	<u>\$ 120,761,945</u>	<u>\$ 94,307,405</u>	<u>\$ 215,069,350</u>

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE D – MAJOR PROGRAMS**

The following federal program expenditures comprise major program expenditures under OMB Circular A-133 for the year ended June 30, 2013. (Major programs are indicated in the Schedule of Expenditures of Federal Awards by (1), (2), (3), or (14)).

	<u>Carbondale</u>	<u>Edwardsville</u>	<u>Total</u>
(1) Student Financial Aid Cluster	\$ 28,714,263	\$ 17,100,902	\$ 45,815,165
(2) Head Start Program	3,161,616	11,419,633	14,581,249
(3) TRIO Cluster	799,604	1,032,322	1,831,926
(14) FQHC Health Center Cluster	<u>760,360</u>	<u>-</u>	<u>760,360</u>
 Total major program expenditures	 33,435,843	 29,552,857	 62,988,700
 Other program expenditures	 <u>31,479,610</u>	 <u>6,689,672</u>	 <u>38,169,282</u>
 Total federal expenditures	 <u>\$ 64,915,453</u>	 <u>\$ 36,242,529</u>	 <u>\$ 101,157,982</u>

As part of the Student Financial Aid Program, Southern Illinois University administers loan proceeds under the Perkins Loan Program (as described in Note B) and the Federal Direct Student Loan Program (as described in Note C).

**NOTE E – SUBRECIPIENTS**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the University provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Carbondale:		
Grants for Agricultural Research, Special Research Grants	10.200	\$ 6,813
U.S. Department of Army	12.W912HZ-11-2-0029	37,286
U.S. Department of Defense	12.Unknown	10,295
Basic and Applied Scientific Research	12.300	38,485
Military Medical Research and Development	12.420	125,904
Housing Opportunities for Persons With AIDS	14.241	92,997
Great Lakes Restoration	15.662	127,415
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	53,340
Highway Planning and Construction	20.205	41,000
Child Safety and Child Booster Seats Incentive Grants	20.613	16,883

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NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE E – SUBRECIPIENTS (CONTINUED)**

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Carbondale (Continued):		
Biological Sciences	47.074	\$ 32,569
Education and Human Resources	47.076	24,439
Trans-NSF Recovery Act Research Support	47.082	96,263
Small Business Development Center	59.037	180
Office of Science Financial Assistance Program	81.049	33,574
University Coal Research	81.057	26,130
Improving Teacher Quality State Grants	84.367	294,716
Cancer Cause and Prevention Research	93.393	10,379
Cancer Detection and Diagnosis Research	93.394	140,459
Child Health and Human Development		
Extramural Research	93.865	89,017
Aging Research	93.866	1,225,762
Rural Health Care Services Outreach and		
Rural Health Network Development Program	93.912	278,365
HIV Care Formula Grants	93.917	53
Hazard Mitigation Grant	97.039	<u>10,905</u>
Subrecipients - Carbondale		<u>\$ 2,813,229</u>
Edwardsville:		
Education and Human Resources	47.076	\$ 15,000
Special Education – State Grants	84.027	71,289
Mathematics and Science Partnership	84.366	2,450
Head Start	93.600	<u>354,183</u>
Subrecipients - Edwardsville		<u>\$ 442,922</u>

**NOTE F – NON-CASH ASSISTANCE AND FEDERAL INSURANCE**

During the year ended June 30, 2013, the University received no non-cash assistance, except as disclosed in Note C. Also, there was no federally funded insurance in effect during the year ended June 30, 2013.

**STATE OF ILLINOIS  
SOUTHERN ILLINOIS UNIVERSITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2013**

**NOTE G – SCHEDULE OF FEDERAL EXPENDITURES, NON FEDERAL EXPENSES, AND NEW LOANS**

	<u>Carbondale Amount</u>	<u>Edwardsville Amount</u>	<u>Total Amount</u>
Total Federal expenditures			
Reported on SEFA	\$ 64,915,453	\$ 36,242,529	\$ 101,157,982
Total New Loans Made not			
Included on SEFA	120,761,945	94,307,405	215,069,350
Amount of Federal Loan Balances			
At Beginning of the Year	15,828,377	2,728,924	18,557,301
Other noncash Federal Award			
Expenditures	-	-	-
Total Federal Financial			
Component	<u>\$ 201,505,775</u>	<u>\$ 133,278,858</u>	<u>\$ 334,784,633</u>
Total Operating Expenses (From			
Financial Statements)	\$ 771,544,138	\$ 341,551,131	\$1,113,095,269
Total Nonoperating Expenses			
(From Financial Statements)	7,472,234	7,963,703	15,435,937
Total New Loans Made	120,761,945	94,307,405	215,069,350
Amount of Federal Loan Balances			
At Beginning of the Year	15,828,377	2,728,924	18,557,301
Other noncash Federal Award			
Expenditures	-	-	-
Total Financial Component	<u>\$ 915,606,694</u>	<u>\$ 446,551,163</u>	<u>\$1,362,157,857</u>

<u>Total Federal Financial</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Component	\$ 201,505,775	22.0%	\$ 133,278,858	29.8%	\$ 334,784,633	24.6%
Nonfederal Expenses	<u>714,100,919</u>	<u>78.0%</u>	<u>313,272,305</u>	<u>70.2%</u>	<u>1,027,373,224</u>	<u>75.4%</u>
Total Financial Component	<u>\$ 915,606,694</u>	<u>100.00%</u>	<u>\$ 446,551,163</u>	<u>100.00%</u>	<u>\$ 1,362,157,857</u>	<u>100.00%</u>

Breakout of Major and Nonmajor Programs

	<u>Carbondale</u>		<u>Edwardsville</u>		<u>Total</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Major programs	\$ 33,435,843	51.5%	\$ 29,552,857	81.5%	\$ 62,988,700	62.3%
Nonmajor programs	<u>31,479,610</u>	<u>48.5%</u>	<u>6,689,672</u>	<u>18.5%</u>	<u>38,169,282</u>	<u>37.7%</u>
Total federal expenditures	<u>\$ 64,915,453</u>	<u>100.00%</u>	<u>\$ 36,242,529</u>	<u>100.00%</u>	<u>\$ 101,157,982</u>	<u>100.00%</u>