



Board of Trustees
15 Estabrooke Drive
Orono, ME 04469

Tel: 207-581-5840
Fax: 207-581-9212
www.maine.edu

June 2, 2017

TO: Members of the Audit Committee
FR: Tracy B. Bigney, Clerk of the Board
RE: **June 12, 2017 Audit Committee Meeting**

The University of Maine

University of Maine
at Augusta

University of Maine
at Farmington

University of Maine
at Fort Kent

University of Maine
at Machias

University of Maine
at Presque Isle

University of
Southern Maine

The Audit Committee will be meeting from **10:00 am to 12:00 pm on June 12, 2017**. The meeting will be held at the University Maine System Executive Offices, Rudman Conference Room, 253 Estabrooke Hall, 15 Estabrooke Drive, Orono. In addition to the meeting location at Estabrooke Hall, the following Polycom sites will also be available:

UMA – Alumni Center, Alumni Conference Room 216
USM – 703 Law Building, Portland
PHONE: 1-800-605-5167 code 743544#

The meeting materials will be posted to the Diligent Board Portal as well as the Board of Trustees website at: (<http://www.maine.edu/about-the-system/board-of-trustees/meeting-agendas/audit-committee/>).

If you have questions about the meeting materials, please call me at 581-5841. If you have any questions or desire additional information about the agenda items, please call Tracy Elliott at 581-5492.

Encl.
cc: James Page, Chancellor
Trustees who are not members of the Audit Committees
Presidents
Rebecca Wyke
Ryan Low
Tracy Elliott
Darla Reynolds
Chip Gavin

Board of Trustees

Audit Committee

June 12, 2017
10:00 a.m. – 12:00 p.m.

University of Maine
Rudman Conference Room
253 Estabrooke Hall
15 Estabrooke Drive
Orono

AGENDA

- 10:00 a.m. – 10:30 a.m. Tab 1 - [Uniform Guidance Audit – Fiscal Year 2016](#)
- 10:30 a.m. – 11:30 a.m. Tab 2 - [BerryDunn - Audit Committee Presentation](#)
- 11:30 a.m. – 11:45 a.m. Tab 3 - [UM Dept of Athletics Agreed-Upon Procedures Update](#)
- 11:45 a.m. – 12:00 p.m. **Executive Session**

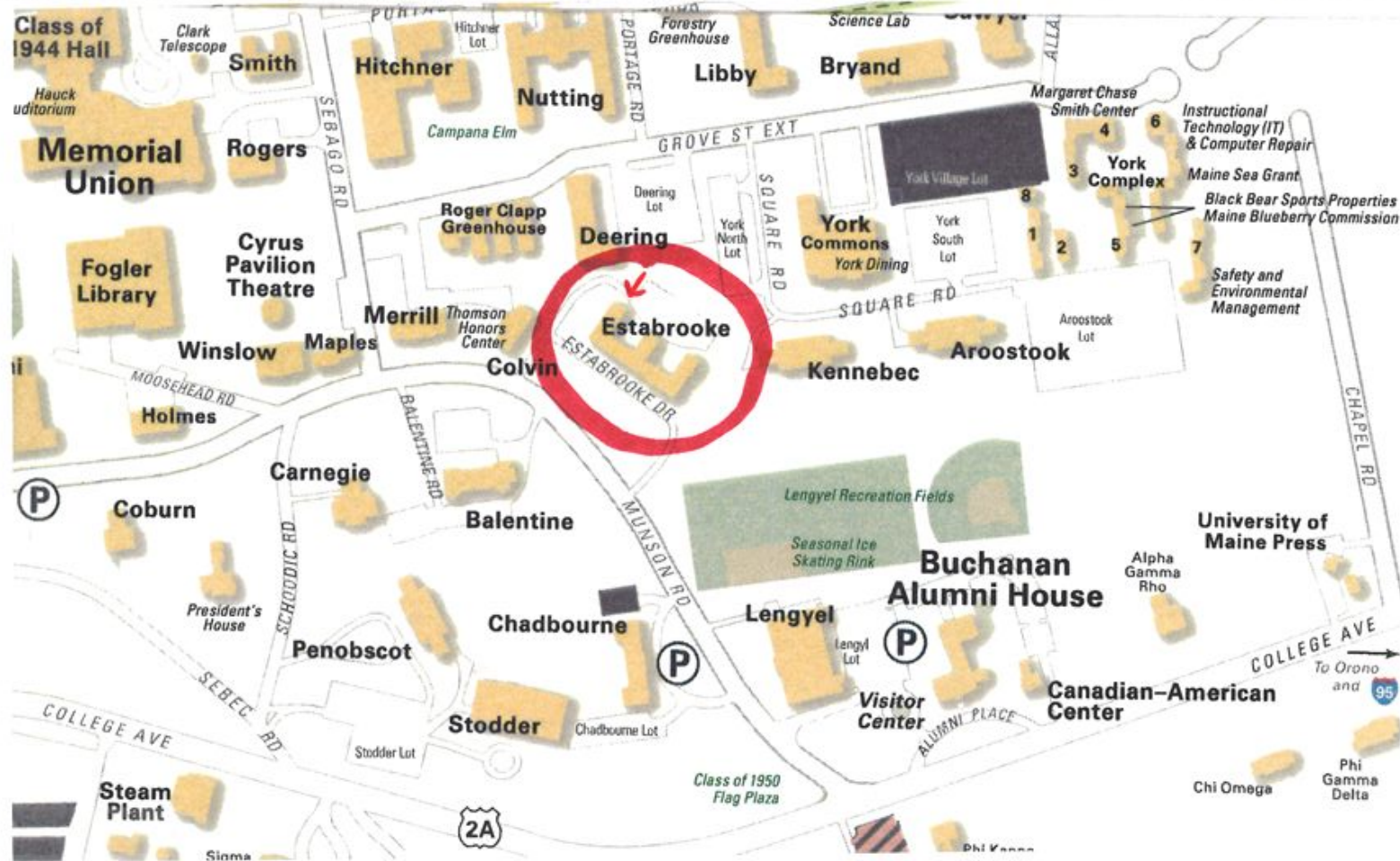
Action items are noted in red.

Note: Times are estimated based upon the anticipated length for presentation or discussion of a particular topic. An item may be brought up earlier or the order of items changed for effective deliberation of matters before the Committee.

University of Maine System

15 Estabrooke Drive, Orono

Rudman Conference Room
253 Estabrooke Hall, 2nd Floor
15 Estabrooke Drive, Orono



Directions to the UMS located on the UMaine Campus

From the South on I-95: take exit 191 to Kelly Road and turn right. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

From the North on I-95: take exit 191 to Kelly Road and turn left. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

The UMS is located on the 2nd floor of Estabrooke Hall. Enter Estabrooke Hall from the back of the building, the entrance closes to Deering Hall.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Auditors' Reports as Required by the Uniform Guidance and Government Auditing Standards and Related Information - Year Ended June 30, 2016
2. **INITIATED BY:** M. Michelle Hood, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Renee Bishop, Principal, and Emily Parker, Senior Manager, with Berry Dunn McNeil and Parker LLC will present highlights of the Uniform Guidance audit of the University of Maine System for fiscal year ended June 30, 2016. An Executive Summary and the auditor's reports are enclosed for review.

6/2/2017



UNIVERSITY OF MAINE SYSTEM

**AUDITOR'S REPORTS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
AND THE UNIFORM GUIDANCE**

Year Ended June 30, 2016



UNIVERSITY OF MAINE SYSTEM
AUDITOR'S REPORTS AS REQUIRED BY THE UNIFORM GUIDANCE AND
GOVERNMENT AUDITING STANDARDS AND RELATED INFORMATION

Year Ended June 30, 2016

INDEX

	<u>Page(s)</u>
Reports on Internal Control and Compliance	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1 – 2
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards as Required by the Uniform Guidance	3 – 5
Schedule of Expenditures of Federal Awards	
Schedule of Expenditures of Federal Awards	6 – 23
Notes to Schedule of Expenditures of Federal Awards	24 – 25
Schedule of Findings and Questioned Costs	
Schedule of Findings and Questioned Costs	26 – 27
Summary Schedule of Prior Audit Findings	28



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees
University of Maine System

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 and the discretely-presented component unit of the University of Maine System (the System), a component unit of the State of Maine, which comprise the statement of net position and the statement of financial position for its component unit as of June 30, 2016, the related statements of revenues, expenses and changes in net position and cash flows, and the statement of activities for its component unit, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated November 14, 2016, which contained an unmodified opinion on those financial statements. Our report includes a reference to other auditors, who audited the financial statements of the discretely-presented component unit of the System, as described in our report on the System's financial statements. The audit of the financial statements of the component unit was not conducted in accordance with Governmental Auditing Standards and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance or other matters for the discretely-presented component unit of the System.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System'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 the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the System's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Board of Trustees
University of Maine System

Compliance and Other Matters

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

Purpose of this Report

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

Berry Dunn McNeil & Parker, LLC

Bangor, Maine
November 14, 2016



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AS REQUIRED BY THE
UNIFORM GUIDANCE**

The Board of Trustees
University of Maine System

Report on Compliance for Each Major Federal Program

We have audited the University of Maine System's (the System's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the System's major federal programs for the year ended June 30, 2016. The System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

We did not audit the System's compliance with the requirements governing student loan repayment processing services in accordance with the requirements of the Student Financial Assistance Cluster: Federal Perkins Loan Program as described in the *Compliance Supplement*. Those requirements govern functions performed by Heartland Campus Solutions ECSI (ECSI). Since we did not apply auditing procedures to satisfy ourselves as to compliance with those requirements, the scope of work was not sufficient to enable us to express, and we do not express, an opinion on compliance with those requirements. ECSI's compliance with the requirements governing the functions that it performs for the System for the year ended June 30, 2016 was examined by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Services*. Our report does not include the results of the other accountants' examination of ECSI's compliance with such requirements.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes, examining, on a test basis, evidence about the System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

The Board of Trustees
University of Maine System

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 System's compliance.

Opinion on Each Major Federal Program

In our opinion, the System 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, 2016.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as finding 2016-001. Our opinion on each major federal program is not modified with respect to this matter.

The System's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and the corrective action plan. The System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the System 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 System'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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the System's internal control over compliance.

Requirements governing student loan repayment processing services in the Student Financial Assistance Cluster: Federal Perkins Loan Program as described in the Compliance Supplement are performed by ECSI. Internal control over compliance related to such functions for the year ended June 30, 2016 was reported on by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Services*. Our report does not include the results of the other accountants' testing of ECSI's internal control over compliance related to such functions.

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.

The Board of Trustees
University of Maine System

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily 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 a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as finding 2016-001, which we consider to be a significant deficiency.

The System's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and the corrective action plan. The System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the discretely-presented component unit of the System as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the System's basic financial statements. We issued our report thereon dated November 14, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Bangor, Maine
March 9, 2017

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Student Financial Assistance Cluster:				
U.S. Department of Education				
Federal Supplemental Educational Opportunity Grant		84.007	\$ -	\$ 4,219,363
Federal Work-Study Program		84.033	-	5,409,658
Federal Perkins Loan Program (note 3)		84.038	-	4,382,215
Federal Perkins Loan Program Administrative Cost Allowance		84.038	-	542,186
Federal Pell Grant Program		84.063	-	41,345,871
Federal Direct Student Loans		84.268	-	129,284,443
Total U.S. Department of Education			-	185,183,736
U.S. Department of Health and Human Services				
Nursing Student Loans (note 3)		93.364	-	423,091
Total Student Financial Assistance Cluster			-	185,606,827
Supplemental Nutrition Assistance Program (SNAP) Cluster				
U.S. Department of Agriculture				
Passed-through:				
Maine Department of Health and Human Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	OFI-15-313	10.561	-	59,814
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	OFI-16-313	10.561	-	13,702
Total SNAP Cluster			-	73,516
Economic Development Cluster:				
U.S. Department of Commerce				
Economic Adjustment Assistance		11.307	-	353,478
Total Economic Development Cluster			-	353,478
Employment Services Cluster:				
U.S. Department of Labor				
Passed-through:				
Central/ Western Maine WIB				
Employment Service/Wagner-Peyser Funded Activities	CWMWIP-WWC DEI PY2014-01	17.207	-	22,505
Total Employment Services Cluster			-	22,505
Highway Planning and Construction Cluster				
U.S. Department of Transportation				
Passed-through:				
Vermont Agency of Transportation				
Highway Planning and Construction	PS0206	20.205	-	2,046
Maine Department of Transportation				
Highway Planning and Construction	20130731*535	20.205	-	36,772
Highway Planning and Construction	2015061700000004564	20.205	-	39,173
Highway Planning and Construction	20160218*2605	20.205	-	7,963
Total Highway Planning and Construction Cluster			-	85,954
Special Education Cluster (IDEA):				
U.S. Department of Education				
Passed-through:				
Maine Department of Education				
Special Education-Grants to States	20150821*774	84.027	-	62,660
Special Education-Grants to States	20120112*3071	84.027	-	63,390
Special Education-Grants to States	20131016*1580	84.027	-	157,348
Total Special Education Cluster (IDEA)			-	283,398
TRIO Cluster:				
U.S. Department of Education				
TRIO - Student Support Services		84.042	-	2,048,824
TRIO - Talent Search		84.044	-	740,058
Passed-through:				
Office of the Commissioner of Higher Education-Montana				
TRIO - Talent Search	51020-1222	84.044	-	610
Total CFDA 84.044			-	740,668
TRIO - Upward Bound		84.047	-	2,067,073
TRIO - Educational Opportunity Centers		84.066	-	663,557
Total TRIO Cluster			-	5,520,122
TANF Cluster:				
U.S. Department of Health and Human Services				
Passed-through:				
Maine Department of Health and Human Services				
Temporary Assistance for Needy Families	OFI-15-313	93.558	-	328,265
Temporary Assistance for Needy Families	OFI-16-313	93.558	-	64,179
Temporary Assistance for Needy Families	OFI-15-801	93.558	-	180,928
Total TANF Cluster			-	573,372

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
CCDF Cluster:				
U.S. Department of Health and Human Services				
Child Care and Development Block Grant			93.575	-
Passed-through:				24,329
Maine Department of Health and Human Services				
Child Care and Development Block Grant	CFS-15-620	93.575	-	84,629
Child Care and Development Block Grant	CT 10A 20140520*4045	93.575	-	19,504
Total CFDA 93.575			-	128,462
Passed-through:				
Maine Department of Health and Human Services				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFS-13-616	93.596	-	(10,885)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFS-15-618	93.596	-	1,870,627
Total CFDA 93.596			-	1,859,742
Total CCDF Cluster			-	1,988,204
Medicaid Cluster:				
U.S. Department of Health and Human Services				
Passed-through:				
Maine Department Health and Human Services:				
Medical Assistance Program	CA-MC-15-412	93.778	-	300
Medical Assistance Program	CA-MC-16-412	93.778	-	463,429
Medical Assistance Program	ADS-16-9312	93.778	-	603,725
Medical Assistance Program	OMS-15-2017	93.778	-	108,009
Medical Assistance Program	OMS-15-2026	93.778	-	78,148
Medical Assistance Program	LRS-16-001	93.778	-	136,184
Medical Assistance Program	OMS-16-2017	93.778	-	253,272
Medical Assistance Program	OMS-15-227	93.778	-	124,863
AdCare Educational Institute of Maine				
Medical Assistance Program	NSN-60566,60589	93.778	-	266,718
Total Medicaid Cluster			-	2,034,648
Foster Grandparent/Senior Companion Cluster:				
Corporation for National and Community Service				
Senior Companion Program			94.016	-
Total Foster Grandparent/Senior Companion Cluster			-	322,116
Research and Development Cluster:				
U.S. Department of Agriculture				
U.S. Department of Agriculture with No CFDA Number		10.RD	-	465,536
Agriculture Research_Basic & Applied Research		10.001	-	513,340
Plant and Animal Disease, Pest Control, and Animal Care		10.025	-	41,603
Passed-through:				
Maine Potato Board				
Specialty Crop Block Grant Program - Farm Bill	NSN747	10.170	-	34,328
Wild Blueberry Commission of Maine				
Specialty Crop Block Grant Program - Farm Bill	NSN612	10.170	-	12,364
Specialty Crop Block Grant Program - Farm Bill	NSN645	10.170	-	844
Specialty Crop Block Grant Program - Farm Bill	NSN648	10.170	-	20,205
Specialty Crop Block Grant Program - Farm Bill	NSN678	10.170	-	43,155
Specialty Crop Block Grant Program - Farm Bill	NSN679	10.170	-	82,717
State of Maine Department of Agriculture				
Specialty Crop Block Grant Program - Farm Bill	01A 20150211*2595	10.170	-	13,989
Specialty Crop Block Grant Program - Farm Bill	01A20151021*1589	10.170	-	17,721
Specialty Crop Block Grant Program - Farm Bill	CT 01A 20141022*1503	10.170	-	9,716
Specialty Crop Block Grant Program - Farm Bill	CT 01A20141022*1506	10.170	-	6,650
Specialty Crop Block Grant Program - Farm Bill	CT 01A20151021*1587	10.170	-	12,849
Specialty Crop Block Grant Program - Farm Bill	CT01A 20151021*1586	10.170	-	7,065
Specialty Crop Block Grant Program - Farm Bill	NSN736	10.170	-	24,087
Total CFDA Number 10.170			-	285,690
Grants for Agricultural Research Special Research Grants			10.200	167,342
Passed-through:				
University of Maryland				
Grants for Agricultural Research Special Research Grants	Z555105	10.200	26,473	53,334
Cornell University				
Grants for Agricultural Research Special Research Grants	73375-10300	10.200	-	29,480
Grants for Agricultural Research Special Research Grants	74403-10353	10.200	-	6,492
Marine Biological Library				
Grants for Agricultural Research Special Research Grants	49886	10.200	-	20,462
Rutgers University				
Grants for Agricultural Research Special Research Grants	5717-NER15FRP-YARBOR	10.200	-	10,633
Grants for Agricultural Research Special Research Grants	5733-NER15FRP-DRUMM	10.200	-	2,859
University of Rhode Island				
Grants for Agricultural Research Special Research Grants	38401/022014	10.200	-	15,874
Total CFDA Number 10.200			193,815	608,619

