

Board of Trustees

Audit Committee

May 14, 2020 12:30 p.m. – 2:30 p.m.

Via Zoom

[BOARD COMMITTEE MEETING LIVE AUDIO STREAM](#)

AGENDA

12:30 – 12:45 p.m.

TAB 1 [Uniform Guidance Audit – Fiscal Year 2019](#)

12:45 – 1:45 p.m.

TAB 2 [CliftonLarsonAllen LLP \(CLA\) Presentation](#)

1:45 – 2:00 p.m.

TAB 3 [UM Department of Athletics Agreed-Upon Procedures Report - FY2019 Overview](#)

TAB 4 [UM Department of Athletics Agreed-Upon Procedures Report - FY2018 Findings Follow-up](#)

2:00 – 2:10 p.m.

TAB 5 [Enterprise Risk Management Update](#)

2:10 – 2:40 p.m. **Executive Session**

[Action items within the Committee purview are noted in green.](#)

[Items for Committee decisions and recommendations 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.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Uniform Guidance Audit – Fiscal Year 2019
2. **INITIATED BY:** James O. Donnelly, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **OUTCOME:** **BOARD POLICY:**
 Primary Outcomes: Bylaws – Section 3
 Enhance fiscal positioning
5. **BACKGROUND:**
 Darla Reynolds, Director of Accounting, will present highlights of the Uniform Guidance audit of the University of Maine System for the fiscal year ended June 30, 2019. An Executive Summary and the Uniform Guidance Audit Report are enclosed for review. Auditor's Reports as Required by the Uniform Guidance and Government Auditing Standards and Related Information – Year Ended June 30, 2019

May 4, 2020



University of Maine System

Uniform Guidance Audit Results – FY19
Executive Summary
May 14, 2020



COMMON TERMS

- **OMB** – Office of Management and Budget (for federal awards).
- **Government Auditing Standards (GAS)** – a framework for conducting audits of government entities and recipients of government awards (also referred to as “the Yellow Book”). 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 conducted under OMB Uniform Guidance, previously referred to as the Single Audit.
- **Schedule of Expenditure of Federal Awards (SEFA)** – 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
- Auditor Responsibility under Government Auditing Standards and OMB Uniform Guidance
- Major Programs Tested
- Review of Audit Results



FINANCIAL HIGHLIGHTS

- UMS Federal expenditures were \$271 million for FY19, of which \$200 million, or 74%, was for Student Financial Assistance, and \$48 million, or 18%, was for Research and Development.
- Total Federal expenditures decreased \$4 million from the prior fiscal year, which was a net of the following changes:
 - Research and Development increased \$5 million or 12%
 - Student Financial Assistance decreased \$9 million or 4%
 - ✓ The outstanding balance of Perkins Loans decreased \$5 million or 14%
 - ✓ Federal direct student loans decreased \$3 million or 3%



AUDITORS' RESPONSIBILITY

Audit Opinion	Auditors are required to express an opinion on the System's compliance with requirements described in the <i>OMB Compliance Supplement</i> that could have a direct and material effect on each of the System's major federal programs for the fiscal year under audit.
Compliance	CliftonLarsonAllen's opinion on compliance was a favorable (unmodified) opinion.
Internal control	CliftonLarsonAllen was not required to give an opinion on internal control. However, internal control was tested in order to express their opinion on compliance with federal requirements.



MAJOR PROGRAMS TESTED

Student Financial Assistance Cluster	U.S. Departments of Education & Health and Human Services
Cooperative Extension Service	U.S. Department of Agriculture
Gaining Early Awareness and Readiness for Undergraduate Program (GEARUP)	U.S. Department of Education



AUDIT RESULTS FOR MAJOR PROGRAMS TESTED

- Internal Controls
 - The auditors reported no material weaknesses, however a deficiency was noted that was considered to be significant
- Finding – Significant Deficiency in Internal Control Over Compliance
 - Student Financial Assistance Cluster – Eligibility and Certification Approval Report (ECAR) (Finding 2019-001)

UNIVERSITY OF MAINE SYSTEM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019

**UNIVERSITY OF MAINE SYSTEM
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2019**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	6
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	21
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	23



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

Board of Trustees
University of Maine System
Orono, Maine

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 University of Maine System (the System) and the discretely presented component unit of the System, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise University of Maine System's basic financial statements, and have issued our report thereon dated October 31, 2019. The System is a component unit of the state of Maine. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 entity'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.

Board of Trustees
University of Maine System - Single Audit

Internal Control Over Financial Reporting

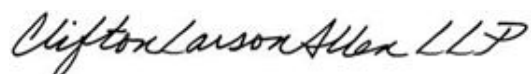
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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



CliftonLarsonAllen LLP

Quincy, Massachusetts
March 27, 2020

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

Board of Trustees
University of Maine System
Orono, Maine

Report on Compliance for Each Major Federal Program

We have audited the University of Maine System's (the System) 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, 2019. The System's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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.

Auditors' 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.

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 its major federal program for the year ended June 30, 2019.

Board of Trustees
University of Maine System - Single Audit

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, 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 item 2019-001. Our opinion on the System's Federal Student Financial Assistance Cluster is not modified with respect to this matter.

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.

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a significant deficiency.

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

We have audited the financial statements of the business-type activities, the aggregate discretely presented component unit of the System as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise System's basic financial statements. We issued our report thereon dated October 31, 2019, 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

Quincy, Massachusetts
March 27, 2020

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

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	-	\$ 4,613,087
Federal Work-Study Program		84.033	-	5,379,838
Federal Perkins Loan Program (note 3)		84.038	-	28,582,896
Federal Perkins Loan Program Administrative Cost Allowance		84.038	-	-
Federal Pell Grant Program		84.063	-	39,923,366
Federal Direct Student Loans		84.268	-	118,790,253
Total U.S. Department of Education			-	197,289,440
U.S. Department of Health and Human Services				
Nursing Student Loans (note 3)		93.364	-	2,719,658
Total Student Financial Assistance Cluster			-	200,009,098
Economic Development Cluster				
U.S. Department of Commerce				
Investments for Public Works and Economic Development Facilities		11.300	-	123,612
Economic Adjustment Assistance		11.307	302,511	312,354
Total Economic Development Cluster			302,511	435,966
Fish and Wildlife Cluster				
U.S. Department of the Interior				
Passed-through:				
Maine Inland Fisheries and Wildlife				
Wildlife Restoration and Basic Hunter Education	09A-20160726*281	15.611	-	47,440
Wildlife Restoration and Basic Hunter Education	CT-09A-20170725*346	15.611	-	60,777
Total Fish and Wildlife Cluster			-	108,217
Special Education Cluster				
U.S. Department of Education				
Passed-through:				
Maine Department of Education				
Special Education Grants to States	013-05A-3076-37-4099	84.027	-	56,479
Special Education Grants to States	013-05A-3049-12-4099	84.027	-	(13)
Special Education Grants to States	013-05A-3049-12-4099	84.027	-	76,641
Special Education Grants to States	013-05A-3049-12-4099	84.027	-	91,373
Special Education Grants to States	013-05A-3049-12-4099	84.027	-	4,524
Special Education Grants to States	013-05A-3049-12-4099	84.027	-	113,130
Special Education Grants to States	013-05A-3076-37-6401	84.027	-	24,321
Total Special Education Cluster			-	366,455
TRIO Cluster				
U.S. Department of Education				
TRIO Student Support Services		84.042	-	2,295,745
TRIO Talent Search		84.044	-	853,522
TRIO Upward Bound		84.047	-	2,912,559
TRIO Educational Opportunity Centers		84.066	-	745,730
Total TRIO Cluster			-	6,807,556
Maternal, Infant, and Early Childhood Home Visiting Cluster				
U.S. Department of Health and Human Services				
Passed-through:				
Maine Children's Trust Fund				
Maternal, Infant and Early Childhood Home Visiting Grant	MCT-19-1601	93.870	-	124,812
Passed-through:				
New Hampshire Department of Health and Human Services				
Maternal, Infant and Early Childhood Home Visiting Grant	NSN-60741	93.870	-	403,514
Total Maternal, Infant, and Early Childhood Home Visiting Cluster			-	528,326
TANF Cluster				
U.S. Department of Health and Human Services				
Passed-through:				
Maine Children's Trust Fund				
Temporary Assistance for Needy Families	NSN822	93.558	-	26,510
Temporary Assistance for Needy Families	MCT-19-1601	93.558	-	44,424
Passed-through:				
New Hampshire Department of Health and Human Services				
Temporary Assistance for Needy Families	NSN-60741	93.558	-	143,622
Total TANF Cluster			-	214,556
CCDF Cluster				
U.S. Department of Health and Human Services				
Child Care and Development Block Grant		93.575	-	12,004
Total CCDF Cluster			-	12,004

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Medicaid Cluster				
U.S. Department of Health and Human Services				
Passed-through:				
Maine Department of Health and Human Services				
State Survey & Certification of Health Care Providers & Suppliers (Title XVIII) Medicare	LRS-17-001	93.777	-	606
Total CFDA 93.777			-	606
Passed-through:				
Maine Department of Health and Human Services				
Medical Assistance Program	LRS-17-001	93.778	-	890
Total CFDA 93.778			-	890
Total Medicaid Cluster			-	1,496
Foster Grandparent/Senior Companion Cluster				
Corporation for National and Community Service				
Senior Companion Program		94.016	-	352,397
Total Foster Grandparent/Senior Companion Cluster			-	352,397
Research and Development Cluster:				
U.S. Department of Agriculture				
U.S. Department of Agriculture with No CFDA Number		10.000	-	773,571
Passed-through:				
Sandia National Laboratories				
U.S. Department of Agriculture with No CFDA Number	1816407	10.000	-	23,975
P3NANO				
U.S. Department of Agriculture with No CFDA Number	E18-23	10.000	-	65,266
Oregon State University				
U.S. Department of Agriculture with No CFDA Number	J2285A-A	10.000	-	52,983
Total CFDA Number 10.000			-	915,795
Agriculture Research Basic and Applied Research		10.001	4,421	1,022,189
Plant and Animal Disease, Pest Control, and Animal Care		10.025	-	30,158
Passed-through:				
Wild Blueberry Commission of Maine				
Specialty Crop Block Grant Program - Farm Bill	NSN789	10.170	-	301
State of Maine Department of Agriculture				
Specialty Crop Block Grant Program - Farm Bill	20161014*1337	10.170	-	770
Specialty Crop Block Grant Program - Farm Bill	20161014-1338	10.170	-	54,087
Specialty Crop Block Grant Program - Farm Bill	20171107*1617	10.170	-	16,820
Specialty Crop Block Grant Program - Farm Bill	20171107*1613	10.170	-	28,039
Specialty Crop Block Grant Program - Farm Bill	20171107*1611	10.170	-	59,424
Specialty Crop Block Grant Program - Farm Bill	20181004*1241	10.170	-	15,773
Specialty Crop Block Grant Program - Farm Bill	20181004*1238	10.170	-	7,620
Specialty Crop Block Grant Program - Farm Bill	20181004*1240	10.170	-	4,341
Specialty Crop Block Grant Program - Farm Bill	20181004*1237	10.170	-	27,619
Total CFDA Number 10.170			-	214,794
Grants for Agricultural Research, Special Research Grants		10.200	306,273	529,883
Passed-through:				
University of Maryland				
Grants for Agricultural Research, Special Research Grants	42681-Z5824001	10.200	11,793	57,872
Total CFDA Number 10.200			318,066	587,755
Cooperative Forestry Research		10.202	-	651,270
Payments to Agricultural Experiment Stations Under the Hatch Act		10.203	-	2,471,625
Animal Health and Disease Research		10.207	-	26,258
Passed-through:				
Atlantic Corp				
Small Business Innovation Research	UMAINE-AMC-20180601	10.212	-	7,177
Innovasea Systems, Inc.				
Small Business Innovation Research	NSN884	10.212	-	55,361
Nano Terra, Inc				
Small Business Innovation Research	NSN695	10.212	-	531
U.S. Endowment Forestry & Comm				
Small Business Innovation Research	E17-20	10.212	-	65,748
VitaminSea Seaweed				
Small Business Innovation Research	VSSBIRII20182020	10.212	-	19,410
Total CFDA Number 10.212			-	148,227

