DISCUSSION AGENDA

- Financial Highlights
- Our Responsibilities Under *Government Auditing Standards* and OMB Circular A-133
- Major Programs Tested
- Review of Audit Results
University of Maine System Federal expenditures were $294 million for fiscal year 2013, of which $210 million was for Student Financial Assistance.

Total Federal expenditures decreased $23 million from the prior fiscal year. The two year decrease from FY 11 to FY 13 is $42 million.

The $23 million decrease from FY12 to FY13 is primarily the result of the following:
- $6 million decline in ARRA funds
- $6.7 million decline in Student Financial Assistance funds
- $2.6 million decline in USDA SNAP funds passed through the State of Maine
- $1.6 million decline in reductions of foster care passed through funds
## OUR RESPONSIBILITY

<table>
<thead>
<tr>
<th>Audit opinion</th>
<th>We are required to express an opinion on the System’s compliance with laws, regulations, contracts and grant agreements for federal funding received.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance</td>
<td>Our opinion on compliance with the compliance requirements we tested in accordance with federal guidelines under OMB Circular A-133 was a favorable (unmodified) opinion.</td>
</tr>
<tr>
<td>Internal control</td>
<td>We are not required to give an opinion on internal control but internal control is tested in order to express our opinion on compliance with federal requirements.</td>
</tr>
</tbody>
</table>
## MAJOR PROGRAMS TESTED

<table>
<thead>
<tr>
<th>Type A Programs (greater than $2,520,627 in expenditures)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected</strong></td>
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<td><strong>Expected</strong></td>
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</tbody>
</table>

### Type B Program Tested

The program below included a significant percentage of American Reinvestment and Recovery Act (ARRA) funding, which made it high risk per federal government communications.

| ARRA | U.S. Department of Justice – OVW Technical Assistance Initiative |
INTERNAL CONTROLS

• No material weaknesses noted

COMPLIANCE

• No instances of noncompliance noted
• No findings identified
• No questioned costs identified