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Cooperative Forestry Research		10.202	-	899,689
Payments to Agricultural Experiment Stations Under the Hatch Act		10.203	-	2,533,769
Animal Health and Disease Research		10.207	-	17,756
Passed-through:				
Nano Terra, Inc.				
Small Business Innovation Research	NSN695	10.212	-	75,254
Pemaquid Mussel Farms				
Small Business Innovation Research	NSN632	10.212	-	11,292
Total CFDA Number 10.212			-	86,546
Passed-through:				
University of Massachusetts				
Sustainable Agricultural Research and Education	13-007193A00	10.215	-	5,009
University of Massachusetts -Amherst				
Sustainable Agricultural Research and Education	16-009052 A 00	10.215	-	6,744
Cornell University				
Sustainable Agricultural Research and Education	68427-10280	10.215	-	1,211
Northeast SARE				
Sustainable Agricultural Research and Education	GNE14-072-27806	10.215	-	5,037
University of New Hampshire				
Sustainable Agricultural Research and Education	16-037	10.215	-	1,577
University of Vermont				
Sustainable Agricultural Research and Education	29001SUB51975	10.215	-	18,844
Sustainable Agricultural Research and Education	ENE14-131-29001	10.215	-	22,024
Sustainable Agricultural Research and Education	GNE13-053	10.215	-	(657)
Sustainable Agricultural Research and Education	GNE14-074-27806	10.215	-	16,119
Sustainable Agricultural Research and Education	GNE14-076-27806	10.215	-	4,401
Sustainable Agricultural Research and Education	GNE15-110-29001	10.215	-	7,483
Sustainable Agricultural Research and Education	LNE12-317	10.215	-	(7)
Sustainable Agricultural Research and Education	LNE13-325	10.215	-	43,589
Sustainable Agricultural Research and Education	LNE14-336-29001	10.215	-	24,181
Sustainable Agricultural Research and Education	LNE14-337-29001	10.215	-	71,468
Sustainable Agricultural Research and Education	SNE14-07-29001	10.215	-	14,987
Total CFDA Number 10.215			-	242,010
Passed-through:				
Cornell University				
Homeland Security_Agricultural	67826-9932	10.304	-	26,583
Organic Agriculture Research and Extension Initiative		10.307	8,271	46,593
Passed-through:				
University of New Hampshire				
Organic Agriculture Res and Extension Initiative	12-034	10.307	-	33,759
Cornell University				
Organic Agriculture Res and Extension Initiative	65520-9971	10.307	-	9,926
Organic Agriculture Res and Extension Initiative	73676-10369	10.307	-	98,690
Total CFDA Number 10.307			8,271	188,968
Passed-through:				
University of Massachusetts-Amherst				
Specialty Crop Research Initiative	12-007055-B-00	10.309	-	427,317
Cornell University				
Specialty Crop Research Initiative	61314-9363	10.309	-	28,818
Specialty Crop Research Initiative	73999-10425	10.309	-	45,432
University of Wisconsin				
Specialty Crop Research Initiative	350K895	10.309	-	129,598
Total CFDA Number 10.309			-	631,165
Agriculture and Food Research Initiative (AFRI)		10.310	63,381	937,368
Passed-through:				
University of California-Riverside				
Agriculture and Food Research Initiative (AFRI)	S000483	10.310	-	38,832
University of Delaware				
Agriculture and Food Research Initiative (AFRI)	39529	10.310	-	5,365
University of Massachusetts-Amherst				
Agriculture and Food Research Initiative (AFRI)	15008563 B 00	10.310	-	11,615
University of New Hampshire				
Agriculture and Food Research Initiative (AFRI)	15-014	10.310	-	63,238
University of Tennessee				
Agriculture and Food Research Initiative (AFRI)	A15-0169-S006	10.310	-	71,784
Total CFDA Number 10.310			63,381	1,128,202

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Biomass Research and Development Initiative Competitive Grants Program (BRDI)		10.312	-	6,772
Passed through:				
University of Vermont				
Crop Protection and Pest Management Competitive Grants Program	29107 SUB51838 U ME	10.329	-	11,299
Cornell University				
Crop Protection and Pest Management Competitive Grants Program	73984-10408	10.329	2,265	23,262
Total CFDA Number 10.329			2,265	34,561
Passed-through:				
Maine Fresh Sea Farms				
Value-Added Producer Grants	NSN687	10.352	-	18,531
Passed-through:				
Pennsylvania State University				
Cooperative Extension Service	5203-UM-USDA-2628	10.500	-	4,799
Purdue University				
Cooperative Extension Service	8000072172	10.500	-	450
Total CFDA Number 10.500			-	5,249
Forestry Research		10.652	40,485	337,145
Passed-through:				
Virginia Polytechnic Institute and State University				
Forestry Research	422423-19697	10.652	-	19,206
Total CFDA Number 10.652			40,485	356,351
Passed-through:				
P3NANO				
Cooperative Forestry Assistance	P3-5, P3-6	10.664	-	234,813
Forest Health Protection		10.680	-	66,777
Environmental Quality Incentives Program		10.912	-	1,176
Passed-through:				
Somerset County Soil and Water Conservation District				
Environmental Quality Incentives Program	NSN703	10.912	-	5,093
Total CFDA Number 10.912			-	6,269
Total Department of Agriculture			308,217	8,398,799
U.S. Department of Commerce				
Passed-through:				
Maine Fresh Sea Farms				
U.S. Department of Commerce with No CFDA Number	NSN749	11.RD	-	524
Ted Stevens Research Institute				
U.S. Department of Commerce with No CFDA Number	WE-133F-14-SE-3544	11.RD	-	29,284
U.S. Department of Commerce with No CFDA Number	WE-133F-15-SE-1463	11.RD	-	15,969
Total CFDA Number 11.RD			-	45,777
NOAA - Ocean Exploration		11.011	-	70,987
Passed-through:				
NERACOOS				
Integrated Ocean Observing System (IOOS)	A002-002	11.012	-	769,180
Integrated Ocean Observing System (IOOS)	A005-02	11.012	-	261,817
Integrated Ocean Observing System (IOOS)	NSC	11.012	-	3,005
University of Puerto Rico - Mayaguez				
Integrated Ocean Observing System (IOOS)	2015-2016-004	11.012	-	142,671
Total CFDA Number 11.012			-	1,176,673
Sea Grant Support		11.417	-	670,072
Passed-through:				
Virginia Institute of Marine Science				
Sea Grant Support	718583-712683	11.417	-	15,240
Total CFDA Number 11.417			-	685,312
Passed-through:				
State of Maine Department of Agriculture				
Coastal Zone Management Administration Awards	CT-01A-2015052*3878	11.419	-	31,047

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program		11.427	1,391	288,248
Passed-through:				
Gulf of Maine Research Institute				
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	10-SKAGE-15 UMAINE	11.427	-	18,309
Marine Biological Laboratory				
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	49853	11.427	-	8,780
Total CFDA Number 11.427			1,391	315,337
Passed-through:				
Columbia University				
Climate and Atmospheric Research	1(GG009002)	11.431	-	49,347
Passed-through:				
Woods Hole Oceanographic Institution				
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101168	11.432	91,620	120,606
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101171	11.432	-	20,582
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101173	11.432	-	50,188
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101184	11.432	-	23,596
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101185	11.432	-	19,339
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101186	11.432	-	42,792
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101258	11.432	-	62,179
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	A101261	11.432	-	53,205
Total CFDA Number 11.432			91,620	392,487
Passed-through:				
The Nature Conservancy				
Habitat Conservation	NSN488	11.463	-	(13,842)
Habitat Conservation	NSN649	11.463	-	(3,116)
Total CFDA Number 11.463			-	(16,958)
Congressionally Identified Awards and Projects		11.469	56,905	78,514
Passed-through:				
Penobscot River Restoration Trust				
Congressionally Identified Awards and Projects		11.469	-	369,999
Total CFDA Number 11.469			56,905	448,513
Unallied Science Program		11.472	40,944	248,464
Passed-through:				
Woods Hole Oceanographic Institution				
Office for Coastal Management	A10204	11.473	-	10,931
Center for Sponsored Coastal Ocean Research_Coastal Ocean Program		11.478	-	5,454
Passed-through:				
Woods Hole Oceanographic Institution				
Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	A100872	11.478	-	24,266
Total CFDA Number 11.478			-	29,720
Passed-through:				
Woods Hole Oceanographic Institution				
NOAA Program for Disaster Relief Appropriations Act-Non-construction and Construction	A101067	11.483	-	86,442
Total U.S. Department of Commerce:			190,860	3,574,079
U.S. Department of Defense:				
Passed-through:				
Consortium of Energy, Environment and Demilitarization				
Department of Defense Awards With No CFDA Number	SINIT-15-0014	12.RD	-	112,243
Department of Defense Awards With No CFDA Number	OTA W15QKN-13-9-0001	12.RD	-	354,944
Compotech Inc.				
Department of Defense Awards With No CFDA Number	NSN684	12.RD	-	7,299
Hodgdon Defense Composites				
Department of Defense Awards With No CFDA Number	HDC-11-010	12.RD	-	(14,783)
Parent Technology Group				
Department of Defense Awards With No CFDA Number	NSN685	12.RD	-	60,042
ES3, Inc.				
Department of Defense Awards With No CFDA Number	PO NO 9829	12.RD	-	21,335
Total CFDA Number 12.RD			-	541,080

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Basic and Applied Scientific Research		12.300	-	41,576
Passed-through:				
University of Texas at San Antonio				
Basic and Applied Scientific Research	326020115E	12.300	-	10,695
Total CFDA Number 12.300			-	52,271
Total U.S. Department of Defense:			-	593,351
U.S. Department of the Interior:				
Department of the Interior Awards with No CFDA Number		15.RD	-	12,661
Passed-through:				
National Fish and Wildlife Foundation				
Department of the Interior Awards with No CFDA Number	0104.13.036938	15.RD	-	32,665
Maine Marine Composites				
Department of the Interior Awards with No CFDA Number	MMC-13-01	15.RD	-	9,597
Total CFDA Number 15.RD			-	54,923
Passed-through:				
Passamaquoddy Tribal Government				
Consolidated Tribal Government Program	NSN737	15.021	-	11,441
Wildland Fire Research and Studies Program		15.232	-	33,453
Passed-through:				
University of Nevada at Reno				
Providing Water to At-Risk Natural Desert Terminal Lakes	UNR-15-39	15.508	-	10,569
Fish and Wildlife Management Assistance		15.608	-	8,239
Passed-through:				
Maine Inland Fisheries and Wildlife				
Fish and Wildlife Management Assistance	924367	15.608	-	58,087
Total CFDA Number 15.608			-	66,326
Passed-through:				
Maine Inland Fisheries and Wildlife				
State Wildlife Grants	CT09A20140506*3647	15.634	-	98,894
Research Grants (Generic)		15.650	-	20,583
Passed-through:				
Michigan Tech University				
Migratory Bird Monitoring, Assessment and Conservation	1411063Z1	15.655	-	8,807
Endangered Species Conservation Recovery Implementation Funds		15.657	-	18,760
Hurricane Sandy Disaster Relief Activities-FWS		15.677	630,308	803,002
Passed-through:				
University of Connecticut				
Hurricane Sandy Disaster Relief Activities-FWS	68982	15.677	-	103,908
Total CFDA Number 15.677			630,308	906,910
Assistance to State Water Resource Research Institutes		15.805	15,000	133,624
Passed-through:				
University of New Hampshire				
Assistance to State Water Resource Research Institutes	15-006	15.805	-	38,437
Total CFDA Number 15.805			15,000	172,061
U.S. Geological Survey_ Research and Data Collection		15.808	-	82,495
Passed-through:				
State of Maine Department of Conservation				
National Cooperative Geologic Mapping Program	04A-20110526*6037	15.810	-	369
Cooperative Research Units Program		15.812	-	288,545
Cooperative Research and Training Programs Resources of the National Park System		15.945	8,521	21,460
Total U.S. Department of the Interior:			653,829	1,795,596
U.S. Department of Justice				
National Institute of Justice Research, Evaluation, and Development Project Grants		16.560	-	5,371
Total U.S. Department of Justice:			-	5,371

The accompanying notes are an integral part of this schedule.

University of Maine System
Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
U.S. Department of State:				
Passed-through:				
IREX				
Academic Exchange Programs - Undergraduate Programs	FY16-YALI-PM-MAINE-0	19.009	-	19,016
Total U.S. Department of State:			-	19,016
U.S. Department of Transportation:				
Passed-through:				
Massachusetts Institute of Technology				
U.S. Department of Transportation Awards with no CFDA Number	5710003385	20.RD	-	4,481
Maine Department of Transportation				
U.S. Department of Transportation Awards with no CFDA Number	CT#20111223*2878	20.RD	-	5,923
U.S. Department of Transportation Awards with no CFDA Number	2016041300000003122	20.RD	-	955
Total CFDA Number 20.RD			-	11,359
Passed-through:				
University of Vermont				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	26014-0903	20.505	-	36,102
Passed-through:				
Maine Maritime Academy				
University Transportation Centers Program	MMA-2014-0002	20.701	-	132,324
Massachusetts Institute of Technology				
University Transportation Centers Program	5710003795	20.701	-	20,829
University Transportation Centers Program	5710003796	20.701	-	49,000
Total CFDA Number 20.701			-	202,153
Total U.S. Department of Transportation:			-	249,614
National Aeronautics and Space Administration (NASA)				
Passed-through:				
Maine Space Grant Consortium				
NASA Awards With No CFDA Number	SG-14-11	43.RD	-	4,036
NASA Awards With No CFDA Number	SG-14-28	43.RD	-	(191)
NASA Awards With No CFDA Number	SG-14-28	43.RD	-	3,454
NASA Awards With No CFDA Number	SG-14-24	43.RD	-	5
NASA Awards With No CFDA Number	SG-15-11	43.RD	-	(1,426)
NASA Awards With No CFDA Number	SG-15-11	43.RD	-	22,043
NASA Awards With No CFDA Number	SG-15-22	43.RD	-	1,524
NASA Awards With No CFDA Number	SG-15-22	43.RD	-	17,002
NASA Awards With No CFDA Number	EP-15-05	43.RD	-	(31)
NASA Awards With No CFDA Number	EP-15-05	43.RD	-	17,422
Total CFDA Number 43.RD			-	63,838
Science		43.001	397,911	1,478,567
Passed-through:				
Western Environ Tech Labs Inc.				
Science	F2014-002	43.001	-	83,605
Maine Space Grant Consortium				
Science	SG-16-07	43.001	-	1,000
Science	SG-16-19	43.001	-	14,656
Massachusetts Institute of Technology				
Science	5710003440	43.001	-	89,249
Oregon State University				
Science	NS251A-C	43.001	45,916	128,070
University of California at Santa Cruz				
Science	S0183664	43.001	-	32,653
Yale University				
Science	C12N11223(N00190)	43.001	-	37,165
Total CFDA Number 43.001			443,827	1,864,965
Passed-through:				
Maine Space Grant Consortium				
Education	EP-15-04	43.008	5,990	10,720
Education	EP-14-03	43.008	-	(244)
Education	EP-14-06	43.008	-	70,269
Education	EP-14-08	43.008	-	(92)
Education	EP-15-02	43.008	-	3,842
Education	EP-15-06	43.008	-	87,471
Education	EP-16-01	43.008	-	37,758
Education	EP-16-02	43.008	-	35,536
Education	EP-16-04	43.008	-	50
Education	SG-14-26	43.008	-	(225)
Education	SG-14-29	43.008	-	(307)
Education	SG-15-21	43.008	-	20,440
Education	SG-16-08	43.008	-	27,168
Total CFDA Number 43.008			5,990	292,386

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Space Technology		43.012	-	50,656
Total National Aeronautics and Space Administration:			<u>449,817</u>	<u>2,271,845</u>
National Foundation for the Arts and Humanities				
Promotion of the Humanities_Office of Digital Humanities		45.169	-	3,511
Total National Foundation for the Arts and Humanities			<u>-</u>	<u>3,511</u>
National Science Foundation				
Engineering Grants		47.041	-	703,157
Passed-through:				
Acadia Harvest Inc.				
Engineering Grants	NSN725	47.041	-	61,243
Alba-Technic, LLC				
Engineering Grants	NSN663	47.041	-	5,349
Moai Technologies LLC				
Engineering Grants	NSN730	47.041	-	24,164
Revolution Research Inc.				
Engineering Grants	NSN700	47.041	-	11,252
University of New Hampshire				
Engineering Grants	13-029	47.041	-	14,226
University of Kansas				
Engineering Grants	FY2013-030	47.041	-	4,207
Total CFDA Number 47.041			<u>-</u>	<u>823,598</u>
Passed-through:				
Regents of The University of California				
Scientific Research Project Support	201402675-02	47.047	-	6,672
Mathematical and Physical Sciences		47.049	-	649,611
Passed-through:				
The John Hopkins University APL				
Mathematical and Physical Sciences	107902	47.049	-	24,686
Total CFDA Number 47.049			<u>-</u>	<u>674,297</u>
Geosciences		47.050	245,282	3,153,369
Passed-through:				
University of Alaska				
Geosciences		47.050	-	26,012
Rutgers University				
Geosciences	4326	47.050	-	(62)
Bigelow Lab for Ocean Science				
Geosciences	BLOS 13-001	47.050	-	22,499
Total CFDA Number 47.050			<u>245,282</u>	<u>3,201,818</u>
Computer and Information Science and Engineering		47.070	-	127,170
Biological Sciences		47.074	1,708	648,566
Passed-through:				
New York Botanical Garden				
Biological Sciences	NYBG-1115104-03-UM	47.074	-	107
Total CFDA Number 47.074			<u>1,708</u>	<u>648,673</u>
Social, Behavioral, and Economic Sciences		47.075	64,954	470,340
Education and Human Resources		47.076	443,454	3,820,988
Passed-through:				
Mathematical Association of America				
Education and Human Resources	3-8-710-953	47.076	-	5,070
Puget Sound Center				
Education and Human Resources	EQ2011-27	47.076	-	158
WestEd				
Education and Human Resources	S00028715.0	47.076	-	23,294
University of California				
Education and Human Resources	98-ME01-NSF2014	47.076	5,000	15,829
Education and Human Resources	98-ME01-NSF2014	47.076	6,000	13,595
American Museum of Natural History				
Education and Human Resources	3-2013, 8-2011	47.076	-	170,570
Maine Math and Science Alliance				
Education and Human Resources	MMSA-15-510-10, MMSA-15-510-3	47.076	-	102,220
Total CFDA Number 47.076			<u>454,454</u>	<u>4,151,724</u>
Polar Programs		47.078	312,586	417,840