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
University of Connecticut				
Sustainable Agricultural Research and Education	208207	10.215	-	675
University of Mass - Amherst				
Sustainable Agricultural Research and Education	16-009052 A 00	10.215	-	4,408
University of New Hampshire				
Sustainable Agricultural Research and Education	16-037	10.215	-	4,514
Sustainable Agricultural Research and Education	18-046	10.215	-	6,437
University of Vermont				
Sustainable Agricultural Research and Education	GNE18-184-32231	10.215	-	10,497
Sustainable Agricultural Research and Education	LNE14-336-29001	10.215	-	6,725
Sustainable Agricultural Research and Education	LNE14-337-29001	10.215	-	1,003
Sustainable Agricultural Research and Education	LNE19-374-33243	10.215	-	9,736
Sustainable Agricultural Research and Education	ONE16-268-29994	10.215	-	3,681
Sustainable Agricultural Research and Education	ONE16-283C-29994	10.215	-	4,641
Sustainable Agricultural Research and Education	ENE17-146-32231	10.215	8,795	33,734
Sustainable Agricultural Research and Education	32231SUB52722	10.215	-	20,687
Total CFDA Number 10.215			8,795	106,738
Passed-through:				
Cornell University				
Homeland Security Agricultural	80289-10772	10.304	-	35,460
Total CFDA Number 10.304			-	35,460
Organic Agriculture Research and Extension Initiative		10.307	142,781	569,924
Passed-through:				
Cornell University				
Organic Agriculture Research and Extension Initiative	73676-10369	10.307	-	67,146
University of California				
Organic Agriculture Research and Extension Initiative	201603098-02	10.307	-	37,783
Total CFDA Number 10.307			142,781	674,853
Passed-through:				
Colorado State University				
Specialty Crop Research Initiative	G-01363-07	10.309	-	117,128
Cornell University				
Specialty Crop Research Initiative	73999-10425	10.309	-	92,732
Specialty Crop Research Initiative	79598-10766	10.309	-	19,654
North Carolina State University				
Specialty Crop Research Initiative	2016-0228-04	10.309	-	119,276
Rutgers University				
Specialty Crop Research Initiative	6289-PP2017-Nurse	10.309	-	27,215
University of Minnesota				
Specialty Crop Research Initiative	H007082507	10.309	-	3,828
Total CFDA Number 10.309			-	379,833
Agriculture and Food Research Initiative (AFRI)		10.310	955,904	1,939,470
Passed-through:				
Atlantic Corp				
Agriculture and Food Research Initiative (AFRI)	USDA_AFRI_FY2018	10.310	-	434
Ohio State University				
Agriculture and Food Research Initiative (AFRI)	60050299-UM	10.310	-	21,123
Pennsylvania State University				
Agriculture and Food Research Initiative (AFRI)	5648-UM-USDA-6584	10.310	-	18,406
University of Delaware				
Agriculture and Food Research Initiative (AFRI)	39529	10.310	-	22,274
University of Massachusetts at Amherst				
Agriculture and Food Research Initiative (AFRI)	15008563 B 00	10.310	-	7,474
University of New England				
Agriculture and Food Research Initiative (AFRI)	230060-12	10.310	-	5,455
Agriculture and Food Research Initiative (AFRI)	230060-14	10.310	-	6,748
Agriculture and Food Research Initiative (AFRI)	230060-17	10.310	-	7,195
Agriculture and Food Research Initiative (AFRI)	230060-18	10.310	-	2,046
University of Tennessee				
Agriculture and Food Research Initiative (AFRI)	A15-0169-S006	10.310	-	(70)
University of Vermont				
Agriculture and Food Research Initiative (AFRI)	31489SUB52252	10.310	-	15,468
Agriculture and Food Research Initiative (AFRI)	31640SUB52279	10.310	-	21,827
Agriculture and Food Research Initiative (AFRI)	32458SUB52494	10.310	-	33,538
Utah State University				
Agriculture and Food Research Initiative (AFRI)	151160-510	10.310	-	4,072
Total CFDA Number 10.310			955,904	2,105,460

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed through:				
Pennsylvania State University				
Sun Grant Program	5699-UM-SDSU-G640	10.320	44,809	215,822
Sun Grant Program	5702-UM-SDSU-G640	10.320	-	124,831
Total CFDA Number 10.320			44,809	340,653
National Food Safety Training, Education, Extension		10.328	2,678	11,796
Crop Protection and Pest Management Competitive Grants Program		10.329	-	156,410
Passed through:				
Cornell University				
Crop Protection and Pest Management Competitive Grants Program	73984-10408	10.329	-	6,099
Crop Protection and Pest Management Competitive Grants Program	73984-10929	10.329	224	7,517
Crop Protection and Pest Management Competitive Grants Program	73984-10930	10.329	-	(64)
Northeastern IPM Center				
Crop Protection and Pest Management Competitive Grants Program	83935-11193	10.329	-	23,387
Total CFDA Number 10.329			224	193,349
Rural Business Development Grant		10.351	-	7,355
Cooperative Extension Service		10.500	-	90,475
Passed-through:				
University of Delaware				
Cooperative Extension Service	NSN790	10.500	-	284
Total CFDA Number 10.500			-	90,759
Forestry Research		10.652	7,787	90,618
Cooperative Forestry Assistance		10.664	-	2,927
Passed-through:				
P3NANO				
Cooperative Forestry Assistance	P3-5	10.664	-	530
Total CFDA Number 10.664			-	3,457
Forest Health Protection		10.680	-	4,390
Partnership Agreements		10.699	-	8,727
Environmental Quality Incentives Program		10.912	-	30,470
Total U.S. Department of Agriculture			1,485,465	10,151,989
U.S. Department of Commerce				
Passed-through:				
Maine Fresh Sea Farms				
U.S. Department of Commerce with No CFDA Number	WC-133R-15-CN-0091	11.000	-	(424)
Ocean Exploration		11.011	-	58,342
Passed-through:				
NERACOOS				
Integrated Ocean Observing System (IOOS)	NSN883	11.012	-	2,567
Integrated Ocean Observing System (IOOS)	A005-02	11.012	-	83,051
Integrated Ocean Observing System (IOOS)	A008-002	11.012	-	126,619
Integrated Ocean Observing System (IOOS)	02_A008-002	11.012	-	879,837
University of Puerto Rico - Mayaguez				
Integrated Ocean Observing System (IOOS)	2017-2018-010	11.012	-	39,017
Integrated Ocean Observing System (IOOS)	2018-2019-011	11.012	-	215,332
Total CFDA Number 11.012			-	1,346,423
Ocean Acidification Program (OAP)		11.017	61,936	153,824
Cluster Grants		11.020	-	148,242
Sea Grant Support		11.417	344,489	1,602,193
Passed-through:				
Virginia Institute of Marine Science				
Sea Grant Support	718583-712683	11.417	-	5,869
Total CFDA Number 11.417			344,489	1,608,062

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

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		11.427	15,182	174,675
Passed-through:				
Gulf of Maine Research Institute				
Fisheries Development and Utilization Research and Development Grants	10-SKLOBS-16UM	11.427	-	20,944
Woods Hole Oceanographic Institution				
Fisheries Development and Utilization Research and Development Grants	A101314	11.427	-	9,716
Total CFDA Number 11.427			15,182	205,335
Climate and Atmospheric Research		11.431	-	58,120
Passed-through:				
Woods Hole Oceanographic Institution				
NOAA Cooperative Institutes	A101168	11.432	-	10,233
NOAA Cooperative Institutes	A101171	11.432	-	(10,794)
NOAA Cooperative Institutes	A101173	11.432	-	10,182
NOAA Cooperative Institutes	A101185	11.432	-	27,367
NOAA Cooperative Institutes	A101186	11.432	-	39,628
NOAA Cooperative Institutes	A101315	11.432	-	264,882
Total CFDA Number 11.432			-	341,498
Marine Mammal Data Program		11.439	-	34,815
Unallied Management Products		11.454	-	75,330
Passed-through:				
Maine Department of Marine Resources				
Unallied Management Products	CT#13A-20160826*0653	11.454	-	(858)
Total CFDA Number 11.454			-	74,472
Unallied Science Program		11.472	65,962	258,887
Passed-through:				
Maine Department of Marine Resources				
Unallied Science Program	CT#13A 20170404*2852	11.472	-	131,039
Total CFDA Number 11.472			65,962	389,926
Center for Sponsored Coastal Ocean Research Coastal Ocean Program		11.478	-	11,385
Passed-through:				
NERACOOS				
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	A010-002	11.478	-	26,064
Total CFDA Number 11.478			-	37,449
Total U.S. Department of Commerce			487,569	4,456,084
U.S. Department of Defense				
U.S. Department of Defense Awards with No CFDA Number		12.000	-	4,998,995
Passed-through:				
Consortium of Energy, Environment and Demilitarization				
U.S. Department of Defense Awards with No CFDA Number	SINIT-15-0014	12.000	-	(429)
U.S. Department of Defense Awards with No CFDA Number	W15QKN-13-9-0001/SIN	12.000	-	738,753
U.S. Department of Defense Awards with No CFDA Number	SINIT-16-0013	12.000	-	533,740
U.S. Department of Defense Awards with No CFDA Number	SINIT-17-0018	12.000	-	290,958
U.S. Department of Defense Awards with No CFDA Number	CEED-17-0018 / W15QK	12.000	-	1,402,726
Nano Terra, Inc.				
U.S. Department of Defense Awards with No CFDA Number	NSN695	12.000	-	66,792
Navatek, LLC				
U.S. Department of Defense Awards with No CFDA Number	SCN09287	12.000	-	67,839
U.S. Department of Defense Awards with No CFDA Number	SCN09351	12.000	-	274,696
U.S. Department of Defense Awards with No CFDA Number	SCN09423	12.000	-	20,604
University of Illinois - Chicago				
U.S. Department of Defense Awards with No CFDA Number	084424-16187	12.000	-	30,247
Total CFDA Number 12.000			-	8,424,921
Basic and Applied Scientific Research		12.300	-	57,881
Scientific Research - Combating Weapons of Mass Destruction		12.351	425,187	603,416