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Office of International Science and Engineering		47.079	255,375	3,781,283
Passed-through:				
University of New Hampshire				
Office of International Science and Engineering	IIA-1330691	47.079	30,557	105,618
Total CFDA Number 47.079			285,932	3,886,901
Office of Cyberinfrastructure		47.080	-	82,194
Office of Integrative Activities		47.083	185,829	2,100,210
Total National Science Foundation:			1,550,745	16,591,437
U.S. Environmental Protection Agency				
Passed-through:				
University of Maryland Center for Environmental Science				
Chesapeake Bay Program	15155-SA07525740	66.466	-	9,911
Passed-through:				
Maine Department of Environmental Protection				
Performance Partnership Grants	06A20140305*2904	66.605	-	13,142
Total Environmental Protection Agency			-	23,053
U.S. Department of Energy				
Passed-through:				
Battelle				
Department of Energy Awards With No CFDA Number	275280	81.RD	-	11,337
Department of Energy Awards With No CFDA Number	252512	81.RD	-	15,500
UChicago Argonne, LLC				
Department of Energy Awards With No CFDA Number	3F-30561	81.RD	-	22,887
Total CFDA Number 81.RD			-	49,724
Office of Science Financial Assistance Program		81.049	-	34,415
University Coal Research		81.057	-	44,878
Renewable Energy Research and Development		81.087	604,500	1,792,431
Passed-through:				
American Process Inc.				
Renewable Energy Research and Development	DE-EE0006879	81.087	-	150,714
Biodiversity Research Inst				
Renewable Energy Research and Development	NSN686	81.087	-	39,950
Mercurius Biofuels, LLC				
Renewable Energy Research and Development	DE-EE0006244	81.087	-	147,705
Total CFDA Number 81.087			604,500	2,130,800
Fossil Energy Research and Development		81.089	113,199	232,125
Total U.S. Department of Energy:			717,699	2,491,942
U.S. Department of Education				
Passed-through:				
SRI International				
Education Research, Development and Dissemination	128-000014(P20978)	84.305	-	136,908
Passed-through:				
Maine Department of Education				
ARRA Statewide Data Systems Recovery Act	20110712*0169	84.384	-	23
Total U.S. Department of Education:			-	136,931
U.S. Department of Health and Human Services				
Passed-through:				
Social and Scientific Systems, Inc.				
Department of Health and Human Services with No CFDA	HPDA-SSS-S-15-004406	93.RD	-	108,321
Environmental Health		93.113	-	88,926
Passed-through:				
West Virginia University Research Corp				
Injury Prevention and Control Research and State and Community Based Programs:	04-441-JM	93.136	-	558
Maine Department of Health and Human Services				
Injury Prevention and Control Research and State and Community Based Programs	26A20141201*1940	93.136	-	66,436
State of Maine Attorney General				
Injury Prevention and Control Research and State and Community Based Programs	26A20141201*1940	93.136	-	74,047
Total CFDA Number 93.136			-	141,041

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Rural Health Research Centers		93.155	-	483,238
Passed-through:				
University of Iowa				
Rural Health Research Centers	W000771322	93.155	-	5,286
Total CFDA Number 93.155			-	488,524
Research Related to Deafness and Communication Disorders		93.173	-	105,219
Passed-through:				
Federation of State Medical Boards				
Telehealth Programs	NSN625	93.211	-	30,672
Passed-through:				
University of Minnesota				
State Rural Hospital Flexibility Program	P004644855	93.241	-	1,050
State Rural Hospital Flexibility Program	P004027955	93.241	-	425,857
Total CFDA Number 93.241			-	426,907
Mental Health Research Grants		93.242	-	50,828
Passed-through:				
Crossroads for Women Inc.				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	NSN-60511	93.243	-	43,902
Passed-through:				
Mount Desert Island Bio Lab				
National Center for Research Resources	8P20GM103423	93.389	-	8,700
Passed-through:				
Jackson Labs				
Cancer Treatment Research	PO# 205532	93.395	-	47,476
Adoption Opportunities		93.652	-	41,700
Passed-through:				
Maine Department of Health and Human Services				
Children's Health Insurance Program	CA-MC-14-205	93.767	49,349	450,988
Passed-through:				
RTI International				
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	3-312-0212790	93.779	-	514,374
Cardiovascular Diseases Research		93.837	14,444	14,444
Passed-through:				
Jackson Labs				
Arthritis, Musculoskeletal and Skin Diseases Research	NSN662	93.846	-	9,960
Arthritis, Musculoskeletal and Skin Diseases Research	NSN666	93.846	-	17,720
Arthritis, Musculoskeletal and Skin Diseases Research	NSN719	93.846	-	7,189
Arthritis, Musculoskeletal and Skin Diseases Research	PO 205169-0-SERV	93.846	-	41,132
Total CFDA Number 93.846			-	76,001
Allergy, Immunology and Transplantation Research		93.855	-	23,478
Passed-through:				
Central Michigan University				
Allergy, Immunology and Transplantation Research	626301	93.855	-	23,180
Total CFDA Number 93.855			-	46,658
Biomedical Research and Research Training		93.859	-	61,543
Passed-through:				
Mount Desert Island Biological Laboratory				
Biomedical Research and Research Training	2P20GM103423-14UMF	93.859	-	119,328
Biomedical Research and Research Training	P20GM103423-15/UMAIN	93.859	-	118,401
Biomedical Research and Research Training	P20GM103423-15/UMF	93.859	-	106,367
Biomedical Research and Research Training	P20GM103423-15/UMHC	93.859	-	79,798
Biomedical Research and Research Training	P20GM103423-15/UMM	93.859	-	123,014
Biomedical Research and Research Training	P20GM103423-16	93.859	-	936
Biomedical Research and Research Training	P20GM103423-16/UMAINE	93.859	-	14,228
Biomedical Research and Research Training	P20GM103423-16/UMAIN	93.859	-	9,394
Mount Desert Island Hospital				
Biomedical Research and Research Training	P20GM103423-16/UMHC	93.859	-	10,334
Dartmouth College				
Biomedical Research and Research Training	1622R41	93.859	-	177,325
Total CFDA Number 93.859			-	820,668

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Child Health and Human Development Extramural Research		93.865	-	12,973
Aging Research		93.866	3,298	89,015
Passed-through:				
RM Beaumont Corp				
Aging Research	NSN721	93.866	-	50,260
Total CFDA Number 93.866			3,298	139,275
Passed-through:				
Mass Eye and Ear Infirmary				
Vision Research	2RO1EY019924-07	93.867	-	36,019
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program		93.912	-	3,967
Total U.S. Department of Health and Human Services:			67,091	3,697,583
Total Research and Development Cluster			3,938,257.52	39,852,128
U.S. Department of Agriculture				
U.S. Department of Agriculture with No CFDA Number		10.U01	-	10,633
Livestock Forage Program-2014 Farm Bill		10.109	-	8,643
Passed-through:				
University of Vermont				
Sustainable Agricultural Research and Education	SNE-15-07-29994	10.215	-	22,773
Integrated Programs		10.303	-	89,262
Organic Agriculture Research and Extension Initiative		10.307	-	1,500
Women and Minorities in Science, Technology, Engineering, and Mathematics Fields		10.318	-	27,862
Crop Insurance Education in Targeted States		10.458	-	167,928
Cooperative Extension Service		10.500	90,999	3,442,299
Passed-through:				
National 4-H Council				
Cooperative Extension Service	EYSC-12 RENEW	10.500	-	1,338
Kansas State University				
Cooperative Extension Service	S15208	10.500	-	16,934
Total CFDA Number 10.500			90,999	3,460,571
Passed-through:				
State of Maine Department of Agriculture				
Child and Adult Care Food Program	FP # 17-475	10.558	-	21,027
Child and Adult Care Food Program	FP # 17-476	10.558	-	7,592
Child and Adult Care Food Program	CFS-15-618	10.558	-	26,488
Total CFDA Number 10.558			-	55,107
Passed-through:				
North Carolina Department of Agriculture				
Cooperative Forestry Assistance	G40100284714FOR	10.664	-	(12)
Passed-through:				
Maine Department of Agriculture				
Urban and Community Forestry Program	14-DG-184	10.675	-	5,525
Total U.S. Department of Agriculture:			90,999	3,849,792
U.S. Department of Commerce				
Department of Commerce with No CFDA Number		11.U02	-	1,238
Economic Development-Technical Assistance		11.303	-	117,863
Sea Grant Support		11.417	50,232	881,440
Passed-through:				
Nature Conservancy (The)				
Habitat Conservation		11.463	-	912

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Maine Manufacturing Extension Partnership Manufacturing Extension Partnership	70NANB15H207	11.611	-	75,000
Arrangements for Interdisciplinary Research Infrastructure		11.619	-	188,694
Total U.S. Department of Commerce:			<u>50,232</u>	<u>1,265,147</u>
U.S. Department of Justice:				
Legal Assistance for Victims		16.524	27,217	79,526
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault and Stalking on Campus		16.525	-	56,153
O V W Technical Assistance Initiative		16.526	-	1,217,148
Passed-through:				
Maine Department of Corrections Juvenile Justice and Delinquency Prevention_ Allocation to States	20131029*1711	16.540	-	(747)
Passed-through:				
Maine Department of Corrections State Justice Statistics Program for Statistical Analysis Centers	20140917*1035	16.550	-	37,417
State Justice Statistics Program for Statistical Analysis Centers	2015093*1353	16.550	-	24,185
Total CFDA Number 16.550			-	<u>61,602</u>
Passed-through:				
New Hampshire Department of Justice Crime Victim Assistance	NSN-60567	16.575	-	84
Maine Coalition to End Domestic Violence Crime Victim Assistance	NSC-60501	16.575	-	16,764
Crime Victim Assistance	NSN-60571	16.575	-	3,028
Total CFDA Number 16.575			-	<u>19,876</u>
Corrections_Training and Staff Development		16.601	-	41,160
Passed-through:				
Maine Department of Public Safety Project Safe Neighborhoods	16A20140225*2806	16.609	-	14,859
Passed-through:				
National 4-H Program Juvenile Mentoring Program	2015-JU-FX-0015	16.726	-	104,824
Juvenile Mentoring Program	NSN677	16.726	-	235,718
Total CFDA Number 16.726			-	<u>340,542</u>
Passed-through:				
Central Connecticut State University Second Chance Act Reentry Initiative	NSN-60519	16.812	-	(161)
Maine Department of Corrections Second Chance Act Reentry Initiative	20150313*2884	16.812	-	30,033
Total CFDA Number 16.812			-	<u>29,872</u>
Total U.S. Department of Justice:			<u>27,217</u>	<u>1,859,991</u>
U.S. Department of Labor				
Passed-through:				
Coastal Counties Workforce, Inc. H-1B Job Training Grants	PY11-WWC-01	17.268	-	9,516
Occupational Safety and Health-Susan Harwood Training Grants		17.502	-	88,980
Total U.S. Department of Labor:			-	<u>98,496</u>
U.S. Department of Transportation				
Passed-through:				
Maine Department of Transportation Department of Transportation with No CFDA	20160513000000000000	20.U03	-	397
Passed-through:				
Maine Department of Transportation Highway Training and Education	20140424*3403	20.215	-	(400)
Highway Training and Education	CT# 20150615*4474	20.215	-	34,898
Total CFDA Number 20.215			-	<u>34,498</u>

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Massachusetts Institute of Technology				
University Transportation Centers Program	5710003173	20.701	-	20,339
University Transportation Centers Program	5710003797	20.701	-	50,084
Total CFDA Number 20.701			-	70,423
Total U.S. Department of Transportation:			-	105,318
National Aeronautics and Space Administration				
Passed-through:				
Maine Space Grant Consortium				
NASA Awards with No CFDA Number	SG-14-11	43.U04	-	(157)
The John Hopkins University APL				
NASA Awards with No CFDA Number	890572-AMENDT NO 14	43.U04	-	4,563
California Institute of Technology Jet Propulsion Laboratory				
NASA Awards with No CFDA Number	1459277	43.U04	-	46,476
NASA Awards with No CFDA Number	1537442	43.U04	-	55,217
Total CFDA Number 43.U04			-	106,099
Science		43.001	-	100,517
Passed-through:				
Maine Space Grant Consortium				
Education	SG-16-16	43.008	-	146
Total National Aeronautics and Space Administration:			-	206,762
National Endowment for the Arts and Humanities				
Promotion of Arts: Grants To Organizations & Individuals		45.024	-	5,191
Promotion of the Humanities_Division of Preservation and Access		45.149	-	144,025
Passed-through:				
American Folklore Society				
Promotion of the Humanities_Division of Preservation and Access	NSN706	45.149	-	2,145
Total CFDA Number 45.149			-	146,170
Total National Endowment for the Arts and Humanities:			-	151,361
Institute of Museum and Library Services				
National Leadership Grants		45.312	-	9,687
Total Institute of Museum and Library Services:			-	9,687
U.S. Small Business Administration				
Small Business Development Centers		59.037	-	703,354
Total U.S. Small Business Administration			-	703,354
U.S. Department of Veterans Affairs				
All-Volunteer Force Educational Assistance		64.124	-	217,343
Total U.S. Department of Veterans Affairs:			-	217,343
U.S. Environmental Protection Agency				
Healthy Communities Grant Program		66.110	-	8,333
Environmental Finance Center Grants		66.203	-	148,281
Passed-through:				
University of North Carolina at Chapel Hill				
Surveys, Studies, Investigations, Demonstrations, and Training				
Grants - Section 1442 of the Safe Drinking Water Act	5102457	66.424	-	3,244
Surveys, Studies, Investigations, Demonstrations, and Training				
Grants - Section 1442 of the Safe Drinking Water Act	5-55152	66.424	-	3,200
Total CFDA Number 66.424			-	6,444
National Estuary Program		66.456	125,171	668,873
Passed-through:				
Maine Environmental Protection				
Beach Monitoring and Notification Program Implementation Grants	06A 20141217*2172	66.472	-	97,763
Beach Monitoring and Notification Program Implementation Grants	06A20151113*1801	66.472	-	78,385
Total CFDA Number 66.472			-	176,148
Passed-through:				
Maine Environmental Protection				
Performance Partnership Grants	20100608*6759	66.605	-	11,171
Total U.S. Environmental Protection Agency:			125,171	1,019,250

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
Schedule of Expenditures of Federal Awards
Year ended June 30, 2016

<u>Federal grantor/pass-through grantor/program title</u>	<u>Pass-through Number</u>	<u>Federal CFDA Number</u>	<u>Pass-through To Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Education				
National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program		84.015	90,906	242,255
Higher Education-Institutional Aid		84.031	-	392,430
Passed-through:				
Maine Department of Education				
Career and Technical Education - Basic Grants to States		84.048	-	25,784
Rehabilitation Long-Term Training		84.129	-	103,918
Passed-through:				
Maine Department of Education				
Special Education - Grants for Infants and Families	ESDM-1	84.181	-	139,531
Passed-through:				
Maine Department of Education				
Assistive Technology	20130723*427	84.224	-	3,623
Assistive Technology	20140818*619	84.224	-	6,443
Assistive Technology	20150821*774	84.224	-	103,718
Total CFDA Number 84.224			-	113,784
Passed-through:				
Maine Department of Education				
Twenty-First Century Community Learning Centers	05A 3UMFJAY3356TFG14	84.287	-	131,909
Twenty-First Century Community Learning Centers	05A2UMFRSU733356TFG1	84.287	-	88,143
Twenty-First Century Community Learning Centers	05A4UMFJAY3356TFG16	84.287	-	89,087
Total CFDA Number 84.287			-	309,139
Passed-through:				
Oregon State University				
Education Research, Development and Dissemination	ED160B-B	84.305	-	13,024
Passed-through:				
Maine Department of Education				
Special Education - State Personnel Development	20150122*2443	84.323	-	14,189
Special Education Personnel Development to Improve Services and Results for Children with Disabilities		84.325	-	268,814
Gaining Early Awareness and Readiness for Undergraduate Programs		84.334	2,546,819	2,659,330
Passed-through:				
Syntiro				
Gaining Early Awareness and Readiness for Undergraduate Programs	NSN-60620	84.334	-	9
Total CFDA Number 84.334			2,546,819	2,659,339
Passed-through:				
American Museum of Natural History				
Teacher Quality Partnership Grants	1-2015	84.336	-	55,085
Passed-through:				
Side X Side				
Arts in Education		84.351	-	8,742
Arts in Education		84.351	-	5,692
Total CFDA Number 84.351			-	14,434
English Language Acquisition State Grants		84.365	-	336,462
Passed-through:				
Maine Department of Education				
Mathematics and Science Partnerships	20140818*0620	84.366	-	271,127
Mathematics and Science Partnerships	20150727*0363	84.366	-	331,638
Mathematics and Science Partnerships	CT20130724*0455	84.366	-	(1,204)
Total CFDA Number 84.366			-	601,561
Passed-through:				
University of California				
Improving Teacher Quality State Grants	10-ME02-SEED2012	84.367	-	8,831
Improving Teacher Quality State Grants	98-ME01-SEED2012	84.367	-	8,885
Total CFDA Number 84.367			-	17,716
Passed-through:				
Ohio State University				
ARRA - State Fiscal Stabilization Fund (SFSF)	60029198	84.396	-	(50)
Total U.S. Department of Education:			-	5,307,415

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
National Archives and Records Administration				
Passed-through:				
State of Maine Department of the Secretary of State National Historical Publications and Records Grants	AP16-5B	89.003	-	622
Total National Archives and Records Administration			-	622
U.S. Department of Health and Human Services				
Passed-through:				
Maine Department of Health and Human Services Center for Social Innovation Demonstration Grants-Alzheimer's Disease	12-OY4	93.U05	-	9,643
University of Maryland Center for Social Innovation	PUR01-0000028335	93.U05	-	191
Total CFDA Number 93.U05			-	9,834
Passed-through:				
Maine Department of Health and Human Services Alzheimer's Disease Demonstration Grants to States	ADS-15-9102	93.051	-	3,836
Alzheimer's Disease Demonstration Grants to States	ADS-15-2058	93.051	-	13,348
Alzheimer's Disease Demonstration Grants to States	ADS-16-9102	93.051	-	2,852
Alzheimer's Disease Demonstration Grants to States	ADS-16-9312	93.051	-	25,216
Total CFDA Number 93.051			-	45,252
Passed-through:				
Maine Department of Health and Human Services Environmental Public Health and Emergency Response	CDC-15-1587	93.070	-	7,800
Environmental Public Health and Emergency Response	CDC-16-1420	93.070	-	93,141
Environmental Public Health and Emergency Response	CDC-16-1587	93.070	-	40,927
Environmental Public Health and Emergency Response	NSC-CDC-16-650	93.070	-	365,183
Total CFDA Number 93.070			-	507,051
Passed-through:				
Maine Department of Health and Human Services Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	CDC-15-1428	93.074	-	52,810
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	CDC-16-1428	93.074	-	585,255
Total CFDA Number 93.074			-	638,065
Passed-through:				
Families and Children Together Enhance Safety of Children Affected by Substance Abuse	90CU0056-04-00	93.087	13,653	61,463
Enhance Safety of Children Affected by Substance Abuse	NSN668	93.087	-	82,882
Total CFDA Number 93.087			13,653	144,345
Passed-through:				
Dartmouth College Maternal and Child Health Consolidated Programs	1487	93.110	-	107,861
Passed-through:				
Maine Department of Health and Human Services Traumatic Brain Injury State Demonstration Grant Program	ADS-15-2703	93.234	-	578
Traumatic Brain Injury State Demonstration Grant Program	ADS-16-2703	93.234	-	19,607
Total CFDA Number 93.234			-	20,185
Passed-through:				
Maine Department of Health and Human Services State Rural Hospital Flexibility Program	CDC-15-1580	93.241	-	16,599
State Rural Hospital Flexibility Program	CDC-16-1580	93.241	-	23,429
Total CFDA Number 93.241			-	40,028
Passed-through:				
Maine Department of Health and Human Services Substance Abuse and Mental Health Services - Projects of Regional and National Significance	CDC-14-3054	93.243	-	10,815
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	CDC-16-1420	93.243	-	119,248
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	CDC-16-3054	93.243	-	6,974
THRIVE Substance Abuse and Mental Health Services - Projects of Regional and National Significance	NSN-60602	93.243	-	18,749
Total CFDA Number 93.243			-	155,786

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Maine Department of Health and Human Services Universal Newborn Hearing Screening	CT-10A-20150824*0783	93.251	-	29,956
Passed-through:				
Maine Department of Health and Human Services Adult Viral Hepatitis Prevention and Control	CDC-15-1535	93.270	-	7,110
Adult Viral Hepatitis Prevention and Control	CDC-16-1535	93.270	-	79,353
Total CFDA Number 93.270			-	86,463
Passed-through:				
Maine Department of Health and Human Services Centers for Disease Control and Prevention_Investigations and Technical Assistance	CDC-15-1015	93.283	-	4,380
Centers for Disease Control and Prevention_Investigations and Technical Assistance	CDC-15-1587	93.283	-	9,413
Centers for Disease Control and Prevention_Investigations and Technical Assistance	CDC-16-1420	93.283	-	29,259
Centers for Disease Control and Prevention_Investigations and Technical Assistance	CT-10A-20150824*0783	93.283	-	98,340
Centers for Disease Control and Prevention_Investigations and Technical Assistance	CDC-16-1420	93.283	-	36,728
Total CFDA Number 93.283			-	178,120
Passed-through:				
Eastern Maine Healthcare Systems Partnerships to Improve Community Health	02012	93.331	-	91,559
Partnerships to Improve Community Health	1U58DP005930-01	93.331	-	66,962
Total CFDA Number 93.331			-	158,521
Research Infrastructure Programs		93.351	-	35
Advanced Education Nursing Traineeships		93.358	-	207,601
Passed-through:				
Maine Department of Health and Human Services ACL Assistive Technology	20150821*774	93.464	-	140,663
Passed-through:				
Maine Department of Health and Human Services Affordable Care Act (ACA) Maternal, Infant, Early Childhood Home Visiting Program	CFS-15-1412	93.505	-	7,536
Affordable Care Act (ACA) Maternal, Infant, Early Childhood Home Visiting Program	CT-10A-20140714*0181	93.505	-	37,034
Affordable Care Act (ACA) Maternal, Infant, Early Childhood Home Visiting Program	10A 20140714*0181	93.505	-	60,025
Affordable Care Act (ACA) Maternal, Infant, Early Childhood Home Visiting Program	CDC-15-1500	93.505	-	267,762
Affordable Care Act (ACA) Maternal, Infant, Early Childhood Home Visiting Program	CDC-13-1500	93.505	-	(70)
Total CFDA Number 93.505			-	372,287
Passed-through:				
Maine Department of Health and Human Services PPHF National Public Health Improvement Initiative	CDC-15-1445	93.507	-	21,902
PPHF National Public Health Improvement Initiative	CDC-16-1420	93.507	-	9,447
National Network Public Health Institutes PPHF National Public Health Improvement Initiative	C625	93.507	-	12,823
Total CFDA Number 93.507			-	44,172
Passed-through:				
National Network Public Health Institutes Affordable Care Act (ACA) Public Health Training Centers Program	G849	93.516	-	52,781
Passed-through:				
Maine Department of Health and Human Services The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	CDC-15-1428	93.521	-	6,940
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	CDC-16-1428	93.521	-	77,253
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	CDC-16-1587	93.521	-	49,278
Total CFDA Number 93.521			-	133,471

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Maine Department of Health and Human Services				
Child Support Enforcement	OFI-15-313	93.563	-	141,750
Child Support Enforcement	OFI-16-313	93.563	-	47,471
Total CFDA Number 93.563			-	189,221
Passed-through:				
Maine Department of Health and Human Services				
Head Start	CFS-14-1412	93.600	-	(79)
Head Start	CFS-15-1412	93.600	-	41,716
Total CFDA Number 93.600			-	41,637
Passed-through:				
AdCare Educational Institute of Maine				
ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	NSN-60566	93.624	-	883
ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	NSN-60589	93.624	-	73,857
Total CFDA Number 93.624			-	74,740
University Centers for Excellence in Developmental Disabilities Education, Research, and Service		93.632	-	550,517
Passed-through:				
The Research Foundation of SUNY				
Child Welfare Research Training or Demonstration	14-54	93.648	-	91,607
Child Welfare Research Training or Demonstration	15-46	93.648	-	226,336
Total CFDA Number 93.648			-	317,943
Passed-through:				
University of Denver (Colorado Seminary)				
Foster Care - Title IV-E	SC37254-03-00	93.658	-	112,719
Foster Care - Title IV-E	SC37254-03-01	93.658	-	405,381
Colorado Department of Human Services				
Foster Care - Title IV-E	97-IHA-01452	93.658	-	(621)
Maine Department of Health and Human Services				
Foster Care - Title IV-E	CFS-17-617	93.658	-	6
Foster Care - Title IV-E	CFS-16-617	93.658	-	180,315
Total CFDA Number 93.658			-	697,800
Passed-through:				
Maine Department of Health and Human Services				
Chafee Foster Care Independence Program	CFS-15-617	93.674	-	6,626
Chafee Foster Care Independence Program	CFS-16-617	93.674	-	359,551
Chafee Foster Care Independence Program	CFS-17-617	93.674	-	24
Total CFDA Number 93.674			-	366,201
Passed-through:				
Maine Department of Health and Human Services				
PPHF: Health Care Surveillance/Health Statistics Surveillance Program Announcement: Behavioral Risk Factor Surveillance System Financed in Part by Prevention and Public Health Fund	CDC-15-1441	93.745	-	67,881
Passed-through:				
Maine Department of Health and Human Services				
State Public Health Actions to Prevent and Control Diabetes, Heart Disease, Obesity and Associated Risk Factors and Promote School Health Financed in Part by Prevention and Public Health Funding (PPHF)	LRS-16-001	93.757	-	5,906
Passed-through:				
Maine Department of Health and Human Services				
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (PPHF)	CDC-16-1420	93.758	-	83,941
Passed-through:				
Southern Maine Agency on Aging				
Alzheimer's Disease Initiative: Specialized Supportive Services Project (ADI-SSS) Thru Prevention and Public Health Funds (PPHF)	NSN-60579	93.763	-	20,712
Passed-through:				
Maine Department of Health and Human Services				
Children's Health Insurance Program	OMS-15-227	93.767	-	25,498
Passed-through:				
Maine Department of Health and Human Services				
Family Smoking Prevention & Tobacco Control Act Regulatory Research	LRS-15-001	93.777	-	31,421
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	LRS-16-001	93.777	-	70,555
Total CFDA Number 93.777			-	101,976

The accompanying notes are an integral part of this schedule.

Audit Committee - Uniform Guidance Audit - Fiscal Year 2016

University of Maine System
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2016

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Maine Department of Health and Human Services				
Money Follows the Person Rebalancing Demonstration	ADS-14-3001	93.791	-	(2,555)
Money Follows the Person Rebalancing Demonstration	ADS-15-9312	93.791	-	3,354
Money Follows the Person Rebalancing Demonstration	ADS-16-9312	93.791	-	66,010
Total CFDA Number 93.791			-	66,809
Passed-through:				
Maine Department of Health and Human Services				
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	CDC-16-3098	93.944	-	34,276
Passed-through:				
Maine Department of Health and Human Services				
Assistance Programs for Chronic Disease Prevention and Control	CDC-16-1420	93.945	-	124,924
Assistance Programs for Chronic Disease Prevention and Control	LRS-16-001	93.945	-	5,906
Total CFDA Number 93.945			-	130,830
Total U.S. Department of Health and Human Services:			13,653	5,848,365
U.S. Corp for National and Community Service				
Retired and Senior Volunteer Program		94.002	-	96,190
Passed-through:				
Annie E Casey Foundation				
Social Innovation Fund	15SIHMD001	94.019	-	13,159
Total U.S. Corp for National and Community Service			-	109,349
Total Federal Expenditures			\$ 6,883,255	\$ 257,468,520

The accompanying notes are an integral part of this schedule.

UNIVERSITY OF MAINE SYSTEM

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2016

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the University of Maine System (the System) under programs of the federal government for the year ended June 30, 2016. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the System, it is not intended to and does not present the financial position, changes in net position, or cash flows of the System. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

This report includes the seven campuses of the System and the administrative and management offices of the System (System-Wide Services). The seven campuses and their respective federal identification numbers are as follows:

University of Maine at Augusta (UMA)	1-01-600-0769-A3
University of Maine at Farmington (UMF)	1-01-600-0769-B1
University of Maine at Fort Kent (UMFK)	1-01-600-0769-A5
University of Maine at Machias (UMM)	1-01-600-0769-A9
University of Maine (UM)	1-01-600-0769-A2
University of Maine at Presque Isle (UMPI)	1-01-600-0769-A6
University of Southern Maine (USM)	1-01-600-0769-A8

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Office of Management and Budget Circular A-21, *Cost Principles for Educational Institutions*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. Loan Program Balances

Loan balances receivable from students under federal programs are as follows as of June 30, 2016:

Federal Perkins Loans	\$ <u>30,058,524</u>
Nursing Student Loans	\$ <u>2,024,522</u>

4. Indirect Costs

The System has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The System has predetermined Facilities and Administrative (F&A) rates for fiscal year 2016. The base rates for other F&A cost recoveries range from 26.0% to 49.6% for fiscal year 2016.

UNIVERSITY OF MAINE SYSTEM

Notes to Schedule of Expenditures of Federal Awards (Concluded)

Year Ended June 30, 2016

5. Expenditures of Federal Awards Summarized by Agency

The following table summarizes the expenditures of federal awards by agency for the fiscal year ended June 30, 2016:

Agency	CFDA	Direct Funding	Passed- Through Funding	Total
U.S. Department of Agriculture	10.xxx	\$ 10,082,460	\$ 2,239,647	\$ 12,322,107
U.S. Department of Commerce	11.xxx	2,904,452	2,288,252	5,192,704
U.S. Department of Defense	12.xxx	41,576	551,775	593,351
U.S. Department of Housing and Urban Development	14.xxx	-	-	-
U.S. Department of the Interior	15.xxx	1,422,822	372,774	1,795,596
U.S. Department of Justice	16.xxx	1,399,358	466,004	1,865,362
U.S. Department of Labor	17.xxx	88,980	32,021	121,001
U.S. Department of State	19.xxx	-	19,016	19,016
U.S. Department of Transportation	20.xxx	-	440,886	440,886
National Aeronautics and Space Administration	43.xxx	1,629,740	848,867	2,478,607
National Endowment for the Arts	45.0xx	5,191	-	5,191
National Endowment for the Humanities	45.1xx	147,536	2,145	149,681
Institute of Museum and Library Services	45.3xx	9,687	-	9,687
National Science Foundation	47.xxx	15,954,728	636,709	16,591,437
U.S. Small Business Administration	59.xxx	703,354	-	703,354
U.S. Department of Veterans Affairs	64.xxx	217,343	-	217,343
U.S. Environmental Protection Agency	66.xxx	825,487	216,816	1,042,303
U.S. Department of Energy	81.xxx	2,103,849	388,093	2,491,942
U.S. Department of Education	84.xxx	195,129,547 *	1,302,054	196,431,601
National Archives and Records Administration	89.xxx	-	622	622
U.S. Department of Health and Human Services	93.xxx	1,757,813 **	12,807,450	14,565,263
U.S. Corporation for National and Community Service	94.xxx	418,307	13,159	431,466
Total Federal Assistance		<u>\$234,842,230</u>	<u>\$22,626,290</u>	<u>\$257,468,520</u>

* Includes \$185,183,736 for Student Financial Aid

** Includes \$423,091 for Student Financial Aid

UNIVERSITY OF MAINE SYSTEM

Schedule of Findings and Questioned Costs

Year Ended June 30, 2016

Section I Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes

X No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?

_____ Yes

X None reported

Noncompliance material to the financial statements noted?

_____ Yes

X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

_____ Yes

X No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?

X Yes

_____ None reported

Type of report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

X Yes

_____ No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.007, 84.033, 84.038, 84.063, 84.268, 93.364

U.S. Departments of Education and Health and Human Services – Student Financial Assistance Cluster

10.500

Cooperative Extension Service

84.334

Gaining Early Awareness and Readiness for Undergraduate Programs

Dollar threshold used to distinguish between Type A and Type B programs

\$2,168,544

Auditee qualified as low-risk auditee?

X Yes

_____ No

UNIVERSITY OF MAINE SYSTEM

Schedule of Findings and Questioned Costs (Concluded)

Year Ended June 30, 2016

Section II Financial Statement Findings

None

Section III Federal Award Findings and Questioned Costs

Finding 2016-001

Information on the Federal Program

Department of Education, CFDA number 84.334 - Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), award number P334S140018, performance period September 25, 2014 – September 24, 2021.

Specific Criteria

The System must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes specific information at the time of the subaward (2 CFR Section 200.331(a) Requirements for pass through entities).

Condition(s) and Context

Twelve out of the fourteen subaward contracts supplied to subrecipients did not clearly identify the CFDA number and the name of the federal agency.

Questioned Costs

None noted.

Cause

The campus that was awarded the federal contract and entered into agreements with subrecipients had not previously entered into significant agreements with subrecipients. While the System as a whole does appear to have standards in place that promote the inclusion of the required elements within these agreements, the campus personnel did not have the adequate training to ensure these elements were included in the agreements.

Effect

Subrecipients may not be aware that they are required to follow federal program requirements.

Identification as a Repeat Finding, if Applicable

Not applicable.

Recommendation

We recommend the System establish a subaward contract template for all subrecipients for the GEAR UP grant that identifies all information required by CFR 200.331(a) and provide training to campus personnel involved in the GEAR UP program.

Views of Responsible Officials and Planned Corrective Action Plan

Management agrees with the finding. See attached for Planned Corrective Action.

UNIVERSITY OF MAINE SYSTEM
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016

None

**University of Maine System
Management's Corrective Action Plan – Current Year Findings**

Finding Number:	2016-001
Federal Agency:	U.S. Department of Education
Program:	Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)
CFDA Number:	84.334
Award Number:	P3345140018
Award Period:	September 25, 2014 – September 24, 2021
Finding:	Twelve of fourteen subaward agreements supplied to subrecipients did not clearly identify the CFDA number and the name of the federal agency.

University of Maine System:

The University of Maine System Controller's Office (System) has provided to the University of Maine at Farmington (UMF) a subaward agreement template developed by the Federal Demonstration Partnership (FDP) that complies with federal regulations and policies, and that enables expedited review and negotiation of routine subawards. The FDP has specifically updated the subaward template to incorporate all data elements required by the Uniform Guidance located at 2 CFR Part 200, Subpart D, §200.331(a), which specifies the required information that must be clearly identified to a subrecipient receiving federal pass-through funding. In addition, direct training has been provided to UMF staff on the administrative requirements for a pass-through entity, including federal award identification requirements for subrecipient agreements as well as guidance and examples to satisfy federal subrecipient monitoring requirements.

University of Maine at Farmington:

Beginning with the GEAR UP year three-budget period, UMF is now using the FDP subaward template for all subrecipients. As such, all required federal award information, including the CFDA number and name of the federal awarding agency, is being provided to each subrecipient.



**EXECUTIVE SUMMARY
FEDERAL COMPLIANCE
UNIFORM GUIDANCE AUDIT RESULTS
JUNE 30, 2016**

**Presented by Emily Parker, Senior Manager, BerryDunn
June 12, 2017**



COMMON TERMS



- OMB – Office of Management and Budget for federal awards.
- GAS – *Government Auditing Standards* – (often referred to as “the Yellow Book”) a framework for conducting audits of government entities and entities that receive government awards. The System’s financial statement audit is conducted under GAS.
- OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* – The System’s federal funds compliance audit is currently conducted under OMB Uniform Guidance, also referred to as the Single Audit.
- SEFA – Schedule of Expenditure of Federal Awards – part of the reporting package required by OMB Uniform Guidance. The SEFA details federal award expenditures by specific program within each federal awarding agency.