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Global Secure Shipping				
Air Force Defense Research Sciences Program	FA8650-19-2-5503-SUB	12.800	-	108,261
Total U.S. Department of Defense			425,187	9,194,479
U.S. Department of the Interior				
Passed-through:				
Passamaquoddy Tribal Government				
Consolidated Tribal Government	NSN737	15.021	-	11,610
Passed-through:				
Maine Inland Fisheries & Wildlife				
Fish and Wildlife Management Assistance	924367	15.608	-	30,589
Passed-through:				
Maine Inland Fisheries & Wildlife				
State Wildlife Grants	CT 09A 20170607*3819	15.634	-	11,562
Willistown Conservation Trust				
State Wildlife Grants	NSN911	15.634	-	1,443
Total CFDA Number 15.634			-	13,005
Migratory Bird Monitoring, Assessment and Conservation		15.655	-	10,918
Passed-through:				
Michigan Technological University				
Migratory Bird Monitoring, Assessment and Conservation	1411063Z1	15.655	-	12,969
Total CFDA Number 15.655			-	23,887
Endangered Species Conservation - Recovery Implementation Funds		15.657	-	105
Passed-through:				
Maine Inland Fisheries & Wildlife				
Endangered Species Conservation - Recovery Implementation Funds	CT-09A-20180810*504	15.657	-	33,384
Total CFDA Number 15.657			-	33,489
Passed-through:				
University of Delaware				
Hurricane Sandy Disaster Relief Activities - FWS	48977	15.677	-	99,046
Assistance to States Water Resources Research Institutes		15.805	6,569	97,002
Passed-through:				
University of New Hampshire				
Assistance to States Water Resources Research Institutes	18-055	15.805	-	88,257
Total CFDA Number 15.805			6,569	185,259
U.S. Geological Survey Research and Data Collection		15.808	-	51,270
Cooperative Research Units		15.812	-	189,605
Natural Resource Stewardship		15.944	-	4,868
Cooperative Research and Training Programs - Resources of the National Park System		15.945	7,531	31,781
Total U.S. Department of the Interior			14,100	674,409
U.S. Department of Justice				
National Institute of Justice Research, Evaluation, and Development Project Grants		16.560	-	20,521
Total U.S. Department of Justice			-	20,521
U.S. Department of Transportation				
Passed-through:				
Maine Department of Transportation				
Total Federal Highway Admin Awards with no CFDA Number	CT#201604130*3122	20.000	-	6,858
Total Federal Highway Admin Awards with no CFDA Number	20180626000000000798	20.000	-	47,006
Total CFDA Number 20.000			-	53,864

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
University Transportation Centers Program		20.701	223,108	770,060
Passed-through:				
Maine Maritime Academy				
University Transportation Centers Program	MMA-2014-002	20.701	-	84,107
University Transportation Centers Program	MMA-2014-0002	20.701	-	36,135
Total CFDA Number 20.701			223,108	890,302
Total U.S. Department of Transportation			223,108	944,166
National Aeronautics and Space Administration				
National Aeronautics and Space Administration Awards With No CFDA Number		43.000	-	20,132
Passed-through:				
California Institute of Technology - Jet Propulsion Laboratory				
National Aeronautics and Space Administration Awards With No CFDA Number	1578374	43.000	-	521
The John Hopkins University				
National Aeronautics and Space Administration Awards With No CFDA Number	124393	43.000	-	11,619
Total CFDA Number 43.000			-	32,272
Science		43.001	128,005	673,742
Passed-through:				
Boise State University				
Science	NSC	43.001	-	14,004
Columbia University				
Science	1(GG013122)	43.001	-	85,907
Oregon State University				
Science	NS296A-A	43.001	-	140,705
The Trustees of Princeton University				
Science	SUB0000207	43.001	-	1,175
Bigelow Lab for Ocean Science				
Science	BLOS-16-002	43.001	-	24,034
Total CFDA Number 43.001			128,005	939,567
Passed-through:				
Maine Space Grant Consortium				
Education	EP-17-03	43.008	3,555	85,608
Education	EP-18-01	43.008	28,806	155,422
Education	EP-19-04	43.008	-	8,353
Education	EP-19-05	43.008	-	20,139
Education	EP-19-07	43.008	-	2,700
Education	SG-18-05	43.008	-	12,238
Education	SG-18-07	43.008	-	9,593
Education	SG-18-10	43.008	-	13,607
Education	SG-18-11	43.008	-	8,421
Education	SG-18-21	43.008	-	4,280
Education	SG-18-25	43.008	-	15,753
Education	SG-19-06	43.008	-	14,479
Education	SG-19-07	43.008	-	13,658
Education	SG-19-08	43.008	-	66,000
Education	SG-19-15	43.008	-	20,521
Education	SG-19-16	43.008	-	5,844
Total CFDA Number 43.008			32,361	456,616
Total National Aeronautics and Space Administration Awards			160,366	1,428,455
National Foundation for the Arts and Humanities				
Promotion of the Humanities Office of Digital Humanities		45.169	-	20,181
Total National Foundation for the Arts and Humanities			-	20,181
National Science Foundation				
Engineering		47.041	4,360	876,278
Passed-through:				
Glucan Biorenewables, LLC				
Engineering	NSN845	47.041	-	73,267
Moai Technologies LLC				
Engineering	1534010	47.041	-	18,285

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
University of New Hampshire Engineering	18-051	47.041	-	5,156
Total CFDA Number 47.041			4,360	972,986
Mathematical and Physical Sciences Passed-through: Barnard College		47.049	24,105	763,395
Mathematical and Physical Sciences	UM-1565843	47.049	-	63,668
Total CFDA Number 47.048			24,105	827,063
Geosciences		47.050	139,919	2,335,389
Passed-through: Boise State University				
Geosciences	8743-PO134721	47.050	-	4,355
Tulane University				
Geosciences	TUL-SCC-556144-17/18	47.050	-	98,084
Total CFDA Number 47.050			139,919	2,437,828
Computer and Information Science and Engineering		47.070	-	351,572
Passed-through: Colby College				
Computer and Information Science and Engineering	1659142-01	47.070	-	31,999
Massachusetts Green High Performance Computing Center, Inc.				
Computer and Information Science and Engineering	1659377-UM	47.070	-	79,092
Total CFDA Number 47.070			-	462,663
Biological Sciences		47.074	217,373	1,122,735
Passed-through: State University of New York - Albany				
Biological Sciences	19-14-82252	47.074	-	23,482
University of California at Berkley				
Biological Sciences	9602	47.074	-	28,239
Total CFDA Number 47.074			217,373	1,174,456
Social, Behavioral, and Economic Sciences		47.075	64,236	456,283
Education and Human Resources		47.076	143,589	2,042,154
Passed-through: American Museum of Natural History				
Education and Human Resources	3-2013	47.076	-	10,032
Education and Human Resources	8-2011	47.076	-	781
Maine Math & Science Alliance				
Education and Human Resources	MMSA-15-510-3	47.076	-	21,114
Mathematical Assoc of America				
Education and Human Resources	3-8-710-953	47.076	-	43,619
Sonoma State University				
Education and Human Resources	117792	47.076	-	83,599
University of Illinois - Chicago				
Education and Human Resources	087106-16423	47.076	-	11,195
Total CFDA Number 47.076			143,589	2,212,494
Office of International Science and Engineering		47.079	-	135,103
Passed-through: University of New Hampshire				
Office of International Science and Engineering	16-018	47.079	-	447,454
Total CFDA Number 47.079			-	582,557
Integrative Activities		47.083	407,018	4,687,007
Passed-through: University of New Hampshire				
Integrative Activities	19-005	47.083	-	118,578

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
University of Rhode Island				
Integrative Activities	0005916/112518	47.083	-	29,027
Total CFDA Number 47.083			407,018	4,834,612
Total National Science Foundation			1,000,600	13,960,942
U.S. Environmental Protection Agency				
Passed-through:				
Go Lab Inc.				
U.S. Environmental Protection Agency Awards with No CFDA Number	68HE0D18C0024-SUB	66.000	-	27,413
Passed-through:				
Maine Environmental Protection Agency				
Beach Monitoring and Notification Program Implementation Grants	06A-20171108*1644	66.472	-	60,685
Passed-through:				
Maine Environmental Protection Agency				
Performance Partnership Grants	06A20170105*2050	66.605	-	(646)
Performance Partnership Grants	06A 20170522*3610	66.605	-	35,044
Total CFDA Number 66.605			-	34,398
Total U.S. Environmental Protection Agency			-	122,496
U.S. Department of Energy				
Passed through:				
Battelle				
U.S. Department of Energy Awards with No CFDA Number	4000154793	81.000	-	34,037
Sandia National Laboratories				
U.S. Department of Energy Awards with No CFDA Number	1791011	81.000	-	(492)
Total Department of Energy Awards with No CFDA			-	33,545
Office of Science Financial Assistance Program		81.049	-	22,523
Passed-through:				
Virginia Institute of Marine Science				
Office of Science Financial Assistance Program	720232-712683	81.049	-	13,915
Total CFDA Number 81.049			-	36,438
University Coal Research		81.057	-	197,465
Renewable Energy Research and Development		81.087	143,695	1,215,448
Passed-through:				
Consortium for Research on Renewable Industrial Materials (CORRIM)				
Renewable Energy Research and Development	1012	81.087	-	1,262
Ocean Renewable Power Co				
Renewable Energy Research and Development	SUB-16067	81.087	-	157,733
Total CFDA Number 81.087			143,695	1,374,443
Fossil Energy Research and Development		81.089	198,593	338,219
Total U.S. Department of Energy			342,288	1,980,110
U.S. Department of Education				
Passed-through:				
Worcester Polytechnic Institute				
Education Research, Development and Dissemination	18-216430-02	84.305	-	11,789
Total U.S. Department of Education			-	11,789
U.S. Department of Health and Human Services				
U.S. Department of Health and Human Services Awards with no CFDA		93.000	-	25,863
Passed-through:				
RTI International				
U.S. Department of Health and Human Services Awards with no CFDA	21-312-0214448-52754	93.000	-	203,731
Social and Scientific Systems, Inc.				
U.S. Department of Health and Human Services Awards with no CFDA	HPDA-SSS-S-15-004406	93.000	-	41,380
Total CFDA Number 93.000			-	270,974
Environmental Health		93.113	-	23,352