DISCUSSION AGENDA



- Financial Highlights
- Our Responsibilities Under *Government Auditing Standards* and OMB Uniform Guidance
- Major Programs Tested
- Review of Audit Results

FINANCIAL HIGHLIGHTS



- University of Maine System Federal expenditures were \$258 million for fiscal year 2016, of which \$185 million was for Student Financial Assistance, and \$40 million was for Research and Development (R&D).
- Total Federal expenditures decreased \$11.1 million from the prior fiscal year.
- The decrease from FY15 to FY16 is primarily the result of the following:
 - \$9.2 million decline in Student Financial Assistance funds
 - \$3.0 million decline in Department of Health and Human Services grants
 - \$1.9 million decrease in Department of Commerce funds
 - Above reductions offset by increases in Department of Education GEAR UP funding of \$1.85 million

OUR RESPONSIBILITY



<p>Audit opinion</p>	<p>We are required to express an opinion on the System’s compliance with laws, regulations, contracts and grant agreements for federal funding received.</p>
<p>Compliance</p>	<p>Our opinion on compliance was a favorable (unmodified) opinion. We tested these compliance requirements in accordance with federal guidelines under OMB Uniform Guidance.</p>
<p>Internal control</p>	<p>We are not required to give an opinion on internal control, and we do not give an opinion on it. However, internal control is tested in order to express our opinion on compliance with federal requirements.</p>

MAJOR PROGRAMS TESTED



U.S. Departments of Education and Health and Human Services

- Student Financial Assistance Cluster
- GEAR UP

U.S. Department of Agriculture

- Cooperative Extension

AUDIT RESULTS FOR MAJOR PROGRAMS TESTED



INTERNAL CONTROLS

- No material weaknesses noted

COMPLIANCE FINDING

- GEAR UP – Subrecipient Contracts

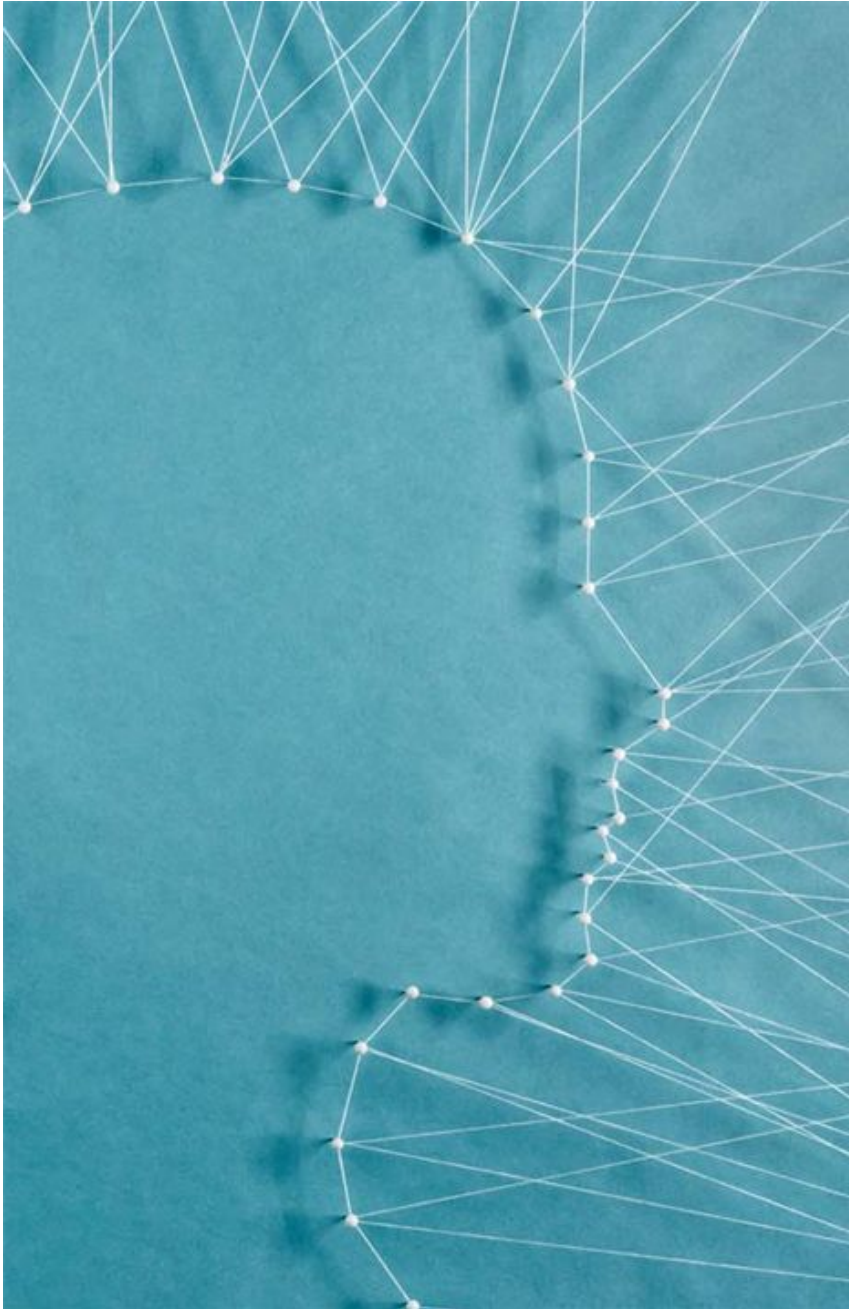


AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** BerryDunn – Audit Committee Presentation
2. **INITIATED BY:** M. Michelle Hood, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Berry, Dunn, McNeil & Parker, LLC representatives Renee Bishop and Emily Parker will address the enclosed Audit Committee Presentation.

Discussion items will include required communications, significant areas for the University of Maine System fiscal year 2017 financial statement and Uniform Guidance audits, timeline, new accounting pronouncements, emerging issues, and planning questions. Regarding emerging issues, the materials include an article from Inside Higher Ed titled, *White House budget includes tens of billions in cuts to student aid and research.*



Pre-Audit Communications with the Audit Committee



Presented by:

Renee Bishop, CPA
Emily Parker, CPA

June 12, 2017





AGENDA OUTLINE

Professional standards require us to communicate certain information to the board or its designated committee. During this meeting, we will communicate our initial required communications, along with other items of interest as follows:

Required Communications

- Audit Responsibilities
- Significant Audit Areas
- Timing
- Staffing

Other Communications

- Emerging Issues and Other Industry-Related Comments
- Committee Planning Questions



Audit Responsibilities

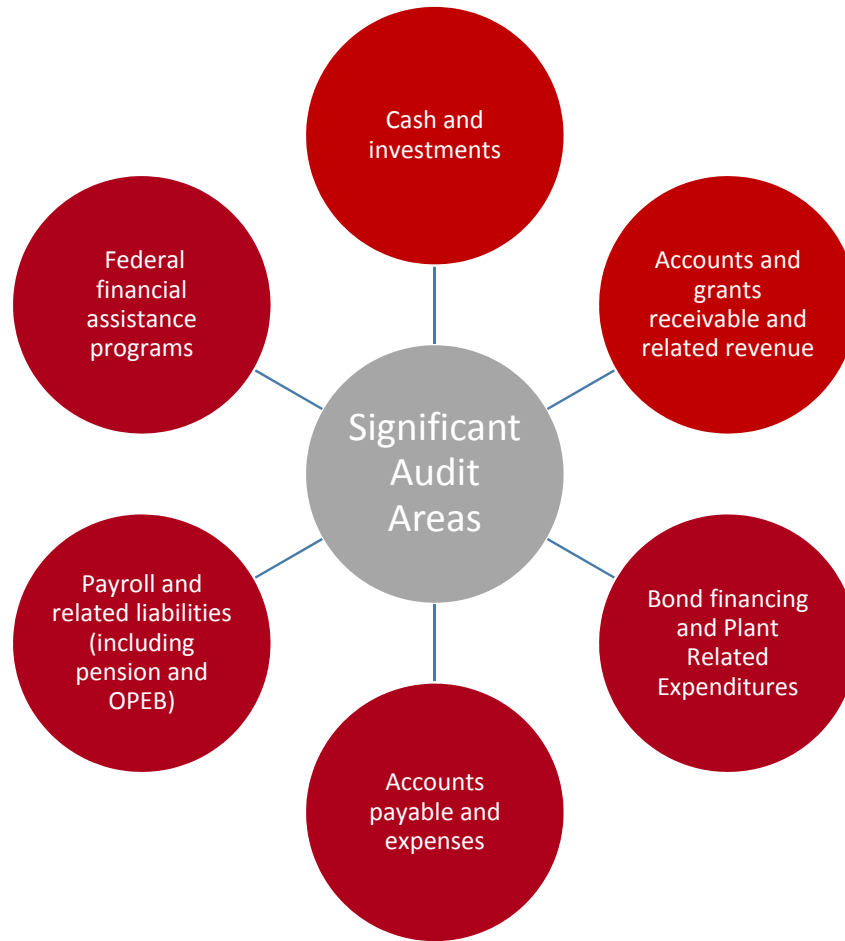
- Management is responsible for the financial statements.
- The audit is designed to obtain reasonable (not absolute) assurance that the financial statements are free from material misstatement.
- An audit does not relieve management, or those charged with governance, of their responsibilities.
- We are not performing a fraud audit or an internal control audit.
- We do gain an understanding of internal controls, but do not express an opinion on them.

MPACT

Audit Responsibilities, Continued

- We utilize a risk-based audit approach.
- We will communicate other items to the committee at the end of the engagement, including:
 - ✓ Significant audit adjustments and passed audit adjustments, if any
 - ✓ Internal control matters, if identified
 - ✓ Difficulties, disagreements, and consultations with other accountants, if any
 - ✓ Aspects of accounting practices
 - ✓ Management representations.

Significant audit areas



In addition, we will select some areas and transactions to test in order to preserve an element of unpredictability and may modify our audit approach, as necessary. This may be based on any new information that may come to our attention during our planning, interim and fieldwork procedures, through our understanding of current industry risks, and/or through inquiries of management and the committee.

AUDIT AND COMPLIANCE REPORTS TIMING



- Planning/Interim work May – June 2017
- Financial statement audit fieldwork September 5 – October 13, 2017
- On-site fieldwork (USM, UM, UMA) July – August 2017
- Preliminary draft financial statement audit report to management By October 13, 2017
- Final draft financial statement audit report for Audit Committee Week of October 16, 2017
- Audit Committee presentation Late October/Early November 2017
- Final financial statement audit report Upon acceptance of Audit Committee and completion of any necessary updating procedures
- Uniform Guidance reports finalized Prior to February 28, 2018



UMS SERVICE TEAM

We maintain a high level of principal and manager participation.



Renee Bishop, CPA
Audit Principal
rbishop@berrydunn.com



Tracy Harding, CPA
Concurring Principal
tharding@berrydunn.com



Emily Parker, CPA
Audit Senior Manager
eparker@berrydunn.com

The financial statement audit will be staffed by audit staff members, Melissa Baez, Erin Doucette, and Devan Pelletier.

The Single audit will be managed by Jennifer Sanctuary and staffed by Chris Mouradian and Jason Badeau.

Other staff may participate on an as needed basis.



New Pronouncements

The following items are new pronouncements that might be pertinent to UMS. This list is not all inclusive, but are items to highlight that may have an impact on your organization.

New and Upcoming Pronouncements

- GASB 80 – *Blending Requirements for Certain Component Units*
 - Effective June 30, 2017, retroactive restatement
- GASB 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
 - Effective June 30, 2018, retroactive restatement
- GASB 81 – *Irrevocable Split-Interest Agreements*
 - Effective June 30, 2018, retroactive restatement
- GASB 86 – *Certain Debt Extinguishments*
 - Effective June 30, 2018, retroactive restatement
- GASB 85 – *Omnibus 2017*
 - Effective June 30, 2018, retroactive restatement
- GASB 84 – *Fiduciary Activities*
 - Effective June 30, 2020, retroactive restatement

Other Active Projects

- Accounting for Leases, Financial Reporting Model



EMERGING ISSUES – OTHER

Federal Funds - Continuing Regulation, Threats to Funding

- 'Borrower Defense' rule
- Safeguards Standards from Graham Leach Bliley Act (GLBA) - ED might require audit
- President's Proposed Federal Budget for FY18 includes:
 - *Significant cuts to Federal Work Study and changes to the allocation formula*
 - *Elimination of Student Educational Opportunity Grants*
 - *Cuts to GEAR UP and TRIO Programs*
 - *Cuts to National Institute of Health, National Science Foundation, Department of Energy*
 - *Elimination of NOAA Sea Grant*
 - *Elimination of overhead (indirect) payments*
 - *Elimination of Public Service Loan Forgiveness (PSLF)*
- Denial of Grants by ED for formatting errors (Upward Bound)

Additional Taxation Threats

- FICA for student and foreign employee workers
- Employee tuition benefits
- Endowment excise taxes
- Changes to tax-exempt bond financing

Sustainability

- Increased scrutiny on value of higher education
- Decreasing population
- Heightened difficulty of attracting international students and professors
- Inflation

Accreditation Financial Standards Changes

- Consideration of reporting by campus for College systems



Auditor Required Questions



(<https://www.insidehighered.com>)



White House budget includes tens of billions in cuts to student aid and research

Submitted by Andrew Kreighbaum on May 24, 2017 - 3:00am

The Trump administration released a 2018 budget proposal Tuesday that delivered on expectations for drastic cuts to student aid programs and university-based research while substantially reshaping federal student loan programs.

Higher education groups as well as many policy analysts said those cuts would make college less affordable and impede the production of new scientists and innovations in health and technology. Cutting deeply into most federal nondefense discretionary spending, the [documents](#) ^[1] call for a 13.6 percent reduction in the Department of Education's current funding levels and 22 percent for the National Institutes of Health, the largest federal supporter of biomedical research.

The White House estimates that \$143 billion would be saved over a decade by allowing the Perkins Loan program to expire and phasing out subsidized federal student loans and Public Service Loan Forgiveness after next year. It promises another \$76 billion in savings from streamlining income-based repayment programs for student loans.

The elimination of Public Service Loan Forgiveness as well as changes to the income-based repayment program would hit graduate students particularly hard. And while the administration is touting a new approach that would shorten the time frame to loan forgiveness for undergraduates, aid advocates say that plan comes with higher monthly payments. Many undergrads, meanwhile, would lose support for programs that helped them get to college in the first place, including grant funding and college prep.

Higher ed advocates say the education budget essentially takes billions out of support for students without reinvesting in even the programs backed by Republicans.

"This budget is a recipe for more student debt, more inequality and less affordability," said Lauren Asher, president of the Institute for College Access and Success.

Language in the "skinny budget" released in [March](#) ^[2] said those massive cuts across government were needed to dramatically increase military and defense spending. Summary documents released ahead of the full budget this week argued that streamlining government would lead to "an economic boom" and raise incomes and job opportunities.

White House Budget Director Mick Mulvaney said in a briefing with reporters that the budget numbers represented President Trump's policies put to paper.

"We're not going to measure compassion by the amount of money that we spend but by the number of people that we help," Mulvaney said.

But critics and nonpartisan observers said the budget runs up spending on defense while eliminating or underfunding programs that many ordinary people rely on. And they say the administration relies on overly optimistic projections of 3 percent growth to balance the budget.

Among the changes to higher education-related spending called for in the budget (see a table at the bottom of the article):

- Multiple income-based repayment programs for student loans would be consolidated into one single plan that shortens the schedule for loan forgiveness from 20 years to 15 for undergraduate borrowers. But monthly payments would also jump from 10 percent to 12.5 percent of a borrower's discretionary income. Graduate students would pay 12.5 percent of their monthly income but with a loan forgiveness schedule of 30 years.
- The \$700 million Perkins Loan program, which is due for an extension by Congress, would be allowed to expire (Congress, however, hasn't put new money in the program [for years](#) ^[3]). The administration would also end Public Service Loan Forgiveness and subsidized Stafford Loans after July 2018, meaning current borrowers would be grandfathered in to those programs. The PSLF program forgives the remaining debt of a borrower working for qualifying government or nonprofit employers after 120 payments, while the subsidized loan program allows students to save thousands in accrued interest as undergrads. Grandfathered borrowers could potentially lose eligibility, however, based on a change in enrollment under the proposal.
- The White House endorsed reinstating year-round Pell Grants -- a policy change already enacted by Congress this month in a funding deal for the current 2017 fiscal year -- but otherwise doesn't strengthen the program. The maximum size of the grant would remain unchanged and wouldn't be indexed to inflation. The administration would also take nearly \$4 billion from the Pell surplus.
- The budget eliminates the Supplemental Educational Opportunity Grant program, a \$733 million program whose recipients are typically Pell-eligible college students. It also cuts the Federal Work-Study program by nearly half, to \$500 million.
- As outlined in the March "skinny budget," the administration would cut college access programs TRIO and GEAR UP by 10 percent and 30 percent, respectively. The budget documents specifically call for eliminating the McNair Postbaccalaureate Achievement Program and Educational Opportunity Centers.
- The proposed budget includes large cuts to science agencies: 11 percent for the National Science Foundation, 22 percent for the National Institutes of Health, and 17 percent for the Department of Energy Office of Science. The administration has promised that savings could be found without eliminating grant awards by cutting [overhead payments](#) ^[4], which reimburse institutions for the indirect costs related to campus-based research.
- The budget plan would eliminate the AmeriCorps national service program, and slash funds for the National Endowment for the Humanities and State Department international exchange programs.

There's almost no chance that Congress passes a budget in a form even resembling what the White House has proposed. Congressional appropriators must pass their own budget resolution, and even some key Republicans reacted with shock to cuts unveiled in the skinny budget in March -- especially those targeting research agencies like the National Institutes of Health. Patty Murray, the top Democrat on the Senate education committee, said the budget would be "devastating for students trying to climb the ladder of opportunity and join the middle class" and promised she would keep fighting for "high-quality, affordable education."

The proposal is basically a messaging document, and in higher ed some policy preferences did emerge. Jason Delisle, a higher ed policy analyst and resident fellow at the American Enterprise Institute, said two clear themes of the budget proposal were simplification of financial aid and cuts to support for graduate students. But he said he was surprised to see the budget left funding untouched for both Graduate PLUS and Parent PLUS loans. Conservatives, including Delisle, have argued for eliminating the PLUS program.

There's no hiding the fact that the budget is on net a reduction in support for student aid, Delisle said.

"That shouldn't be a surprise to anyone," he said. "That has been the top-line goal of the administration, to reduce the size of the federal budget."

Most of the key provisions of the proposal had been revealed ahead of time -- either in the skinny budget or in leaks reported last week by *The Washington Post*. But the documents released Tuesday showed exactly how much the administration expects to find in savings from cuts to specific programs. By eliminating Public Service Loan Forgiveness, for example, the White House expects to save nearly \$3 billion annually. That figure was much higher than previous cost estimates for the program.

Clare McCann, a senior policy analyst with New America's education policy program, said it's not surprising that the White House found savings in the programs it did -- both Republicans and Democrats have supported modifying or eliminating the loan-forgiveness program or subsidized student loans in the past.

"The problem is they don't have any vision to reinvest that money in ways to make higher education more accessible," she said of the Trump administration. "So at the end of the day all they've done is make college less affordable."

McCann said legislative language in the documents removing a ban on randomized control trials for TRIO programs was a positive step, if one that would make the White House few friends among TRIO supporters. But Mulvaney, in arguing that the administration sought to make budget decisions based on program effectiveness, referenced a dated statistic. An evaluation of the McNair program, he claimed, showed that only 6 percent of scholars went on to earn doctoral degrees. But that evaluation is 10 years old and researchers have raised other questions ^[5] about whether that figure adequately represents the success of the program.

Former Education Secretary John B. King Jr. said the Obama administration sought to add incentives for TRIO programs based on evidence of success.

"If there's an argument for investing more in evidence-based practices, I would certainly support that," King said. "It sounds like his argument is a smoke screen."

Although the Trump budget might be dead on arrival in Congress, King said it moves the discussion on education in the wrong direction.

"Even if Congress -- as they should -- rejects this budget entirely, we will have spent several months talking about cuts when we should be talking about increasing investment," he said.

The White House has pushed job-training programs that don't result in a four-year degree. But the proposed budget includes a \$2.5 billion, or 21 percent, decrease in funding for the U.S. Department of Labor, as well as cuts to job-training programs housed at the Education Department. The budget document called for shifting some of the funding responsibility for job training to states and employers, while also cutting "ineffective, duplicative and peripheral job-training grants."

For example, it seeks a roughly 40 percent cut to the Workforce Innovation and Opportunity Act (WIOA), which has a \$3.4 billion annual budget. And while the administration is calling for another \$90 million in funding for apprenticeships, building on a similar allocation for this year, it would cut career and technical education grants for states by \$168 million.

"While the Trump administration talks about supporting work force and skills development, this dramatic cut is nothing short of an attack on CTE and the students and employers who benefit from it," Advance CTE and the Association for Career and Technical Education said in a written statement.

Representatives of leading research and science-oriented groups also attacked the budget for the devastating effects they said it would have on the country's research and science enterprise.

In the 2017 omnibus funding deal reached this month, Congress provided a funding boost for the National Institutes of Health by \$2 billion for the second year in a row. Science advocates called for Congress to break with the White House again to support research on a bipartisan basis.