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through:				
Harvard University				
Environmental Health	113113-5096673	93.113	-	56,995
Total CFDA Number 93.113			-	80,347
Passed-through:				
Maine Department of Health and Human Services				
Injury Prevention & Control Research and State & Community Based Programs	26A20141202*1940	93.136	-	262,727
Rural Health Research Centers		93.155	-	878,158
Passed-through:				
University of Iowa				
Rural Health Research Centers	S00478-01	93.155	-	328,342
Rural Health Research Centers	W000935577	93.155	-	99,868
Total CFDA Number 93.155			-	1,306,368
Research Related to Deafness and Communication Disorders		93.173	32,032	140,493
Passed-through:				
Brigham Young University				
Research Related to Deafness and Communication Disorders	18-0528	93.173	-	45,408
University of Cincinnati				
Research Related to Deafness and Communication Disorders	009600-012	93.173	-	74,792
Total CFDA Number 93.173			32,032	260,693
Passed-through:				
University of Minnesota				
State Rural Hospital Flexibility Program	P007036255	93.241	-	407,328
Passed-through:				
Mary Imogene Bassett Hospital				
Occupational Safety and Health Programs	5U54OH007542-18	93.262	-	10,806
Trans-NIH Research Support		93.310	-	209,716
Passed-through:				
Maine Medical Center				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	SMITH-111194	93.323	-	5,242
Diabetes, Digestive, and Kidney Diseases Extramural Research		93.847	-	185,271
Passed-through:				
University of Kentucky				
Extramural Research Programs in the Neurosciences and Neurological Disorders	3200000884-17-066	93.853	-	61,719
Allergy and Infectious Diseases Research		93.855	-	225,089
Passed-through:				
Central Michigan University				
Allergy and Infectious Diseases Research	626301	93.855	-	11,383
Total CFDA Number 93.855			-	236,472
Biomedical Research and Research Training		93.859	-	179,937
Passed-through:				
Maine Medical Center				
Biomedical Research and Research Training	LIAW-111001-2	93.859	-	70,163
Biomedical Research and Research Training	112366-ROSEN-CTR-2	93.859	-	247,502
Passed-through:				
Mount Desert Biological Laboratory				
Biomedical Research and Research Training	P20GM103423-17/SULLI	93.859	-	969
Biomedical Research and Research Training	P20GM103423-18/KING	93.859	-	27,490
Biomedical Research and Research Training	P20GM103423-18/MOLLO	93.859	-	92,786
Biomedical Research and Research Training	P20GM103423-18/SULLV	93.859	-	63,874
Biomedical Research and Research Training	P20GM103423-18/UMAIN	93.859	-	99,061
Biomedical Research and Research Training	P20GM103423-18/UMF	93.859	-	85,016
Biomedical Research and Research Training	P20GM103423-18/UMHC	93.859	-	90,972
Biomedical Research and Research Training	P20GM103423-18/UMM	93.859	-	77,616
Biomedical Research and Research Training	P20GM103423-19/KING	93.859	-	551
Biomedical Research and Research Training	P20GM103423-19/MOLLO	93.859	-	21,939
Biomedical Research and Research Training	P20GM103423-19/UMF	93.859	-	381
Biomedical Research and Research Training	P20GM103423-19/UMHC	93.859	-	7,734
Biomedical Research and Research Training	P20GM103423-19/UMM	93.859	-	2,897
Biomedical Research and Research Training	P20GM103423-19/UMPI	93.859	-	10,408
Total CFDA Number 93.859			-	1,079,239

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

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	-	123,526
Passed-through:				
Activas Diagnostics LLC				
Aging Research	AD-2018-09-001N	93.866	-	32,009
Alba-Technic, LLC				
Aging Research	2017-1212	93.866	-	13,326
Total CFDA Number 93.866			-	45,335
Passed-through:				
Fauxsee Innovations				
Vision Research	17101101	93.867	-	77,266
Massachusetts Eye and Ear Infirmary				
Vision Research	01	93.867	-	19,443
Total CFDA Number 93.867			-	96,709
Passed-through:				
Dartmouth College				
Medical Library Assistance	R1062	93.879	-	9,038
Total U.S. Department of Health and Human Services			32,032	4,651,567
Corporation for National and Community Service				
National Service and Civic Engagement Research Competition		94.026	-	42,054
Total Corporation for National and Community Service			-	42,054
Total Research and Development Cluster			4,170,715	47,659,242
U.S. Department of Agriculture				
U.S. Department of Agriculture Awards with No CFDA Number		10.000	-	56,543
Plant and Animal Disease, Pest Control, and Animal Care		10.025	-	49,990
Passed-through:				
University of Vermont				
Sustainable Agricultural Research and Education	ENE17-147-32231	10.215	-	14,550
Sustainable Agricultural Research and Education	SNE-17-07-31064	10.215	-	18,829
Sustainable Agricultural Research and Education	SNE18-07-33243	10.215	-	26,674
Total CFDA 10.215			-	60,053
Passed-through:				
Cultivating Community				
Beginning Farmer and Rancher Development Program	NSN852	10.311	-	3,928
Technical Assistance to Cooperatives		10.350	-	3,730
Passed-through:				
Maine Aquaculture Innovation Center				
Rural Business Development Grant	17-17	10.351	-	11,771
Farm Operating Loans		10.406	-	9,075
Crop Insurance Education in Targeted States		10.458	-	179,030
Cooperative Extension Service		10.500	53,431	3,131,973
Passed-through:				
Purdue University				
Cooperative Extension Service	F9000837602043	10.500	-	26,008
University of Delaware				
Cooperative Extension Service	52326	10.500	-	33,062
Total CFDA Number 10.500			53,431	3,191,043
Expanded Food and Nutrition Education Program		10.514	-	3,586
Renewable Resources Extension Act and National Focus Fund Projects		10.515	-	16,158
Passed-through:				
State of Maine Department of Agriculture				
Child and Adult Care Food Program	19-476	10.558	-	5,467
Total CFDA Number 10.558			-	5,467
Total U.S. Department of Agriculture			53,431	3,590,374

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
U.S. Department of Commerce				
Passed-through:				
Maine Center for Entrepreneurial Development Cluster Grants	NSN778	11.020	-	17,370
Economic Development Technical Assistance		11.303	-	134,117
Sea Grant Support		11.417	26,936	262,727
Passed-through:				
Maine Department of Marine Resources Coastal Zone Management Administration Awards	20180315*2687	11.419	-	34,193
Passed-through:				
The Nature Conservancy Habitat Conservation	CONTRACT_UMAINE_PENO	11.463	-	311
Passed-through:				
Maine Manufacturing Extension Partnership Manufacturing Extension Partnership	70NANB17H004	11.611	-	99,949
Arrangements for Interdisciplinary Research Infrastructure		11.619	-	2,924
Total U.S. Department of Commerce			26,936	551,591
U.S. Department of Defense				
U.S. Department of Defense Awards with No CFDA Number		12.000	-	116,273
Passed-through:				
Maine International Trade Center U.S. Department of Defense Awards with No CFDA Number	OEA APPLICATION #34	12.000	-	8,390
Total CFDA Number 12.000			-	124,663
Total U.S. Department of Defense			-	124,663
U.S. Department of Justice				
Passed-through:				
Farleigh Dickinson University Promoting Evidence Integration in Sex Offender Management	DOJ0001-01	16.203	-	108,513
Legal Assistance for Victims		16.524	99,490	191,471
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault and Stalking on Campus		16.525	-	162,214
OVW Technical Assistance Initiative		16.526	-	1,336,002
State Justice Statistics Program for Statistical Analysis Centers		16.550	-	86,484
Passed-through:				
Justice Research and Statistics Association Crime Victim Assistance/Discretionary Grants	NSN-60699	16.582	-	7,093
Crime Victim Assistance/Discretionary Grants	MAINE-5200-020	16.582	-	10,354
Total CFDA Number 16.582			-	17,447
Passed-through:				
National 4-H Council Juvenile Mentoring Program	NSN863	16.726	-	57,960
Total U.S. Department of Justice			99,490	1,960,091
U.S. Department of Labor				
Occupational Safety and Health Susan Harwood Training Grants		17.502	-	67,325
Total U.S. Department of Labor			-	67,325
U.S. Department of Transportation				
Passed-through:				
Maine Department of Transportation U.S. Department of Transportation Awards with No CFDA	20170523*3622	20.000	-	34,988
U.S. Department of Transportation Awards with No CFDA	20190305*0427	20.000	-	800
Total CFDA Number 20.000			-	35,788
Total U.S. Department of Transportation			-	35,788

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
National Aeronautics and Space Administration				
Science		43.001	-	125,460
Passed-through:				
Maine Space Grant Consortium				
Education	SG-16-16	43.008	-	2
Education	SG-17-08	43.008	-	262
Education	SG-18-14	43.008	-	24,000
Total CFDA Number 43.008			-	24,264
Total National Aeronautics and Space Administration			-	149,724
National Endowment for the Arts and Humanities				
Passed-through:				
State of Maine Arts Commission				
Promotion of the Arts Partnership Agreements	13740	45.025	-	1,000
Total National Endowment for the Arts and Humanities			-	1,000
U.S. Small Business Administration				
Small Business Development Centers		59.037	-	817,473
Total U.S. Small Business Administration			-	817,473
U.S. Veterans Affairs				
U.S. Veterans Affairs Awards with No CFDA		64.000	-	243,606
Total U.S. Veterans Affairs			-	243,606
U.S. Environmental Protection Agency				
Environmental Finance Center Grants		66.203	11,829	113,711
Passed-through:				
University of North Carolina at Chapel Hill				
Surveys, Studies, Investigations, Demonstrations, and Training Grants	5108706	66.424	-	14,862
Surveys, Studies, Investigations, Demonstrations, and Training Grants	5111290	66.424	-	5,978
Total CFDA Number 66.424			-	20,840
National Estuary Program		66.456	66,554	641,486
Pollution Prevention Grants Program		66.708	-	6,181
Passed-through:				
Extension Foundation				
Research, Development, Monitoring, Public Education, Outreach, Training	SA-2017-48	66.716	-	22,700
Passed-through:				
Manomet				
Environmental Education Grants	NSN-60668	66.951	-	337
Total U.S. Environmental Protection Agency			78,383	805,255
U.S. Department of Energy				
Energy Efficiency & Renewable Energy Information Dissemination, Outreach, Training & Technical Analysis		81.117	101,811	317,322
Passed-through:				
Efficiency Maine				
Energy Efficiency and Conservation Block Grant Program (EECBG)		81.128	-	(2,011,129)
Total U.S. Department of Energy			101,811	(1,693,807)
U.S. Department of Education				
National Resource Centers Program for Foreign Language and Area Studies		84.015	97,418	288,846
Higher Education Institutional Aid		84.031	-	628,782
Passed-through:				
Maine Department of Education				
Career and Technical Education - Basic Grants to States	NSN	84.048	-	171
Career and Technical Education - Basic Grants to States	DOE_GENDER_FY19	84.048	-	48,663
Total CFDA Number 84.048			-	48,834
Rehabilitation Long-Term Training		84.129	-	61,350

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal grantor/pass-through grantor/program title	Pass-through Number	Federal CFDA Number	Pass-through To Subrecipients	Federal Expenditures
Passed-through: Oregon State University Education Research, Development and Dissemination	ED160B-B	84.305	-	847
Passed-through: Maine Department of Education Special Education - State Personnel Development	013-05A-3049-12-4099	84.323	-	55,656
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities		84.325	-	318,112
Gaining Early Awareness and Readiness for Undergraduate Program		84.334	2,865,963	2,983,939
Passed-through: American Museum of Natural History Teacher Quality Partnership Grants	1-2015	84.336	-	115,825
Passed-through: National Writing Project Supporting Effective Instruction State Grants Supporting Effective Instruction State Grants	98-ME01-SEED2017-CAM 98-ME01-SEED2017-ILI	84.367 84.367	- -	12,832 8,201
Total CFDA Number 84.367			-	21,033
Total U.S. Department of Education			2,963,381	4,523,224
U.S. Department of Health and Human Services				
Passed-through: Maine Department of Health and Human Services U.S. Department of Health and Human Services Awards with No CFDA	LRS-17-001	93.000	-	300,990
Passed-through: Maine Department of Agriculture Food and Drug Administration Research	20190405*2827	93.103	-	1,174
Passed-through: Association of University Centers on Disabilities Maternal and Child Health Federal Consolidated Programs Dartmouth College Maternal and Child Health Federal Consolidated Programs Utah State University Maternal and Child Health Federal Consolidated Programs	NSN892 GC00139-00-01 051322-524	93.110 93.110 93.110	3,770 - -	8,000 107,461 30,000
Total CFDA Number 93.110			3,770	145,461
Passed-through: Penobscot Community Health Center Substance Abuse and Mental Health Services Projects of Regional and National Significance Healthy Acadia Coalition Substance Abuse and Mental Health Services Projects of Regional and National Significance	NSN838 2018-USM.SAMHSA.MAT	93.243 93.243	- -	4,006 27,352
Total CFDA Number 93.243			-	31,358
Passed-through: Maine Department of Education ACL Assistive Technology ACL Assistive Technology ACL Assistive Technology ACL Assistive Technology ACL Assistive Technology	013-05A-3076-37-6401 013-05A-3076-37-4099 013-05A-3076-37-6401 013-05A-3076-37-6401 013-05A-3076-37-6401	93.464 93.464 93.464 93.464 93.464	- - - - -	72,652 168,716 307 1,049 8,635
Total CFDA Number 93.464			-	251,359
Passed-through: Maine Department of Health and Human Services ACA - State Innovation Models: Funding for Model Design & Model Testing	LRS-17-001	93.624	-	35
University Centers for Excellence in Developmental Disabilities Education, Research, and Service		93.632	-	561,613
Passed-through: The Research Foundation of SUNY Child Welfare Research Training or Demonstration Child Welfare Research Training or Demonstration	18-10 19-21-82905	93.648 93.648	- -	135,767 162,108
Total CFDA 93.648			-	297,875
Passed-through: University of Denver (Colorado Seminary) Foster Care - Title IV(E) Foster Care - Title IV(E)	SC37254C-03 SC37254-03	93.658 93.658	- -	210,862 571,898
Total CFDA 93.658			-	782,760

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

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 State & Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease & Stroke	LRS-17-001	93.757	-	59
Passed-through: MaineHealth (ADI-SSS) thru Prevention and Public Health Funds (PPHF)	NSN-60716	93.763	-	25,777
Passed-through: West Virginia University Opioid STR	19-519-USM	93.788	-	20,410
Passed-through: Maine Department of Health and Human Services Assistance Programs for Chronic Disease Prevention and Control	LRS-17-001	93.945	-	27
Total U.S. Department of Health and Human Services			<u>3,770</u>	<u>2,418,898</u>
Corporation for National and Community Service				
Retired and Senior Volunteer Program		94.002	-	126,581
Passed-through: Maine Commission for Community Service AmeriCorps AmeriCorps	20160822*0716 20180719*0192	94.006 94.006	- -	26,133 145,266
Total CFDA Number 94.006			-	<u>171,399</u>
Passed-through: New Hampshire Campus Compact Volunteers in Service to America Volunteers in Service to America	NSN-60690 NSN-60743	94.013 94.013	- -	5,192 9,872
Total CFDA Number 94.013			-	<u>15,064</u>
Passed-through: Annie E Casey Found Social Innovation Fund	15SIHMD001	94.019	-	153,835
Total Corporation for National and Community Service			<u>-</u>	<u>466,879</u>
U.S. Department of Homeland Security				
Port Security Grant Program		97.056	-	50,369
Total U.S. Department for Homeland Security			<u>-</u>	<u>50,369</u>
Total Other Clusters			3,327,202	14,112,453
Total Expenditures			7,800,428	270,607,766

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

NOTE 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, 2019. The information in this 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* (the "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 August (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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, *Cost Principles for Education 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 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.

The System has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. The System has predetermined Facilities and Administrative (F&A) rates for fiscal year 2019. The base rates for other F&A cost recoveries range from 26% to 51% for fiscal year 2019.

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

NOTE 3 LOAN BALANCES

Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule of federal expenditures. The balances of loans outstanding at June 30, 2019 consist of the following:

Federal Perkins Loans	\$24,336,776
Nursing Student Loans	2,339,008

NOTE 4 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, 2019:

Agency	CFDA	Direct Funding	Passed- Through Funding	Total
Department of Agriculture	10xxx	\$ 11,867,601	\$ 1,874,762	\$ 13,742,363
Department of Commerce	11xxx	3,411,547	2,032,094	5,443,641
Department of Defense	12xxx	5,776,565	3,542,577	9,319,142
Department of the Interior	15xxx	385,549	397,077	782,626
Department of Justice	16xxx	1,796,692	183,920	1,980,612
Department of Labor	17xxx	67,325		67,325
Department of Transportation	20xxx	770,060	209,894	979,954
National Aeronautics & Space Administration	43xxx	819,334	758,845	1,578,179
National Endowment for the Arts	450xx	-	1,000	1,000
National Endowment for the Humanities	451xx	20,181		20,181
National Science Foundation	47xxx	12,769,916	1,191,026	13,960,942
Small Business Administration	59xxx	817,473		817,473
Department of Veterans Affairs	64xxx	243,606		243,606
Environmental Protection Agency	66xxx	761,378	166,373	927,751
Department of Energy	81xxx	2,090,977	(1,804,674)	286,303
Department of Education	84xxx	208,378,025	620,439	208,998,464
Department of Health & Human Services	93xxx	5,284,680	5,261,825	10,546,505
Corporation for National & Community Service	94xxx	521,032	340,298	861,330
Department of Homeland Security	97xxx	50,369	-	50,369
Total Federal Assistance		\$ 255,832,310	\$ 14,775,456	\$ 270,607,766

* Includes \$197,882,132 for Student Financial Aid

** Includes \$2,719,658 for Student Financial Aid

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 93.364 10.500 84.334	Student Financial Assistance Cluster Cooperative Extension Service Gaining Early Awareness and Readiness for Undergraduate Program
Dollar threshold used to distinguish between Type A and Type B programs:	Type A - \$2,117,960
Auditee qualified as low-risk auditee?	<u> x </u> yes _____ no

**UNIVERSITY OF MAINE SYSTEM - SINGLE AUDIT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2019 – 001

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

CFDA Number: Various

Award Period: July 01, 2018 – June 30, 2019

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or Specific Requirement: The Code of Federal Regulations, 34 CFR 668.25(e) requires that the Eligibility and Certification Approval Report (ECAR) be updated within 10 days for any changes in third-party servicers.

Condition: During our testing of accurate and timely reporting on the ECAR, we noted the following instances of noncompliance:

1. University of Maine Orono (UM) did not list the National Student Clearinghouse (NSC) as a third-party servicer.
2. University of Maine Fort Kent (UMFK) did not list the National Student Clearinghouse (NSC) as a third-party servicer.

Questioned Costs: None

Context: When there was a change in third party servicer, the ECAR was not updated for the change.

Cause: The University's processes and controls did not ensure that the ECAR was timely updated.

Effect: Outdated information was reported on the ECAR.

Repeat Finding: No

Auditor's Recommendation: We recommend the University carefully review the ECAR before it is filed to ensure it includes current information. We recommend any changes be filed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding.



Controller's Office

5703 Alumni Hall
Suite 101
Orono, ME 04469-5703

Tel: 207-581-5491
Fax: 207-581-5496

www.maine.edu

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

United States Department of Education

University of Maine System respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2019.

Audit period: July 01, 2018 to June 30, 2019

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

Finding 2018–001

Information on the Federal Program

U.S. Department of Education - Student Financial Assistance Cluster award period July 1, 2017 – June 30, 2018. CFDA 84.063 Federal Pell Grant Program

Specific Criteria

Per 34 CFR 690.83(b)(1), the institution shall submit the student's Payment Data reporting any change to the Secretary by the reporting deadlines published by the Secretary in the Federal Register. Per the Federal Register (82 FR 29061) Department of Education Notice on June 27, 2017, an institution must submit Pell Grant, Iraq and Afghanistan Service Grant, Direct Loan, and TEACH Grant disbursement records to the Department's Common Origination and Disbursement (COD) System, no later than 15 days after making the disbursement or becoming aware of the need to adjust a previously reported disbursement.

Condition and Context

As part of testing of Pell Grant disbursements, the requirement to report payment data to COD within the 15 day requirement was tested. Of the 18 total Pell students selected for testing, 8 students were selected at the University of Maine Farmington (UMF). Of the 8 students, 1 had a disbursement reported with an effective date in advance of the actual disbursement and 7 had disbursements for the fall semester that were not reported to COD within 15 days after the disbursement. The COD reporting for these 7 students was completed within 18 days of the disbursement. UMF had approximately 900 Pell Grant disbursements for the fall semester. The majority of Pell Grant disbursements are completed on the same day, near the beginning of the semester

**UNIVERSITY OF MAINE SYSTEM
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Questioned Costs

None noted.

Cause and Effect

Due to an extended staff vacancy, coupled with the volume of activity at the start of the semester, the COD reporting for Pell Grant disbursements was delayed by 3 days on the initial report for the fall semester. Per the Dear Colleague Letter ID: GEN-13-14; an institution that does not report Pell Grant disbursement within the required 15 day timeframe may be liable for any overpayment that results from another institution disbursing Pell Grant funds with incomplete information because of the late reporting.

Prior Year Recommendation

It was recommended the System reinforce the 15 day reporting deadline to all staff who are responsible for reporting to COD. It was also recommended that UMF fill the vacant staff position or reassign COD reporting responsibilities to ensure timely and accurate reporting. This should lead to a reduction in the reporting timeframe and would limit those circumstances for potential overpayments.

Status: Finding was resolved in the current year.

If the United States Department of Education has questions regarding this schedule, please call Darla Reynolds at 207-581-5490.



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5703 Alumni Hall
Suite 101
Orono, ME 04469-5703

Tel: 207-581-5491
Fax: 207-581-5496

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The University of Maine

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University of Maine at
Presque Isle

University of
Southern Maine

United States Department of Education

University of Maine System respectfully submits the following corrective action plan for the year ended June 30, 2019.

Audit period: July 01, 2018 to June 30, 2019

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the current year.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

United States Department of Education

2019-001 Student Financial Aid Cluster – CFDA No. Various

Recommendation: We recommend the following Universities carefully review the ECAR before it is filed to ensure it includes current information. We recommend any changes be filed in a timely manner.