"For decades, the United States has maintained its position as global innovation leader," said Peter McPherson, president of the Association of Public and Land-grant Universities. "But this budget proposal would be a retreat from that role and cede the development of new technological breakthroughs to other countries."

And McPherson strongly rejected that the government could cut overhead payments to universities without compromising the work of lifesaving research into illnesses and disease.

"You cannot conduct cancer research in a parking lot!" he said.

The Trump Administration's Budget and Programs Important to Colleges

	2016 Appropriation (millions)	2017 Appropriation (millions)	2018 Proposed	% Change 2017 to 2018

EDUCATION DEPARTMENT				
Financial Aid Programs				
Maximum Pell Grant (not in millions)	\$5,815	\$5,920	\$5,920	0.0%
Supplemental Educational Opportunity Grants	733.1	733.7	0.0	-100.0
Federal Work-Study	989.7	989.8	500.0	-49.5%
Iraq and Afghanistan Service Grants	384.0	442.0	499.0	12.9%
Institutional Aid				
Strengthening Institutions	86.4	86.5	0.0	-100.0
Strengthening Tribal Colleges	27.6	27.5	27.5	0.0%
Strengthening Alaska Native and Native Hawaiian-serving Institutions	13.8	13.8	13.8	0.0%
Strengthening Historically Black Colleges and Universities (HBCUs)	244.7	244.2	244.2	0.0%
Strengthening Historically Black Graduate Institutions	63.3	63.2	63.2	0.0%
	9.9	9.9	9.9	0.0%

Strengthening Predominantly Black Institutions				
Strengthening Asian-American and Native American/Pacific Islander-Serving Institutions	3.3	3.3	3.3	0.0%
Strengthening Native American-Serving Nontribal Institutions	3.3	3.3	3.3	0.0%
Minority Science and Engineering Improvement	9.6	9.6	9.6	0.0%
Aid for Hispanic-Serving Institutions	107.8	107.6	107.6	0.0%
Promoting Postbaccalaureate Opportunities for Hispanic Americans	9.7	9.6	9.6	0.0%
Tribally Controlled Postsecondary Career and Technical Institutions	8.3	8.3	8.3	0.0%
National Technical Institute for the Deaf	70.0	69.9	69.9	0.0%
Gallaudet University	121.3	120.3	120.3	0.0%
Howard U	221.8	221.8	221.8	0.0%

Student Assistance				
TRIO Programs	900.0	898.3	808.3	-10.0%
GEAR UP	322.8	322.1	219.0	-32.0%
Special Programs for Migrant Students	44.6	44.5	44.5	0.0%
Child Care Access	15.1	15.1	0.0	-100.0
Program for Students With Intellectual Disabilities	11.8	11.8	11.8	0.0%
HBCU Capital Financing	20.5	20.4	20.4	0.0%
Career-Technical/Adult Education				
Perkins State Grants	1,117.6	1,115.5	949.5	-14.9%
Adult Education	582.0	580.8	485.8	-16.4%
Graduate Education				
Graduate Assistance in Areas of National Need	29.3	29.2	5.8	-80.1%
Other Areas				
International Education and Foreign Language Studies	72.1	72.0	0.0	-100.0
Teacher Quality Partnerships	40.6	43.1	0.0	-100.0
Office for Civil Rights	107.0	106.8	106.8	0.0%

Inspector General	59.3	59.1	61.1	3.4%
Institute of Education Sciences				
Research, Development and Dissemination	195.0	194.6	194.6	0.0%
Statistics	112.0	111.8	111.8	0.0%
Statewide Data Systems	34.5	34.5	34.5	0.0%
LABOR DEPARTMENT				
Adult Employment and Training	814.2	815.4	490.4	-39.9%
Dislocated Workers Training	1,239.7	1,241.3	732.5	-41.0%
Apprenticeship Grants	90.0	89.8	89.8	0.0%
STATE DEPARTMENT				
Educational and Cultural Exchanges	599.2	589.8	285.0	-51.7%
OTHER AGENCIES				
National Endowment for the Humanities	147.9	149.8	42.3	-71.8%
Institute for Museum and Library Sciences	230.0	231.0	23.0	-90.0%
AmeriCorps	386.0	386.0	2.3	-99.4%
Department of Defense Basic Research	2,166.0	2,077.0	2,240.0	7.8%

National Institutes of Health	31,381.0	31,674.0	25,833.0	-18.4%
Health Professions Training	808.0	803.0	401.0	-50.1%
National Aeronautics and Space Administration Science	5,600.0	5,765.0	5,712.0	-0.9%
Department of Energy Science	5,347.0	5,337.0	4,473.0	-16.2%
National Science Foundation	7,494.0	7,472.0	6,653.0	-11.0%
--Research	5,998.0	6,034.0	5,362.0	-11.1%
Education	884.0	880.0	761.0	-13.5%
Facilities	242.0	209.0	183.0	-12.4%
Commerce Department National Institute of Standards and Technology	690.0	688.0	600.0	-12.8%
Agriculture Department Research	1,095.0	1,093.0	951.0	-13.0%

Student Aid and Loans [6]

Source URL: <https://www.insidehighered.com/news/2017/05/24/white-house-budget-includes-tens-billions-cuts-student-aid-and-research?width=775&height=500&iframe=true>

Links:

- [1] <https://www.gpo.gov/fdsys/browse/collection.action?collectionCode=BUDGET&browsePath=Fiscal+Year+2018&isCollapsed=false&leafLevelBrowse=f>
- [2] <https://www.insidehighered.com/news/2017/03/17/proposed-us-budget-would-imperil-pell-and-low-income-students-critics-say>
- [3] <https://www.insidehighered.com/news/2015/09/03/colleges-fight-save-expiring-federal-loan-program-some-republicans-eye-its-demise>
- [4] <https://www.insidehighered.com/news/2017/04/03/hhs-secretary-proposes-cutting-reimbursements-fund-university-based-research>
- [5] https://twitter.com/Sara_A_Garcia/status/867081391393079298?s=03
- [6] <https://www.insidehighered.com/news/focus/student-aid-and-loans>



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** UM Department of Athletics Agreed-Upon Procedures Update
2. **INITIATED BY:** M. Michelle Hood, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Claire Strickland, Chief Business Officer at the University of Maine, will provide a brief overview regarding the following report on Agreed-Upon Procedures performed by O'Connor & Drew.

- *Agreed-Upon Procedures in Accordance with National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.16.1 for the year ended June 30, 2016*

This report addresses evaluation of the Statement of Revenues and Expenditures of the UM Department of Athletics for compliance with specific NCAA Bylaw requirements.

**UNIVERSITY OF MAINE
DEPARTMENT OF ATHLETICS**

**Agreed-Upon Procedures in Accordance with National
Collegiate Athletic Association Bylaw 3.2.4.16.1**

June 30, 2016



**UNIVERSITY OF MAINE
DEPARTMENT OF ATHLETICS**

**Agreed-Upon Procedures in Accordance with National
Collegiate Athletic Association Bylaw 3.2.4.16.1**

June 30, 2016

CONTENTS

Independent Accountants' Report on Applying Agreed-Upon Procedures in Accordance with NCAA Bylaw 3.2.4.16.1	1-22
Appendix A - Statement of Revenues and Expenditures	23
Appendix B - Notes to the Statement of Revenues and Expenditures	24-26



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES IN ACCORDANCE WITH NCAA BYLAW 3.2.4.16.1

Dr. Susan J. Hunter, President
University of Maine
Orono, Maine

We have performed the procedures enumerated below, which were requested by Dr. Susan J. Hunter, President, and the management of the University of Maine (the "University" or the "Institution"), solely to assist in evaluating whether the Statement of Revenues and Expenditures (the "Statement") of the Department of Athletics (the "Department") of the University is in compliance with the National Collegiate Athletic Association (the "NCAA") Bylaw 3.2.4.16.1 for the year ended June 30, 2016. Management is responsible for the University's compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures Related to Program Revenues and Expenditures

We obtained the Statement for the year ended June 30, 2016, as prepared by the University's management and shown in Appendix A. For the purpose of these procedures, materiality has been determined to be \$30,000 and changes of at least 10% from the respective prior year account balance. We recalculated the mathematical accuracy of the amounts in each column. We compared and agreed the amounts on each line to the corresponding amounts on the supporting schedules and/or worksheets, which agree to the general ledger.

1. Financial Statements and Affiliated Organizations

The University shall identify all intercollegiate athletics-related affiliated and outside organizations and obtain those organizations' financial statements for the reporting period. The Independent Accountant shall agree the amounts reported in the statement to the organization's general ledger or, alternatively, confirm revenues and expenses directly with a responsible official of the organization.

Results

According to management, the affiliated organizations of the University are the University of Maine Foundation (the "Foundation") and the University of Maine Alumni Association (the "Alumni Association"). Management has advised us that the affiliated organizations do not incur expenses on behalf of the Athletic Department, instead they serve as a conduit by soliciting and collecting contributions designated for the Athletic Department.

We obtained and examined the University's audited financial statements and noted no items that were listed as material weaknesses or significant deficiencies on the 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*.

We obtained and examined the audited financial statements of the Foundation. The Foundation received an unmodified opinion. As of the date of this report, the Alumni Association's reviewed financial statements for the year ended June 30, 2016 were in the process of being completed. As a result, we obtained and examined the reviewed financial statements of the Alumni Association for the years ended June 30, 2014 and June 30, 2015. The independent accountant stated in their report that they were not aware of any material modifications that should be made to the Alumni Association's financial statements.

2. Analytical Procedures

Compare each material revenue and expense account to the prior period amounts and current year budget estimates. Obtain and document an understanding of any significant variations.

Results

According to management, the budget prepared for the Athletic Department is primarily used for operations. Consequently, the budget is not presented in a format comparable with the attached Statement. As a result, a comparison between the Statement's amounts and the current year budget was unable to be performed.

We compared the actual revenues and expenses in the Statement for the year ended June 30, 2016 to the respective figures for the year ended June 30, 2015. As agreed, we identified variances of greater than \$30,000 and 10%. We obtained explanations from management regarding the reasons for the variances. They are as follows:

Revenues

Ticket Sales

Ticket sales decreased by \$291,401 or 22.7% from fiscal year 2015 to fiscal year 2016. The majority of the university's ticket sales are derived from the Men's Ice Hockey team. In 2016, the Ice Hockey team experienced a losing season, which led to a decline in ticket sales.

Away Game Guarantees

Away game guarantees increased \$408,220 or 55% from fiscal year 2015 to fiscal year 2016. This increase can be attributed to the football program playing an additional guarantee game in 2016 which accounted for \$375,000 of the total increase.

Contributions

Total contributions decreased by \$263,513 or 15% from fiscal year 2015 to fiscal year 2016. The Women's Basketball program received an additional \$100,000 in fiscal year 2015, which was directly related to its European tour. In fiscal year 2016, Men's Ice Hockey contributions decreased \$42,000 as a result of its losing season.

Media Rights

In fiscal year 2016, the University reclassified their contract revenue of \$725,000 with Learfield from Royalties, Advertisements and Sponsorships to Media Rights to better align with the NCAA's reporting requirements.

Royalties, Advertisements and Sponsorships

In fiscal year 2016, Royalties, Advertisements and Sponsorships decreased by \$689,884 or 93.2%. As stated above, the University reclassified their \$725,000 contract revenue with Learfield from this category to Media Rights.

Sports Camp Revenues

Total sports camp revenues increased by \$43,532 or 10.2%. During fiscal year 2016, coaches collectively made a concerted effort to increase the University's summer camp participants.

Other Income

Other income increased by \$45,579 from fiscal year 2015 to fiscal year 2016. This was the result of the University's facility rental revenue increasing by \$50,000 in fiscal year 2016.

Expenses

Away Game Guarantee Expense

Guarantee expenses increased by \$217,976 or 547.2% from fiscal year 2015 to fiscal year 2016. This was primarily due to the payment of \$150,000 for cancellation of an away football game as well as the University hosting a Men's Ice Hockey tournament.

Severance Payments

Severance payments decreased by \$69,798 or 100% from fiscal year 2015 to fiscal year 2016. A severance payment was paid out during fiscal year 2015 for the former Athletic Director Assistant, but there were no severance payments made during fiscal year 2016.

Equipment, Uniforms & Supplies

Equipment, Uniforms & Supplies expense increased by \$106,554 or 23.6% from fiscal year 2015 to fiscal year 2016. This increase was due to a combination of the University

replacing older equipment in the training room and purchasing a new washer for \$16,000. The University also spent an additional \$22,000 on Men's Basketball clothing and shoes.

Fundraising, Marketing and Promotion

Fundraising, Marketing and Promotion increased by \$40,419 or 26.3% from fiscal year 2015 to fiscal year 2016. There was an increase of \$7,500 in printing costs to market the various University teams. The increase is also attributable to an additional \$15,000 spent on marketing to attract more support from donors.

Sports Camp Expenses

Total sports camp expenses increased by \$31,942 or 14.7% from fiscal year 2015 to fiscal year 2016. This is consistent with the increase in summer camp revenue during fiscal year 2016. The growth in participants led to the added expenses.

Direct Overhead and Administrative Expense

Direct Overhead and Administrative Expenses increased by \$29,390 or 50.3% from fiscal year 2015 to fiscal year 2016. This change was due to an increase in facility rentals for the University in fiscal 2016.

3. Ticket Sales

Compare tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the University in the statement and the related attendance figures.

Results

We agreed the total sales from the general ledger to the Statement without exception.

We selected a sample of athletic contest settlement sheets to test. From the sample of ticket sales selected as listed below, we compared and agreed tickets sold, complimentary tickets provided and unsold tickets to the related revenue and attendance reported by the University for each game. We were able to recalculate the total amount of revenue with the following exception.

We originally selected the football game vs. Stony Brook on October 24, 2015 to test. However, this game, along with all other football games, did not contain a reconciliation report documenting the number of tickets sold and complimentary tickets given out. Without the reconciliation report, we were unable to agree the amount of tickets sold and complimentary tickets given out.

The men's basketball game against Quinnipiac on December 29, 2015 and the women's basketball game against Harvard, on December 12, 2015, were played at the Cross Center and ticket sales were recorded by a third party. The Cross Center provided the University with a ticket sales report that provided the total of revenue reimbursed to the University for the month with detail broken down by game. As a result we were able to perform the procedure as described.

<u>Sport</u>	<u>Opponent</u>	<u>Date</u>	<u>Amount</u>
Baseball	Binghamton	3/26/2016	\$ 366.00
Women's Basketball	Bryant	12/12/2015	\$ 2,516.00
Men's Basketball	Quinnipiac	12/29/2015	\$ 787.00
Men's Ice Hockey	Umass Lowell	11/15/2015	\$ 1,280.00

Recommendation

Management should request that the ticket office perform a reconciliation for all games when tickets are sold.

Management's Response

This issue was primarily due to the fact that our long time ticket manager is no longer in this position. The current ticket office staff was not able to locate the needed documentation. This has been addressed and a clean process has been put into place moving forward with reconciliation for all games.

4. Direct State or Other Governmental Support

Compare direct state or other governmental support recorded by the University during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation and recalculate totals.

Results

According to discussions with management, this procedure is not applicable, as the Athletic Department does not receive direct state or other government support.

5. Student Fees

Compare and agree the student fees reported by the University in the Statement to student enrollments during the same reporting period and recalculate totals. Obtain and document an understanding of the University's methodology for allocating student fees to intercollegiate athletic programs. If the athletic department is reporting that an allocation of student fees should be countable as generated revenue, recalculate the totals of their methodology for supporting that they are able to count each sport. Tie the calculations to supporting documents such as seat manifests, ticket sales reports and student fee totals.

Results

This procedure is not applicable. Per management, the University does not assess or collect student fees of this type.

6. Direct Institutional Support

Compare the direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.

Results

We recalculated the total amount without exception.

We agreed the total of the detailed schedule of Direct Institutional support to the Statement.

7. Transfers Back to Institution

Compare the transfers back to the University from the athletics department and reconcile totals.

Results

This procedure is not applicable, as there were no transfers back to the University.

8. Indirect Facilities and Administrative Support

Compare the indirect institutional support recorded by the University during the reporting period with expense payments cost allocation detail and other corroborative supporting documentation and recalculate totals.

Results

As advised by the System Office, indirect support should represent 20% of the University athletic department base budget. We recalculated the total amounts without exception.

9. Away-Game Guarantee Revenue

Select a sample of settlement reports for away games during the reporting period, agree each selection to the University's general ledger and/or the Statement and recalculate totals. Select a sample of contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period, compare and agree each selection to the University's general ledger and/or the Statement and recalculate totals.

Results

We agreed the away-game guarantee revenue from the general ledger to the Statement without exception.

We selected a sample of revenue guarantees from the general ledger provided by the University. For each of the sampled items listed below, we traced and agreed the revenue recorded on the general ledger to the signed contract with the opponent.

<u>Sport</u>	<u>Opponent</u>	<u>Date</u>	<u>Amount</u>
Men's Basketball	UConn	11/13/2015	\$ 85,000.00
Men's Basketball	Marquette University	12/5/2015	\$ 100,000.00
Men's Basketball	Boston College	12/13/2015	\$ 70,000.00
Men's Basketball	Fordham University	12/19/2015	\$ 65,000.00
Women's Basketball	Boston College	11/15/2015	\$ 15,000.00
Women's Basketball	Purdue	12/22/2015	\$ 20,000.00
Baseball	Stetson University	03/11/2016 - 03/13/2016	\$ 6,000.00

<u>Sport</u>	<u>Opponent</u>	<u>Date</u>	<u>Amount</u>
Football	Tulane	9/5/2015	\$ 400,000.00
Football	Boston College	9/19/2015	\$ 325,000.00
Men's Ice Hockey	Capital City Classic	10/30/2015 - 10/31/2015	\$ 7,000.00

10. Contributions

Any contributions of money, goods or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency or group of individuals (two or more) not included above (e.g., contributions by corporate sponsors) that constitutes 10 percent or more in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting period should be reconciled supporting documentation for each contribution and the totals recalculated.

Results

We traced the following contributions, which are all from the Foundation, to the proper supporting documentation. The contributions constituted 10% or more of all contributions received for intercollegiate athletics during the reporting period. We reconciled to supporting documentation to the amount recognized

<u>Description</u>	<u>Amount</u>	<u>Amount Allocated</u>
Savage Hockey Challenge fund	\$ 200,439.12	N/A*
Morse Field Scoreboard	\$ 150,000.00	N/A*
Alfond Fdn. Football Challenge	\$ 250,000.00	\$ 250,000.00

* Contribution was restricted, only interest can be spent not principal.

11. In Kind

Compare the in-kind donations recorded by the university during the reporting period with a schedule of in-kind donations and recalculate totals.

Results

This procedure is not applicable. According to management and review of the general ledger, in-kind support received during the year ended 2016 was immaterial in the aggregate.

12. Compensation and Benefits Provided by a Third-Party

Obtain the summary of revenues (representing compensation and benefits) from affiliated and outside organizations (the "Summary") as of the end of the reporting period from the University and select a sample of funds from the Summary, and compare and agree each selection to the supporting documentation, the University's general ledger and/or the Summary and recalculate totals. If the third party was audited by an independent auditor, obtain the related independent auditors' report.

Results

According to discussions with management, this procedure is not applicable, as third parties do not provide material compensation and benefits to the Athletic Department.

13. Media Rights

Obtain and inspect agreements to understand the University's total media (broadcast, television, radio) rights received by the University or through their conference offices as reported in the Statement. Compare and agree the media right revenues to a summary statement of all media rights identified, if applicable, and the University's general ledger and recalculate totals. Ledger totals may be different for total conference distributions if media rights are not broken out separately.

Results

We obtained the supporting schedule that agrees to the Statement. We selected the sample listed below, and obtained and inspected the agreements to gain an understanding of the relevant terms and conditions. Item (a) represents the annual fee that the University receives from Black Bear Sports Properties, LLC in exchange for the radio broadcast rights of the University's sporting events, promotional, signage, and sponsorship rights. Item (b) represents an annual scoreboard subsidy received from Black Bear Sports Properties, LLC pursuant to a 10 year agreement expiring January 31, 2018.

The contract between Black Bear Sports Properties, LLC ("BBSP") and the University states that the University was scheduled to receive \$650,000 in fiscal year 2016. In addition, the University was scheduled to receive \$75,000 for the Scoreboard Subsidy. We compared and agreed the amounts below to the general ledger and contract.

<u>Vendor</u>	<u>Amount</u>
a. Black Bear Sports Properties, LLC	\$ 650,000.00
b. Black Bear Sports Properties, LLC	\$ 75,000.00

14. NCAA Distributions

Compare the amounts recorded to the general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals.

Results

We recalculated the total amount without exception.

According to management, no written agreements exist for the payout from the NCAA affiliations. The funds are not restricted and are classified as non-program specific.

We obtained and agreed a detail schedule of NCAA distributions to the general ledger and the Statement. We selected the sample listed below and traced and agreed to the deposits made with the University without exception.

<u>Description</u>	<u>Amount</u>
NCAA – Support	\$ 620,854.00
NCAA – Student Assist Fund	\$ 236,435.00

15. Conference Distributions

Obtain and inspect agreements related to the University's conference distributions and participation in revenues from tournaments during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the institution's general ledger and/or the Statement and recalculate totals.

Results

According to discussions with management and review of the general ledger, this procedure is not applicable, as the University did not receive a material amount of conference distributions.

16. Program Sales, Concessions, Novelty Sales and Parking

Compare the amount recorded in the revenue reporting category to a general ledger detail of program sales, concessions, novelty sales and parking as well as any other corroborative supporting documents and recalculate totals.

Results

We recalculated the total amount without exception.

We obtained a schedule to support the amounts on the Statement and selected a sample to test. We agreed the receipts listed below to appropriate supporting documentation with the exception of concession commission income.

<u>Category</u>	<u>Sport</u>	<u>Description</u>	<u>Amount</u>
Concessions	Non-Specific	HS Football Food	\$ 633.35
Concessions	Men's Ice Hockey	MIH Game 10/23 Food	\$ 845.98
Concessions	Football	Concession Sales 9/26 FB Food	\$ 1,420.59
Concessions	Football	Concession Sales 10/17 FB Food	\$ 1,195.48
Parking	Football	Tailgate 10/1/15	\$ 2,980.00
Parking	Football	Tailgate 11/14/15	\$ 1,095.00
Parking	Men's Ice Hockey	Paid Parking 11/24/15	\$ 2,060.00
Parking	Men's Ice Hockey	Paid Parking 1/22/16	\$ 1,398.00
Program/Yearbook Sales	Men's Ice Hockey	Program Sales 11/15/15	\$ 213.84
Program/Yearbook Sales	Men's Basketball	Program Sales 11/25/15	\$ 154.69
Program/Yearbook Sales	Women's Basketball	Program Sales 1/9/16	\$ 103.89
Program/Yearbook Sales	Football	Program Sales 9/26/15	\$ 445.88
Souvenir Sales	Non-Specific	Store Sales 2/5/16	\$ 399.63
Souvenir Sales	Non-Specific	Store Sales 2/27	\$ 395.28

<u>Category</u>	<u>Sport</u>	<u>Description</u>	<u>Amount</u>
Souvenir Sales	Non-Specific	Store Sales 4/16	\$ 199.95
Souvenir Sales	Non-Specific	Store Sales 5/14	\$ 1,743.11

The Athletic Department has a five-year concession agreement expiring July 31, 2017 with the University of Maine Dining Services. Commissions are calculated at 15% of total revenue up to \$225,000, and increase to 20% on all concession sales in excess of \$225,000.

In 2014 and 2015 we noted variances in the amounts charged and remitted for sales tax from the Bear Necessities athletic store. Per our recommendation several remittances were tested by management and no issues were found. For 2016 we recalculated the sales tax for the souvenir sales. The Maine state sales tax for the fiscal year is 5.5%. We noted several variances during this calculation. While the aggregate amount of the variances was not material, the University should review its process to ensure it is conforming with state regulations.

Recommendation

Management should further investigate these variances and ensure procedures are in place to charge and remit the correct sales tax amount from the Bear Necessities athletic store.

Management's Response

Management has attempted to investigate this in the past to correct this issue. Subsequent to the end of fiscal year 2016, the Bear Necessities athletic store was transitioned to Auxiliary Services on campus and no longer falls within Athletics.

17. Royalties, Licensing, Advertisements and Sponsorships

Obtain and inspect agreements related to the University's participation in revenues from royalties, licensing, advertisements and sponsorships during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the University's general ledger and/or the Statement and recalculate totals.

Results

We obtained the supporting schedule that agrees to the Statement. We selected the sample listed below, and obtained and inspected the agreement for the royalty fees from the NCAA to gain an understanding of the relevant terms and conditions. We were unable to obtain and review the trademark licensing agreement which is held at the university. For that reason, we were unable to obtain an understanding of the relevant terms and conditions for the trademark licensing revenue.

<u>Description</u>	<u>Amount</u>
a. Trademark Licensing	\$ 40,000.00
b. Royalty Fees from the NCAA	\$ 10,116.00

Recommendation

Management should request further documentation regarding the trademark licensing agreement to obtain an understanding of the revenue brought in from the agreement.

Management's Response

This trademark revenue comes from the sale of apparel that are tagged with our brand and trademark. A decision was made to split this revenue between athletic and academic scholarships. We will do our best to request and obtain information regarding this in the future as we now know what is needed.

18. Sports Camp Revenues

Inspect sports-camp contract(s) between the University and person(s) conducting institutional sports-camps or clinics during the reporting period to obtain an understanding of the University's methodology for recording revenues from sports-camps. Obtain schedules of camp participants. Select a sample of individual camp participants' cash receipts from the schedule of sports-camp participants and agree each selection to the University's general ledger and/or the Statement and recalculate totals.

Results

We recalculated the total amount without exception. According to management, institutional sports camps and clinics are conducted under the auspices of the University and its Athletic Department. Compensation to Athletic Department personnel participating in the camps and clinics is included in the W-2s received from the System. As a result, no specific camp or clinic contracts exist between the University and the persons conducting institutional sports camps or clinics during fiscal year 2016.

We obtained participation listings for all sports camps and clinics, and selected a sample to test. For each participant selected, we verified that the participant paid the appropriate amount according to the sport camp price listing, and the respective payment was properly recorded on the general ledger.

<u>Last Name</u>	<u>Sport</u>	<u>Amount</u>
Gilbert	Baseball	\$ 465.00
Henderson	Women's Soccer	\$ 210.00
Corsello	Men's Ice Hockey	\$ 600.00
Hubbard	Women's Basketball	\$ 425.00
Duhaime	Softball	\$ 450.00
Fenderson	Field Hockey	\$ 425.00
Morrison	Women's Ice Hockey	\$ 450.00
Ashmore	Football	\$ 425.00
Russell	Football	\$ 325.00
Fritz	Men's Basketball	\$ 50.00

19. Endowment and Investment Income

Obtain and inspect endowment agreements (if any) to gain an understanding of the relevant terms and conditions. Compare and agree the classification and use of endowment and investment income reported in the Statement during the reporting period to the uses of income defined within the related endowment agreement and recalculate totals.

Results

We recalculated the total amount without exception.

We obtained a corresponding schedule listing all athletic-related endowment funds and sampled the following. For sampled items, we traced to the original endowment agreements and noted the funds were distributed in accordance with the terms of the endowment.

<u>Endowment Fund</u>	<u>Amount</u>
Doyle Family Athletic Scholarship	\$ 1,685.00
Karl MacDonald Athletic Scholarship	\$ 2,500.00
Christine Roberts Fund	\$ 666.00
E. Ness Women’s Scholarship	\$ 6,543.00
James Milton Sims Scholarship Fund	\$ 1,360.11

20. Other Income

Compare and agree a sample of receipts obtained from the supporting schedules to adequate supporting documentation. Recalculate totals.

Results

We recalculated the total amount without exception. We received a supporting schedule, from the University Athletic Business Office, to support the other income amount contained on the Statement and selected a sample to test. For each item sampled, we compared and agreed the receipts listed below to adequate supporting documentation without exception.

<u>Department</u>	<u>Description</u>	<u>Amount</u>
Facility Rental	MPA Football Field Rental	\$ 2,492.00
Baseball	Baseball Gloves Purchase	\$ 630.00
Women’s Track	New Balance Clothing	\$ 3,797.00
Women’s Ice Hockey	Team Travel	\$ 1,011.13
Facility Rental	YMCA State Swimming	\$ 8,189.28
Facility Rental	George Stevens Academy Rentals	\$ 20,551.05
Facility Rental	Maine Junior Black Bears Ice Hockey	\$ 12,540.00
Facility Rental	Custodial Coverage for Rental	\$ 400.00
Facility Rental	Black Bear Elite	\$ 2,012.50
Facility Rental	MPA Morse Field Rental	\$ 842.50

21. Bowl Revenue

Obtain and inspect agreements related to the institution's revenues from post-season bowl participation during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the institution's general ledger, and/or the statement and recalculate totals.

Results

According to discussions with management, this procedure is not applicable, as the University did not receive bowl revenue.

22. Athletic Student Aid

Select a sample of students (no less than 10% of the total student-athletes for institutions who have used NCAA's Compliance Assistant ("CA") software to prepare athletic aid detail and no less than 20% of the total student-athletes for institutions who have not) from the listing of institutional student aid recipients during the reporting period. Obtain individual student account detail for each selection and compare total aid allocated from the related aid award letter for the student's account.

Perform a check of each student selected to ensure his or her information was reported accurately in either the NCAA's CA software or entered directly into the NCAA membership Financial Reporting System.

Recalculate totals for each sport and overall.

Results

We recalculated the total amount without exception to the supporting schedule. We obtained a list of students receiving athletic aid from the University. Pursuant to the University's use of the NCAA CA software, our sample size was 28 student-athletes, representing 10% of the total. For each student identified below, we agreed the student's respective aid amount to the amount listed on the award letter and student's business account without exception. We also compared the information reported to the NCAA's CA Software without exception. Student identification numbers were redacted from the report at the request of management for privacy purposes.

<u>Participant's Sport</u>	<u>Amount</u>
Women's Ice Hockey Player	\$24,432.85
Men's Ice Hockey Player	\$36,413.00
Women's Ice Hockey Player	\$35,792.00
Football Player	\$21,312.00
Women's Basketball Player	\$41,096.00
Men's Track, Outdoor Athlete	\$ 2,434.20
Baseball Player	\$ 4,000.00
Men's Ice Hockey Player	\$33,378.00
Softball Player	\$20,256.50
Field Hockey Player	\$18,159.00
Football Player	\$10,000.00

<u>Participant's Sport</u>	<u>Amount</u>
Women's Soccer Player	\$21,064.80
Women's Swimming Athlete	\$12,000.00
Football Player	\$10,000.00
Softball Player	\$20,510.00
Baseball Player	\$29,000.00
Women's Basketball Player	\$39,887.00
Women's Soccer Player	\$ 6,709.50
Women's Soccer Player	\$19,016.00
Men's Track, Outdoor Athlete	\$ 4,118.88
Football Player	\$34,016.00
Baseball Player	\$33,000.00
Football Player	\$36,779.00
Men's Basketball Player	\$44,477.00
Football Player	\$26,640.00
Women's Soccer Player	\$17,221.00
Women's Track, Outdoor Athlete	\$ 1,573.95
Football Player	\$34,091.00

23. Away Game Guarantee Expense

Obtain and inspect the visiting University's away-game settlement reports received by the institution during the reporting period and agree related expenses to the University's general ledger and/or the statement and recalculate totals. Obtain and inspect contractual agreements pertaining to expenses recorded by the Institution from guaranteed contests during the reporting period. Compare and agree related amounts expensed by the University to the University's general ledger and/or the Statement and recalculate totals.

Results

We agreed the total of the detailed schedule to the Statement.

We received a supporting schedule and selected a sample of contests to test. For each selected item listed below, we agreed the amount per the contract to the amount recorded in the general ledger.

<u>Sport</u>	<u>Opponent</u>	<u>Date</u>	<u>Amount</u>
Men's Ice Hockey	North Dakota	10/9/2015-10/10/2015	\$ 23,670.00
Men's Ice Hockey	Michigan State	10/9/2015-10/10/2015	\$ 23,670.00
Women's Soccer	Wagner College	8/21/2015-8/23/2015	\$ 3,630.00
Football	Bryant*	Canceled	\$150,000.00
Women's Basketball	Gulf Coast Showcase	11/15/2015	\$ 15,000.00

*The University was scheduled to play a game at Bryant University and receive \$150,000, but was provided with another game with a larger guarantee. In order to accept the replacement game, the University had to cancel the Bryant game and pay the \$150,000 fee.

24. Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities

Obtain and inspect a listing of coaches employed by the University and related entities during the reporting period. Select a sample of coach's contracts that must include football, and men and women's basketball from the listing. Compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the University and related entities in the Statement during the reporting period. Obtain and inspect payroll summary registers for the reporting year for each selection. Compare and agree payroll summary registers from the reporting period to the related coaching salaries, benefits and bonuses paid by the University and related entities expense recorded by the University in the Statement during the reporting period. Compare and agree the totals recorded to any employment contracts executed for the sample selected and recalculate totals.

Results

Forms W-2 are prepared on a calendar year basis reflecting wages that are currently taxable. The University operates on a fiscal year of June 30th and records all salary and wage payments, whether currently taxable, non-taxable or deferred as a current expense in the Statement. The University of Maine System ("System") prepares and issues W-2's for all University employees. In this System, an employee, who is compensated by more than one state organization receives a single W-2 reporting all earned compensation.

We obtained and inspected a list of coaches employed by the University during fiscal year 2015. We selected a sample to test from this list that includes the Men's Football, Men's Basketball and Women's Basketball coaches. We reconciled the coaches' salaries and bonuses on the supporting schedule to the respective sampled coaches' contract with one exception. The Women's Basketball coach, Richard Barron, erroneously received an additional \$400 that should have been paid to a different university employee during fiscal year 2016.

<u>Coach</u>	<u>Sport</u>
Joseph Harasymiak	Football
Bob Walsh	Men's Basketball
Richard Barron	Women's Basketball
Mike Coutts	Softball
Red Gendron	Men's Ice Hockey
Richard Reichenbach	Men's Ice Hockey
Steve Timper	Baseball

Management's Response

This was a random payroll error as additional compensation was issued to Richard Barron by mistake. We are working with payroll to make sure these things do not happen again.

25. Coaching Other Compensation and Benefits Paid by a Third Party

Obtain and inspect a listing of coaches employed by third parties during the reporting period. Select a sample of coaches' contracts that must include football, and men's and women's basketball from the listing. Compare and agree the financial terms and conditions of each selection to the related coaching and other compensation and benefits paid by third parties and recorded by the institution in the Statement during the reporting period. Obtain and inspect reporting period payroll summary registers for each selection. Compare and agree related payroll summary register to the coaching and other compensation and benefits paid by third parties expenses recorded by the University in the Statement during the reporting period and recalculate totals.

Results

According to discussions with management and review of the general ledger, this procedure is not applicable, as the University recorded an immaterial amount for third parties to provide compensation or benefits to coaches on behalf of the University.

26. Support Staff and Administrative Salaries, Benefits and Bonuses Paid by the University and Related Entities

Select a sample of support staff/administrative personnel employed by the University and related entities during the reporting period. Obtain and inspect reporting period summary payroll registers for each selection. Compare and agree related summary payroll registers to the related support staff administrative salaries, benefits and bonuses paid by the University and related entities expense recorded by the University in the Statement during the reporting period and recalculate totals.

Results

Forms W-2 are prepared on a calendar year basis reflecting wages that are currently taxable. The University operates on a fiscal year of June 30th and records all salary and wage payments, whether currently taxable, non-taxable or deferred as a current expense in the Statement. The University of Maine System prepares and issues W-2's for all University employees. In this System, an employee, who is compensated by more than one state organization, receives a single W-2 reporting all earned compensation.

We obtained and inspected a list of support staff and administrative personnel salaries employed by the University during fiscal year 2016 and selected a sample of six Department employees listed below to test. We reconciled the salary for the sampled support staff and administrative personnel on the supporting schedule to the respective employee's annual wage rate according to human resources.

<u>Employee</u>	<u>Title</u>
John Diamond	Assistant Athletic Director for Marketing
Dylan Duncklee	Event Coordinator
Daniel Morrissey	Director of Compliance
Ryan Taylor	Head Athletic Trainer
Nick Fox	Assistant Business Manager
Buffie McCue	Assistant Director for Athletic Advancement

27. Support Staff and Administrative Other Compensation and Benefits Paid by a Third-Party

Select a sample of support staff/administrative personnel employed by the third parties during the reporting period. Obtain and inspect reporting period payroll summary registers to the related support staff and administrative and other compensation and benefits expense recorded by the University in the Statement during the reporting period and recalculate totals.

Results

According to discussions with management and review of the general ledger, this procedure is not applicable, as third parties do not provide compensation or benefits to support staff and administrative personnel.

28. Severance Payments

Select a sample of employees receiving severance payments by the University during the reporting period and agree each severance payment to the related termination letter or employment contract and recalculate totals.

Results

According to discussions with management, this procedure is not applicable, as the University did not make any severance payments during the reporting period.

29. Recruiting

Obtain and document an understanding of the University's recruiting expense policies. Compare and agree to existing institutional and NCAA related policies. Obtain general ledger detail and compare to the total expenses reported and recalculate totals.