University of Maine

Condition: The University did not list the National Student Clearinghouse (NSC) a third party servicer on the ECAR.

Explanation of disagreement with audit finding: The University of Maine does not dispute the finding and recognizes that we need to carefully review the ECAR as changes are made to the University of Maine System's third party vendor list.

Action taken in response to finding: When this item was identified, the campus took corrective action and added the National Student Clearinghouse (NSC) as a third party servicer to our participation agreement.

Name(s) of the contact person(s) responsible for corrective action: This action was initiated by Connie Smith, Director of Student Financial Aid for the University of Maine and submitted to the Department of Education on March 3, 2020.

Planned completion date for corrective action plan: March 3, 2020

**UNIVERSITY OF MAINE SYSTEM
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

University of Maine Fort Kent

Condition: The University did not list the National Student Clearinghouse (NSC) a third party servicer on the ECAR.

Explanation of disagreement with audit finding: The University of Maine at Fort Kent does not dispute this finding and recognizes that we need to carefully review the ECAR as changes are made to the University of Maine System's third party vendor list

Action taken in response to finding: When this item was identified, the campus immediately took corrective action and added the National Student Clearinghouse (NSC) as a third party servicer to our participation agreement. This action was initiated by Christopher Bell, Director of Financial Aid and submitted to the Department of Education on January 7, 2020.

Name(s) of the contact person(s) responsible for corrective action: Christopher Bell, Director of Financial Aid for the University of Maine Fort Kent.

Planned completion date for corrective action plan: January 7, 2020

If the United States Department of Education has questions regarding this plan, please call Darla Reynolds at 207-581-5490.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** CliftonLarsonAllen LLP (CLA) – Presentation
2. **INITIATED BY:** James O. Donnelly, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **OUTCOME:** **BOARD POLICY:**
 Primary Outcomes: Bylaws – Section 3
 Enhance fiscal positioning
5. **BACKGROUND:**
 CLA representatives Michael Johns, Principal, and Daniel Persaud, Manager, will address the enclosed Audit Committee Presentation.

Discussion items will include required communications, significant audit areas for the University of Maine System fiscal year 2020 financial statement and Uniform Guidance audits, timeline, new accounting pronouncements, emerging issues, and planning questions.

May 4, 2020

University of Maine System

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Contents

<i>Topic</i>	<i>Page</i>
Your Industry	
COVID-19 Impact	4
Your Service Team	
Team of Professionals	10
Your Service Plan	
Scope and Deliverables	12
Timeline	13
Responsibilities	16
Risk Assessment	17
Governance Input	19
Appendix	
Resources	23





Your Industry

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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COVID-19 Impact

Financial Impact

- Investment declines after year-end
- Colleges and Universities moving students out of dorms and converting to online formats
- Event cancellations
- Travel limitations
- Pandemic planning expenses
- Supplier issues and production delays



COVID-19 Impact (Continued)

Financial Statement Considerations

- Expenses due to COVID19 (unusual or infrequent events, breaking out between operating and non-operating)
 - ◇ Moving students
 - ◇ Refunding room and board
 - ◇ Set up of distance education
 - ◇ Clean up expenses if virus was on campus
 - ◇ Equipment costs for remote work
- Investment results and alternative evaluation
- Insurance payments
- Fraud Risk during challenging times



COVID-19 Impact (Continued)

Financial Statement Considerations

- Disclosures
 - ◇ COVID-19 Expenses
 - ◇ Risks and Uncertainties
 - ◇ Subsequent Events
 - ◇ Additional Costs
- Subsequent events
 - ◇ Accounting Estimates
 - ◇ Receivables
 - ◇ Equity and debt securities
 - ◇ PPE
- Student Financial Aid – CARES ACT
 - ◇ <https://www.congress.gov/bill/116th-congress/house-bill/748/text>



COVID-19 Impact (Continued)

We're here to help:

www.claconnect.com/COVID19



Responding to COVID-19

Unforeseen disruptions — from the coronavirus (COVID-19) to natural disasters — can create many uncertainties. These resources can help you lay out a strategy to put your organization on its toes versus its heels.

- Operational Support
- Regulatory and Tax Updates
- Inspirational and Leadership Tips
- Financial Management and Disaster Relief
- Accounting and Financial Statement Guidance
- Workforce, Human Resource, and Benefits Guidance

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New Accounting Standards

Fiduciary Activities

- Clarifies identifying fiduciary activities for accounting and reporting as fiduciary funds
- Effective FY 20 (currently there is a GASB exposure draft to delay implementation 1 year)

Leases

- Lessor and Lessee to record most leases on statement of net position (elimination of operating leases)
- Effective FY 21 (currently there is a GASB exposure draft to delay implementation 1 year)





Your Service Team

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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CLA Service Team



Michael Johns

- Engagement Principal
- 20+ years of experience serving higher education
- Responsible for the Overall Delivery of the Engagement



Brenda Scherer

- Signing Director
- 20 years of experience serving higher education
- Responsible for the single audit



Daniel Persaud

- Engagement Manager
- 12+ years of experience serving higher education
- Main Point of Contact for the Engagement



Christina Dooley

- Senior Associate
- 5+ years of experience serving higher education
- Responsible for day to day fieldwork

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Your Service Plan

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Scope of Services and Deliverables

Opinion on financial statements for the year ending June 30, 2020

Report on internal control over compliance with major program requirements (Financial Aid Audit)

Governance communication letter

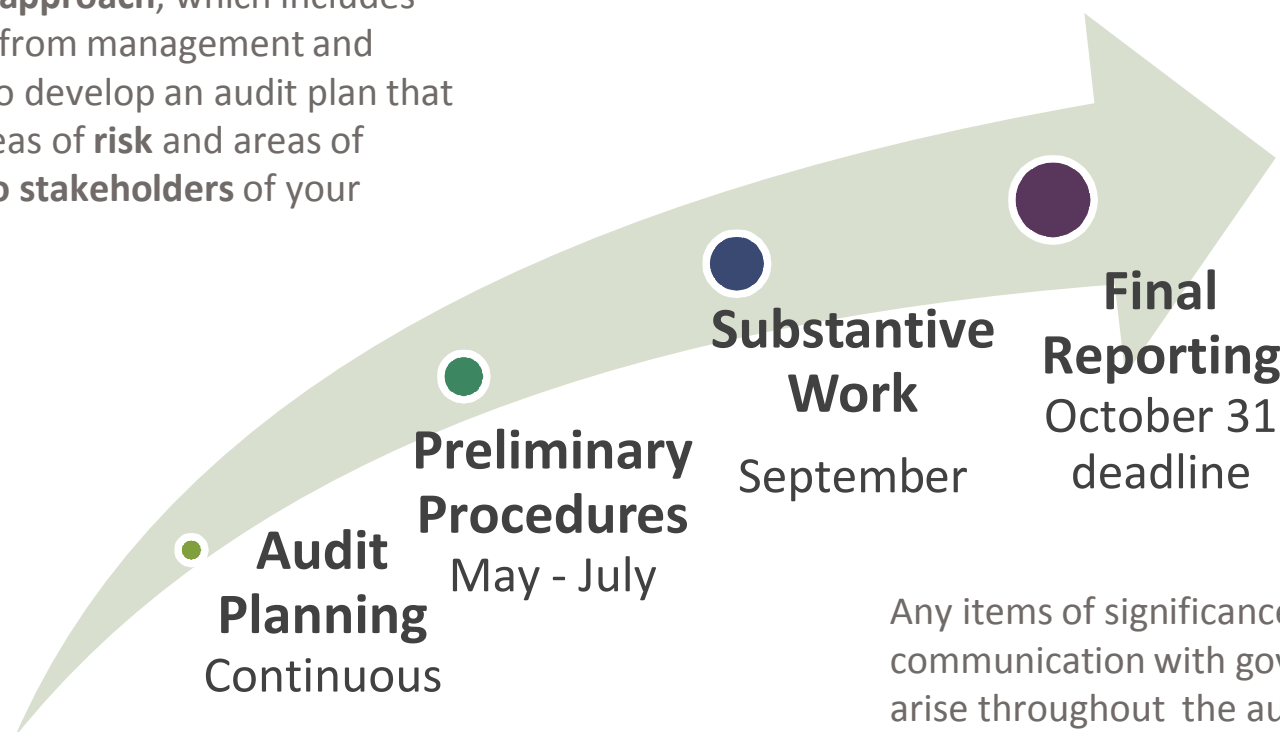
Internal control letter (included in single audit report, if applicable)

Management letter, if applicable



Timeline (Financial Statement Audit)

The **audit planning** meeting today is the start of the audit process. We utilize a **collaborative approach**, which includes seeking input from management and governance, to develop an audit plan that focuses on areas of **risk** and areas of **significance to stakeholders** of your Organization.



Any items of significance, warranting communication with governance, that arise throughout the audit process will be promptly communicated. If you do not hear from us prior to the final audit presentation in **October**, everything went as planned and discussed here today.



Results of 2019 Single Audit Plan

- Major Programs Tested
 - Student Financial Aid
 - Cooperative Extension Service
 - Gaining Early Awareness and Readiness for Undergraduate Program
- One finding reported
 - Eligibility and Certification Approval Report was not updated for third party servicer