Results

We traced total expense reported and recalculated the totals without exception.

According to management, recruiting expenses are only incurred and approved if the expense is for activity allowed per the current version of the NCAA Division I Manual. Each sports office has either a printed copy of the most recent NCAA Division I Manual or access to an electronic version.

On an annual basis, each coach must pass the NCAA recruiting exam before the coach is allowed to recruit. The University has safeguards to ensure that only coaches who pass the exam can recruit. To ensure safeguards are effective, the University is required to

have an NCAA Compliance audit annually. We reviewed the 2016 Compliance audit which we performed and noted no issues that will impact this engagement.

The exam can be taken on-line or in paper format depending on the preference of the test taker. Each test is proctored by the Administrative Assistant for Compliance. For new coaches previously employed by another institution, the Department contacts the Compliance Officer from the other institution and receives written confirmation of the test score and date of the exam. Head coaches submit a list of individuals who recruit annually to the Associate Athletic Director for Compliance, who is responsible for ensuring that all coaches must pass the exam before they are allowed to perform off-campus recruiting. The Director of Compliance is also responsible for approving all recruiting expenses. Before an expense is approved, he verifies that the coach submitting the cost for approval passed the recruiting exam.

We compared the University's policies to the *NCAA Division Manual*, and the University's policies appear to conform with NCAA related policies.

30. Team Travel

Obtain and document an understanding of the University's team travel policies. Compare and agree to existing institutional and NCAA-related policies. Obtain general ledger detail and compare to the total expenses reported and recalculate totals.

Results

We traced total expense reported and recalculated the totals without exception.

On an annual basis, a budget for team travel is developed for each sport. Coaches make arrangements for team travel within budgetary limitations. Coaches receive quotes and create a purchase order, which is approved by the Department's business office.

The University has several travel agencies with which it has contracted for travel arrangements. Coaches are responsible for making hotel arrangements. Meals are either purchased for the team by the coaches, or the students are provided meal money in advance of the trip. On the receipt of meal money, students are required to sign an acknowledgement of receipt.

Each coach has a purchase card to be used for hotel, meals and other charges. They are required to submit a copy of the receipts to the Business Director who compares the receipt to the charges on the on-line statement. The coach is responsible for the monthly reconciliation of the statement which must also be reviewed by the coaches' supervisor. A receipt is not needed if the coach is using their travel card to pay for his or her own individual meals. Each coach can spend \$46 per day on meals; the coach will repay the university for any amount in excess of \$46.

We compared the University's policies to the *NCAA Division I Manual*, and the University's policies appear to conform with NCAA related policies.

31. Indirect Facilities and Administrative Support

Obtain and document an understanding of the University's methodology for allocating indirect facilities support. Verify the indirect facilities-support and indirect institutional-support totals reported by the University in the Statement.

Results

As advised by the System Office, indirect support should represent 20% of the University athletic department base budget. We recalculated the total amounts without exception.

32. Athletic Facility Debt Service, Leases and Rental Fees

Obtain a listing of debt service schedules, lease payments and rental fees for athletics facilities for the reporting year. Compare a sample of facility payments including the top two highest facility payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements). Compare amounts recorded to amounts listed in the general ledger detail and recalculate totals.

Results

We recalculated the total amount without exception.

We received documentation to support the debt service payments to the Foundation for two scoreboards. For each selection we verified to the lease agreement and traced to the payment being made without exception.

<u>Description</u>	<u>Amount</u>
Alfond Scoreboard (MIH)	\$ 75,000.00
Alfond Scoreboard (FB)	\$ 16,606.92

33. Operating Expenses

Obtain the general ledger detail and compare to the total expenses reported. Select a sample of transactions to validate existence of transaction and accuracy of recording and recalculate totals.

Results

We recalculated the total amount without exception.

We received documentation to support amounts indicated in the Statement and selected a sample to test. For each selection we compared and agreed the expense listed below to supporting documentation.

Note: Identifying numbers included in the category description refer to the identifiers noted on the Statement of Revenues and Expenditures (Appendix A).

<u>Category</u>	<u>Description</u>	<u>Amount</u>
27-Recruiting	Enterprise Football Recruiting	\$ 923.67
27-Recruiting	Football Recruiting Entertainment	\$ 1,130.00
27-Recruiting	US Airways Flight	\$ 567.54

<u>Category</u>	<u>Description</u>	<u>Amount</u>
27-Recruiting	MBB Flight	\$ 616.20
27-Recruiting	WBB Flight	\$ 5,866.26
27-Recruiting	MIH Flight	\$ 674.18
27-Recruiting	MIH Flight	\$ 496.17
28-Team Travel	Football Charter Flight	\$ 103,925.00
28-Team Travel	Football Charter Flight	\$ 84,110.00
28-Team Travel	MIH Away Game Food	\$ 6,523.75
28-Team Travel	Hockey- Boston Marriott Newton	\$ 6,368.77
28-Team Travel	Football Charter Flight	\$ 103,925.00
28-Team Travel	MBB Lodging	\$ 8,258.98
28-Team Travel	WBB Lodging	\$ 4,622.46
29-Equipment, Uniforms, & Supplies	Football Equipment- Headsets	\$ 12,857.19
29-Equipment, Uniforms, & Supplies	Football Equipment- Pads	\$ 7,608.96
29-Equipment, Uniforms, & Supplies	MBB Equipment- Uniforms	\$ 2,606.10
29-Equipment, Uniforms, & Supplies	MBB Equipment- Camera	\$ 1,849.00
29-Equipment, Uniforms, & Supplies	Football Equipment- Helmets	\$ 3,282.98
29-Equipment, Uniforms, & Supplies	Football Equipment- Cleats	\$ 4,290.00
29-Equipment, Uniforms, & Supplies	MIH Equipment- Goalie Mask	\$ 2,425.83
29-Equipment, Uniforms, & Supplies	MIH Equipment- Sticks	\$ 3,552.82
29-Equipment, Uniforms, & Supplies	WBB Equipment- Shoes	\$ 4,095.00
29-Equipment, Uniforms, & Supplies	Swimming Equipment	\$ 7,645.00
29-Equipment, Uniforms, & Supplies	Football Equipment- Shoes	\$ 2,494.00
29-Equipment, Uniforms, & Supplies	Baseball Equipment- Game Balls	\$ 1,557.74
29-Equipment, Uniforms, & Supplies	WIH Equipment- Sticks	\$ 1,046.03
30-Game Expenses	Ambulance Billing	\$ 1,872.56
30-Game Expenses	Umaine Police Department	\$ 5,208.04
30-Game Expenses	Umaine Police Department	\$ 4,060.00
30-Game Expenses	Men's Basketball Cross Center	\$ 31,243.09
30-Game Expenses	Men's Basketball Cross Center	\$ 17,533.55
30-Game Expenses	Women's Basketball Cross Center	\$ 25,888.41
30-Game Expenses	Women's Basketball Cross Center	\$ 17,601.73
31-Fundraising, Marketing, & Promotions	Hockey Booklets	\$ 1,570.00
31-Fundraising, Marketing, & Promotions	Bangor Daily News Commercial	\$ 1,135.00
31-Fundraising, Marketing, & Promotions	Facebook Ad	\$ 500.25
31-Fundraising, Marketing, & Promotions	Whiteout Shirts	\$ 5,650.00
31-Fundraising, Marketing, & Promotions	Football Posters	\$ 948.00
31-Fundraising, Marketing, & Promotions	Comedy Night Food	\$ 4,574.77
31-Fundraising, Marketing, & Promotions	Future Black Bear Stickers	\$ 664.92
32-Sport-Camp Expenses	Football Camp	\$ 7,143.28
32-Sport-Camp Expenses	Swim Camp	\$ 6,515.55
32-Sport-Camp Expenses	Field Hockey Camp	\$ 10,388.90
32-Sport-Camp Expenses	Women's Basketball Camp	\$ 10,886.75
35-Direct Overhead and Administrative	Basketball Work Order	\$ 1,373.94
35-Direct Overhead and Administrative	Wall Coverings	\$ 6,890.00
35-Direct Overhead and Administrative	Hussey Seating	\$ 9,375.00

<u>Category</u>	<u>Description</u>	<u>Amount</u>
35-Direct Overhead and Administrative	Sebec Fencing	\$ 6,500.00
37-Medical Expenses and Insurance	Health Insurance	\$108,000.00
38-Memberships & Dues	CAA Membership Dues	\$ 30,000.00
40-Other Operating Expenses	Football Preseason	\$ 59,321.45
40-Other Operating Expenses	Synergy Sports Technology	\$ 4,000.00
40-Other Operating Expenses	Merchandise for Athletic Store	\$ 1,236.45
40-Other Operating Expenses	ARMS Software	\$ 25,000.00
40-Other Operating Expenses	Athletic Director Travel	\$ 446.77

34. Student Meals (Non-Travel)

Obtain general ledger detail and compare to the total expenses reported. Select a sample of transactions to validate existence of transaction and accuracy of recording and recalculate totals.

Results

We recalculated the total amount without exception.

We received documentation to support amounts indicated in the Statement and selected a sample to test. For each selection we compared and agreed the expense listed below to supporting documentation.

<u>Sport</u>	<u>Description</u>	<u>Amount</u>
Men's Basketball	Winter Break Meal Money	\$ 8,000.00
Men's Basketball	Odwalla Drinks	\$ 412.80
Women's Basketball	Spring Break Meal Money	\$ 2,775.00
Women's Basketball	Winter Break Meal Money	\$ 2,305.00
Men's Ice Hockey	Thanksgiving Break Meal Money	\$ 2,295.00

35. Bowl Expenses

Obtain general ledger detail and compare to the total expenses reported. Select a sample of transactions to validate existence of transaction and accuracy of recording and recalculate totals.

Results

According to discussions with management, this procedure is not applicable, as the University did not incur bowl expenses.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the University's compliance with National Collegiate Athletic Association Bylaw 3.2.4.16.1. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Dr. Susan J. Hunter, President, and the Board of Trustees and Management of the University and is not intended to be, and should not be, used by anyone other than these specified parties.

O' Connor and Drew, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

November 22, 2016

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Statement of Revenues and Expenditures

For the Year Ended June 30, 2016

Appendix A

<u>Operating Revenues</u>	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Non-Program Specific</u>	<u>Total</u>
1 Ticket Sales	\$ 97,607	\$ 25,498	\$ 71,745	\$ 774,825	\$ 23,375	\$ 993,050
2 Direct State or Governmental Support	-	-	-	-	-	-
3 Student Fees	-	-	-	-	-	-
4 Direct Institutional Support	3,419,506	1,039,549	1,149,653	5,870,513	788,465	12,267,686
5 Less - Transfers to Institution	-	-	-	-	-	-
6 Indirect Institutional Support	-	-	-	-	2,014,611	2,014,611
7 Guarantees	725,000	320,000	68,000	37,500	-	1,150,500
8 Contributions	513,011	5,176	87,593	599,790	286,199	1,491,769
9 In Kind	-	-	82	3,051	325	3,457
10 Compensation and Benefits Provided by a Third Party	1,000	-	-	10,000	-	11,000
11 Media Rights	-	-	-	-	725,000	725,000
12 NCAA Distributions	-	-	-	13,965	857,289	871,254
13 Conference Distributions (Non-Media or Bowl)	-	-	-	18,228	-	18,228
14 Program, Novelty, Parking and Concession Sales	7,181	599	1,182	23,477	336,146	368,585
15 Royalties, Licensing, Advertisements and Sponsorships	-	-	-	40,000	10,116	50,116
16 Sports Camp Revenues	52,615	24,864	43,784	348,522	181	469,967
17 Athletics Restricted Endowment and Investment Income	33,092	1,624	4,884	4,989	3,056	47,646
18 Other Operating Revenue	42,000	2,997	7,429	112,356	315,023	479,805
19 Bowl Revenue	-	-	-	-	-	-
Subtotal Operating Revenues	4,891,012	1,420,308	1,434,353	7,857,215	5,359,786	20,962,674
Operating Expenses						
20 Athletic Student Aid	2,258,725	549,489	552,529	3,340,823	-	6,701,565
21 Guarantees	150,000	-	22,274	85,537	-	257,811
22 Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	848,581	383,570	390,943	1,830,110	-	3,453,205
23 Coaching Salaries, Benefits and Bonuses paid by a Third Party	1,000	-	-	10,000	-	11,000
24 Support Staff/Administrative, Compensation, Benefits and Bonuses paid by the University and Related Entities	56,978	14,493	40,638	150,425	2,653,948	2,916,481
25 Support Staff/Administrative Compensation, Benefits and Bonuses paid by a Third Party	-	-	-	-	-	-
26 Severance Payments	-	-	-	-	-	-
27 Recruiting	69,858	68,153	34,730	192,498	-	365,239
28 Team Travel	449,761	156,635	227,890	945,693	-	1,779,979
29 Sports Equipment, Uniforms and Supplies	92,946	62,288	14,635	311,146	77,311	558,326
30 Game Expenses	37,763	143,238	141,880	73,328	107,864	504,073
31 Fundraising, Marketing and Promotion	29,951	14	6,229	51,185	106,738	194,117
32 Sports Camp Expenses	28,916	18,256	19,264	180,074	2,626	249,135
33 Spirit Groups	-	-	-	-	19,611	19,611
34 Athletic Facilities Debt Service, Leases and Rental Fees	-	-	-	-	91,607	91,607
35 Direct Overhead and Administrative Expenses	-	4,101	-	2,855	80,835	87,791
36 Indirect Institutional Support	-	-	-	-	2,014,611	2,014,611
37 Medical Expenses and Insurance	14,606	2,325	973	8,728	132,856	159,487
38 Memberships and Dues	30,660	1,750	1,410	38,121	83,502	155,443
39 Student Athlete Meals (non-travel)	758	23,074	7,555	25,476	-	56,864
40 Other Operating Expenses	174,702	55,911	22,972	133,621	925,067	1,312,272
41 Bowl Expenses	-	-	-	-	-	-
Total Operating Expenses	4,245,204	1,483,297	1,483,923	7,379,618	6,296,574	20,888,616
Excess (Deficiency) of Revenues over (Under) Expenses	\$ 645,808	\$ (62,989)	\$ (49,570)	\$ 477,598	\$ (936,788)	\$ 74,058
50 Excess Transfers to Institution	-	-	-	-	-	-
51 Conference Realignment Expenses	-	-	-	-	-	-
52 Total Athletics Related Debt	-	-	-	-	-	-
53 Total Institutional Debt	-	-	-	-	154,874,000	154,874,000
54 Value of Athletics Dedicated Endowments	-	4,813	4,813	1,169,069	1,353,214	2,531,909
55 Value of Institutional Endowments	-	-	-	-	135,821,000	135,821,000
56 Total Athletics Related Capital Expenditures	-	-	-	-	-	-

See accompanying notes to the Statement of Revenues and Expenditures.

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Notes to the Statement of Revenues and Expenditures

June 30, 2016

Appendix B

Note 1 - Organization

The University of Maine System (the "System") consists of seven universities, eight regional outreach centers and a central administrative office. The University of Maine Department of Athletics (the "Department") is incorporated in the financial statements of the System.

The System is a component unit of the State of Maine and is therefore generally exempt from income taxes under Section 115 of the Internal Revenue Code.

The University of Maine Foundation ("Foundation") and the University of Maine Alumni Association (the "Association") are legally separate tax-exempt component units of the System.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Department's Statement of Revenues and Expenditures have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB"). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows except for contributions and summer financial aid as described in Note 4. The Statement is presented in a manner that intends to report all activity of the University's Intercollegiate Athletics Department in accordance with the requirements of National Collegiate Athletic Association (the "NCAA") Financial Audit Guidelines issued by the NCAA. This Statement is a statement of activity related to the Department and does not purport to present the results of operations for the University as a whole.

Non-program Specific Revenues and Expenses

Several Department's expenses and/or functions are reported in the Statement of Revenues and Expenditures as non-program specific. They include the Athletic Director's Office, Alford Arena, Athletic Information, Administration, Cheerleaders, Pool, Ticket Office, Hall of Fame, Goods and Services, Equipment Rooms, Athletic Development, Athletic Training, Academic Support Services, Latti Fitness Center, Compliance Office, NCAA Needy Student Fund, Athletic Marketing, Strength and Conditioning, and the Black Bear Fund.

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Notes to the Statement of Revenues and Expenditures - Continued

June 30, 2016

Appendix B

Note 2 - Summary of Significant Accounting Policies - Continued

Support From Outside Organizations

Contributions to the Department are received from the Foundation, the Association and various booster groups. Contributions from these groups are deposited into restricted scholarship, gift, or Friends' accounts for use by the sport named on the account.

All booster groups are required to deposit their funds into the University of Maine restricted accounts. Those accounts are subject to overall University accounting controls.

The Black Bear athletic scholarship fund receives regular contributions from the Foundation. This scholarship fund provides scholarship assistance to athletes and is not restricted by sport. The Foundation holds endowment funds, which are designated for the support of University of Maine Athletics.

Receipt and Use of Non-Cash Contributions

As with all gifts, in-kind gifts must be approved by the System's Board of Trustees and the official record appears in the Board's minutes. These gifts are used during the year by Department's staff and teams to accomplish their missions.

Employee Outside Income

Coaches and administrative staff may receive outside income for speaking engagements and non-university sponsored sports camps. They also may receive goods for endorsement or consultation contracts with athletic apparel and equipment manufacturers. NCAA compliance rules require the Department to report outside income to the President. Outside income earned by Department employees is reported on line 10, Compensation & Benefits provided by a third party, in the Statement of Revenues and Expenditures.

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Notes to the Statement of Revenues and Expenditures - Continued

June 30, 2016

Appendix B

Note 2 - **Summary of Significant Accounting Policies - Continued**

Capital Assets

The University expends funds to build and maintain its athletic facilities. Such costs have been recorded elsewhere in the University's accounting records and are not reflected in the accompanying Statement.

Note 3 - **Endowment Funds**

The System follows the pooled investment concept for its endowed funds, whereby all invested funds are included in one pool, except for funds that are separately invested as directed by the donor.

Note 4 - **Presentation Differences**

Summer Financial Aid

A single summer session spans two fiscal years at the University because the fiscal year ends on June 30.

The NCAA statement requires reporting the total amount of athletic-related student aid awarded, including summer school. This presentation combines the entire summer session including June, July and August with the financial transactions from the preceding spring and winter semesters. The University's statements, however, include aid in the period in which the classes are taken, and therefore differs from the statement herein.

The inherent differences between the University and NCAA reporting require users to understand these differences when using the NCAA statement for any purpose other than reporting to the NCAA.

Contributions

Contributions are received on behalf of the University's athletic department by affiliated organizations including the University of Maine Foundation and the University of Maine Alumni Association. The University does not record funds received by its affiliate organizations until the funds have been transferred to the University. Typically transfer of these monies does not occur until the related expenditure is imminent.