2020 Single Audit Plan

Student Financial Aid

Research
&
Develop
ment

Other
Potential
Testing
CARES
Funding

May –
Student
File
Testing

June –
Other
Testing

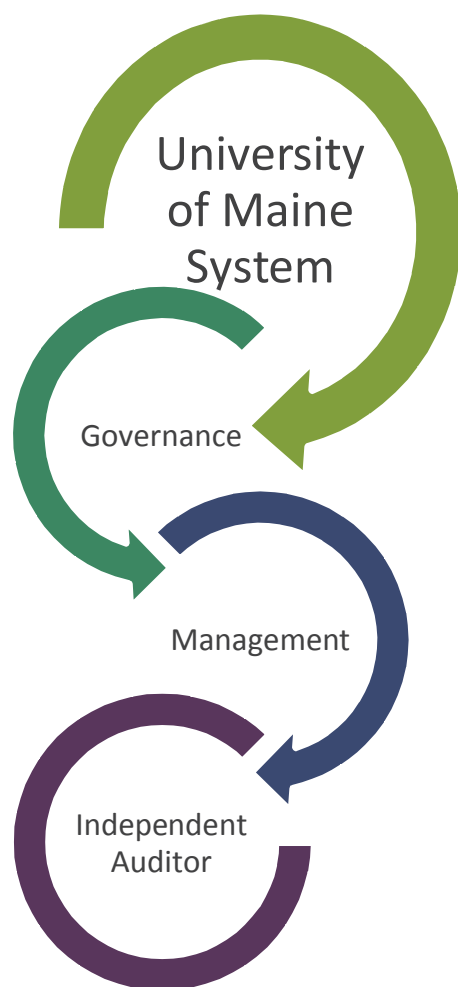
Septemb
er/
October -
Final
Testing

July

Waiting for
Guidance
from OMB



Responsibilities



Responsibilities of Parties Involved

Governance

Strategic Direction

Accountability, including financial reporting

Management

Internal Controls

Accounting Policies

Management Decisions

Fair Presentation of Financial Statements

Programs to Prevent and Detect Fraud

Independent Auditor

Opinion on Fair Presentation of Financial Statements

Audit in Accordance with GAAS and GAGAS

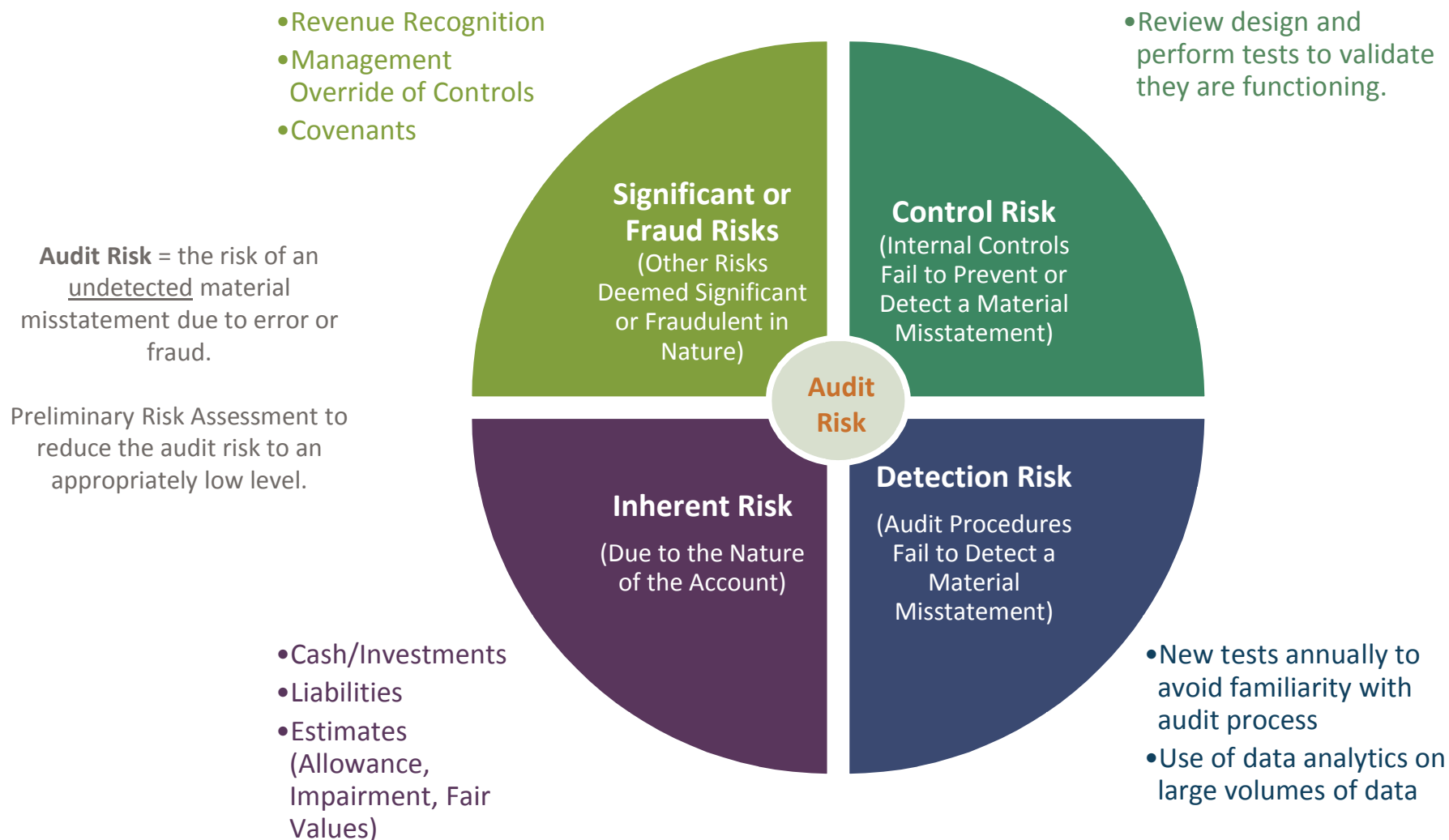
Reasonable, not Absolute Assurance

Understanding of Internal Controls

Risk Based Audit Approach



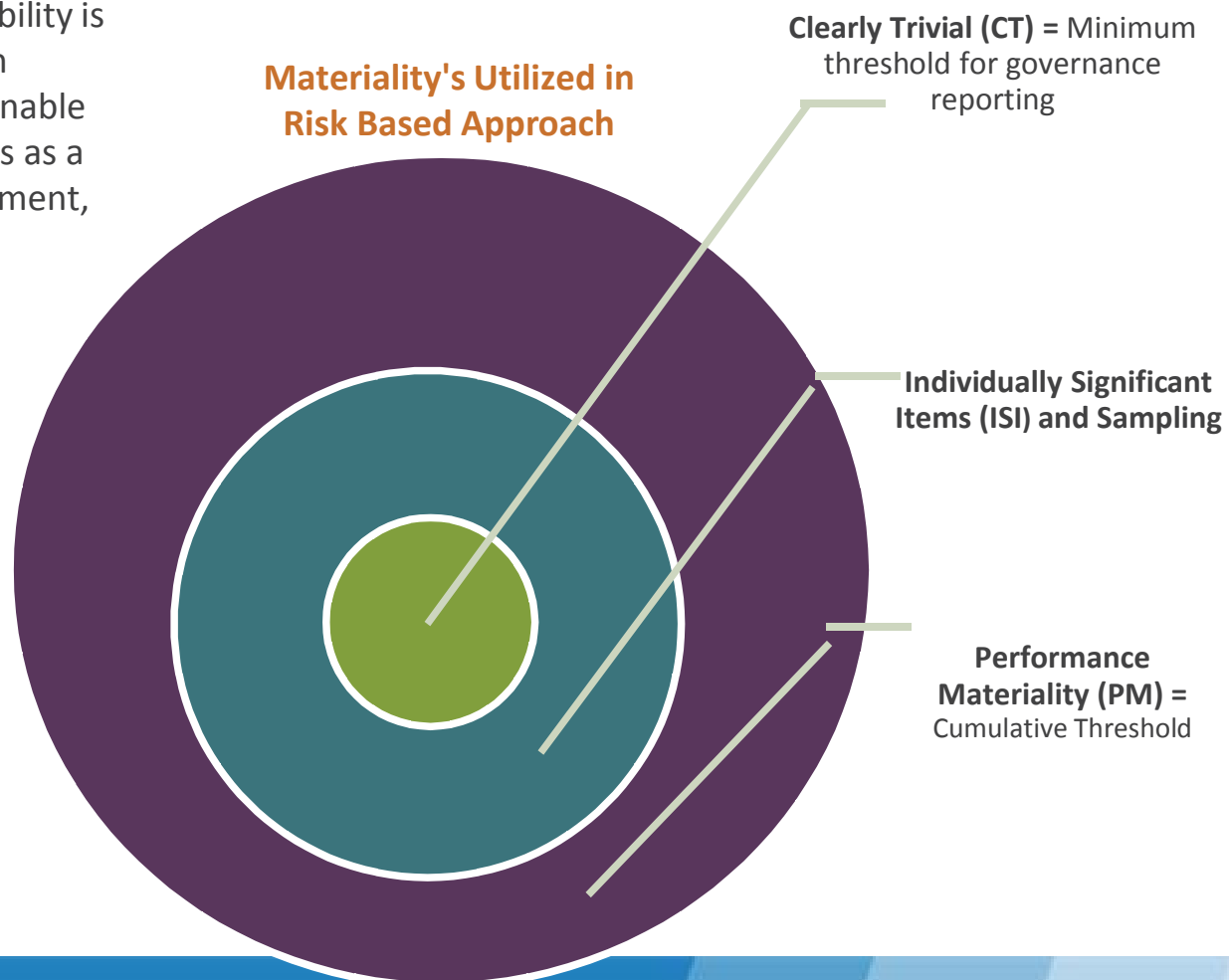
Risk Assessment



Risk Assessment (Cont.)

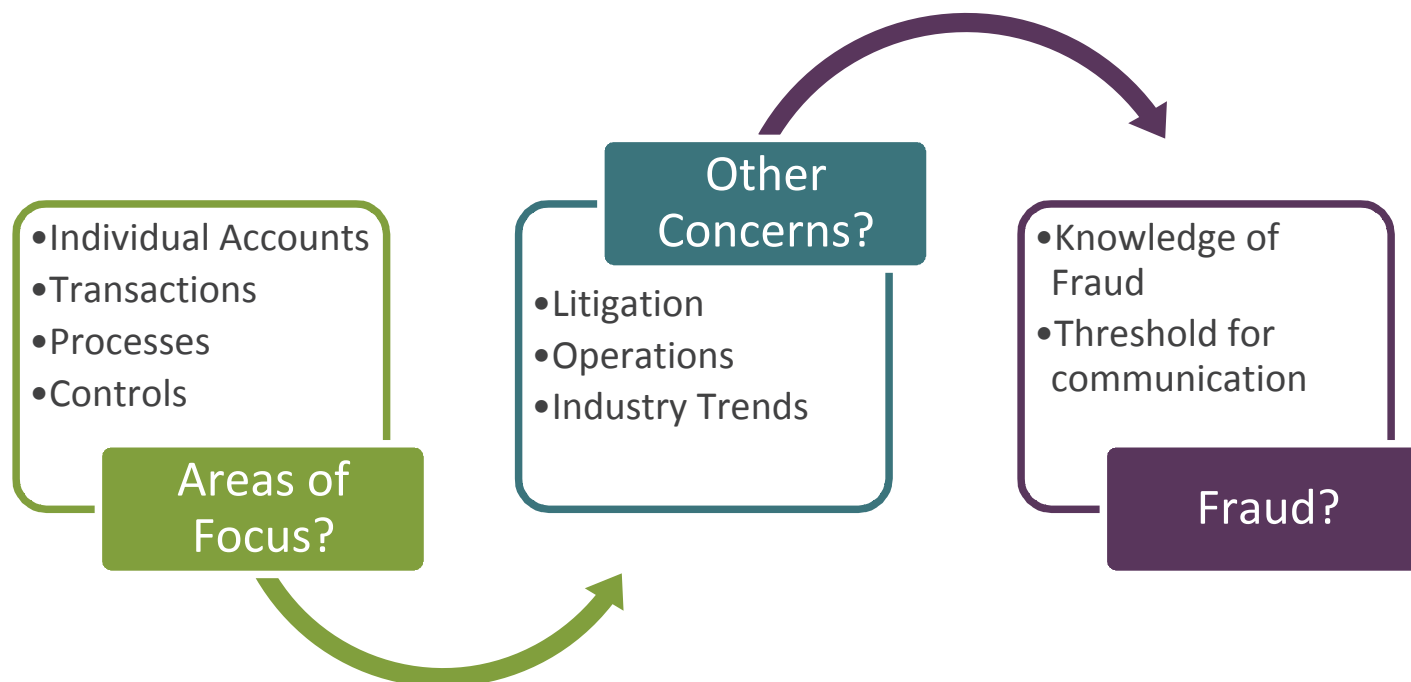
Our Responsibility Related to Fraud:

As independent auditors, our responsibility is to conduct an audit in accordance with professional standards to obtain reasonable assurance that the financial statements as a whole are free from **material** misstatement, whether caused by error or fraud.



Governance Input

As independent auditors, we work **for** governance and work **with** management to accomplish the audit. Your input is valued as we develop our audit plan and approach.



Questions for the Committee

Current Year Activities

- 2020 Financial Results –anticipated results?
- Any significant, complex or unusual transactions?
- Any areas of audit emphasis suggested by governance?
- Any claims, risks, or uncertainties?



Questions for the Committee (continued)

Fraud Brainstorming

- Are you aware of any actual or allegations of fraud?
- Are you aware of any areas where the University is more particularly susceptible to fraud?
- Any extraordinary pressure to meet budget or achieve certain target earnings?
- Any noncompliance with laws, regulations, contracts, and/or grant agreements?





Appendix

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Resources

Articles, Webinars, and Tools

www.claconnect.com



ACCOUNTING AND FINANCIAL STATEMENT GUIDANCE
| ARTICLE

Impact of COVID-19 on Going Concern



INSPIRATIONAL AND LEADERSHIP TIPS | ARTICLE

5 Tips for Effective, Thoughtful Leadership During a Crisis



REGULATIONS | ARTICLE

Don't Underestimate Revenue Recognition's Impact on Your College or University




POLITICS | ARTICLE

The "Free College" Debate: Questions for Developing an Informed Position



Create Opportunities | We promise to know you and help you.

Resources



Other
ways CLA
can help
you reach
your
goals

- Internal control assessments
- Ethics and fraud training
- Forensic services
- Data analytics
- Quality assessment review
- IT risk assessments
- Vulnerability assessments
- Executive search
- Human resource assessments
- Succession planning
- Telecom
- Grant compliance
- ACA compliance
- Evaluation of employee benefit plans
- Enterprise risk management
- Investment policies
- Financial forecasting
- Program profitability analysis
- Finance department assessments



Top Industry SFA Audit Findings

- 1 **NSLDS Roster Reporting - Inaccurate/Untimely reporting**
- 2 **Repeat Finding - Failure to Take Corrective Action**
- 3 **Return of Title IV (R2T4) Calculation Errors**
- 4 **Return of Title IV (R2T4) Funds Made Late**
- 5 **Verification Violations**



Top Industry Program Review Findings

- 1** **NSLDS Roster Reporting - Inaccurate/Untimely Reporting**
- 2** **Crime Awareness Requirements Not Met**
- 3** **Return of Title IV (R2T4) Calculation Errors**
- 4** **Drug Abuse Prevention Requirement Not Met**
- 5** **Student Credit Balance Deficiencies**





GASB 84

Fiduciary Activities

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Purpose and Goals of GASB 84

- The purpose of GASB 84 is to clarify what constitutes a fiduciary activity for accounting and financial reporting purposes and how they should be reported
 - Existing standards require reporting of fiduciary responsibilities, but, do not define what they are
 - Use of private purpose trust funds and agency funds is inconsistent
 - Business type activities are uncertain about how to report fiduciary activities
- Effective for reporting periods beginning after 12/15/18 (exposure draft to delay 1 year)



84 Fiduciary Activities

- Specific Issues
 - Fiduciary activities will be reported in one of four fund types
 - ◇ Pension (and other employee benefit) trust funds
 - ◇ Investment trust funds
 - ◇ Private purpose trust funds
 - ◇ Custodial funds (formerly agency funds)



Implementation Checklist

1. Review existing fiduciary activities
2. Are there activities not being reported as fiduciary that should be? Or vice versa?
3. Will accounting systems need to be modified to capture information for reporting?
4. Will changes need to be made to the financial statements?





GASB 87

Leases

Effective Date: For reporting periods beginning after December 15, 2019

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Objectives

- Improve consistency in the information that is disclosed in the notes to governmental financial statements relating to debt, including direct borrowings and direct placements.
- Provide financial statement users with additional essential information about debt.



Overview

- GASB No. 87 now requires the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases, and establishes a single model for lease accounting.
- Retroactive adoption required, if practical for all periods presented (i.e. restate opening net position).
- If *impractical (NOT inconvenient)*, must disclose reasons.
- Effective for reporting periods beginning after December 15, 2019 (exposure draft to delay implementation 1 year).





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Michael Johns, CPA
Higher Education
Michael.johns@claconnect.com
267-419-1620

Daniel Persaud, CPA
Higher Education
Daniel.persaud@claconnect.com
612-397-3084





AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** UM Department of Athletics Agreed-Upon Procedures Report
FY2019 Overview
2. **INITIATED BY:** James O. Donnelly, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **OUTCOME:** **BOARD POLICY:**
Primary Outcomes: Bylaws – Section 3
Enhance fiscal positioning
5. **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 3.2.4.15 for the year ended June 30, 2019*

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 3.2.4.15

June 30, 2019

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Agreed-Upon Procedures in Accordance with National Collegiate Athletic Association Bylaw 3.2.4.15

June 30, 2019

C O N T E N T S

Independent Accountants' Report on Applying Agreed-Upon Procedures in Accordance with NCAA Bylaw 3.2.4.15	1-23
Appendix A - Statement of Revenues and Expenditures	24
Appendix B - Notes to the Statement of Revenues and Expenditures	25-27

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES IN ACCORDANCE WITH NCAA BYLAW 3.2.4.15

Dr. Joan Ferrini-Mundy, President
University of Maine
Orono, Maine

We have performed the procedures enumerated below, which were requested by Dr. Joan Ferrini-Mundy, 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 3.2.4.15 for the year ended June 30, 2019. 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, 2019, as prepared by the University's management and shown in Appendix A. For the purpose of these procedures, materiality has been determined to be \$35,082 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' 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. In addition, the university shall prepare a summary of revenues and expenses for or on behalf of intercollegiate athletics programs affiliated and outside organizations to be included with the agreed-upon procedures report.

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 years ended June 30, 2018 and 2019 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, 2018. 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, 2019 to the respective figures for the year ended June 30, 2018. As agreed, we identified variances of greater than \$35,082 and 10%. We obtained explanations from management regarding the reasons for the variances. They are as follows:

Revenues***Ticket Sales***

Ticket sales increased by \$138,526 or 13.9% from fiscal year 2018 to fiscal year 2019. The University's athletic teams saw increased success in FY 19 which resulted in increased game day sales for Football, Men's Ice Hockey and Women's Basketball.

Away-Game Guarantees

Away-Game Guarantees increased by \$271,000 or 23.8% from fiscal year 2018 to fiscal year 2019. Men's Basketball played additional guarantee games resulting in increased

guarantee revenue of \$171,000. Additionally, the guarantee games for Football brought in an additional \$100,000.

Contributions

Total contributions decreased by \$360,596 or 17.2% from fiscal year 2018 to fiscal year 2019. The athletic department received a gift in the amount of \$528,000 in 2018 to be used to compensate a former coach who took a position in the athletic department.

NCAA/Conference Distributions

NCAA/Conference Distributions revenue increased by \$144,118 or 13.0% from fiscal year 2018 to fiscal year 2019. The athletic department received approximately \$105,000 from the NCAA to reimburse the University for expenses related to postseason travel for the Football team.

Expenses

Away-Game Guarantee Expense

Away-Guarantee expenses decreased by \$77,951 or 74.3% from fiscal year 2018 to fiscal year 2019. In 2019, Football did not have a home guarantee game, which resulted in the net decrease.

Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the Institution

Support Staff/Administrative salaries decreased by \$479,119 or 12.6% from fiscal year 2018 to fiscal year 2019. The athletic department paid out compensation totaling \$528,000 in 2018 to a former coach working in the athletic department in accordance with the stipulations of the gift used to fund the account.

Team Travel

Team Travel expenses increased by \$724,854 or 37.7% from fiscal year 2018 to fiscal year 2019. The increase resulted from additional charter flights from guarantee games and postseason travel for Football, Men's Basketball, Men's Ice Hockey and Women's Basketball.

Equipment, Uniforms and Supplies

Equipment, Uniforms and Supplies expense increased by \$132,669 or 22.5% from fiscal year 2018 to fiscal year 2019. The athletic department purchased new uniforms for Football and equipment for Men's Ice Hockey.

Fundraising, Marketing and Promotion

Fundraising, Marketing and Promotion decreased by \$71,578 or 36.0% from fiscal year 2018 to fiscal year 2019. The University incurred less expenses from community engagement, including fan giveaways.

Spirit Groups

Spirit Group expenses increased by \$168,393 or 2,088.5% from fiscal year 2018 to fiscal year 2019. The University sent the spirit group to a Football playoff game, resulting in an expense of approximately \$154,000. This expense was funded by a gift of \$100,000.

Athletic Facilities Debt Service, Leases and Rental Fees

Athletic Facilities Debt Service, Leases and Rental Fees decreased by \$63,735 or 75.5% from fiscal year 2018 to fiscal year 2019. The University made its final payment on the Morse scoreboard debt in fiscal year 2019. This represented a payment \$20,706, which was significantly lower than the \$84,441 payment in 2018.

Direct Overhead and Administrative Expense

Direct Overhead and Administrative Expenses decreased by \$65,655 or 51.4% from fiscal year 2018 to fiscal year 2019. In 2018, the athletic department spent \$75,000 on bleacher upgrades and repairs.

Memberships and Dues

Memberships and Dues expenses increased by \$63,503 or 39.8% from fiscal year 2018 to fiscal year 2019. Hockey East implemented a \$60,000 membership fee for Men's Ice Hockey in fiscal year 2019.

Other Operating Expenses

Other Operating Expenses increased by \$281,737 or 27.3% from fiscal year 2018 to fiscal year 2019. The increase was attributed to an increase in the fees due to the University's ticket vendor, as well as an increase in the amount of an NCAA grant spent on mental health speakers and activities.

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 and recalculate totals.

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, 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 without exception.

The men's basketball game against the University of Maryland Baltimore County on January 10, 2018 and the women's basketball game against Vermont, on January 15, 2018, were played at the Cross Center, rather than on-campus, and ticket sales were recorded by a third party. The Cross Center provided the University with a ticket sales report that provided the total 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>
Football	Villanova	10/6/2018	\$ 11,560.00
Men's Ice Hockey	Colorado College	1/2/2019	\$ 1,827.00
Women's Basketball	Vermont	1/15/2018	\$ 690.00
Men's Basketball	UMBC	1/10/2018	\$ 2,791.00

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, these funds represent work-study funds from the Federal Government used to pay student employees in the Department. We recalculated the total amount without exception to employee reports

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 documentation 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 calculation 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 with permanent transfers back to the university from athletics department and recalculate totals.

Results

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

8. Indirect Institutional 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>
Football	Western Kentucky	9/8/2018	\$ 300,000.00
Baseball	UMD	2/22/2019-2/24/2019	\$ 10,000.00
Softball	UMKC	3/8/2019	\$ 6,000.00
Men's Basketball	University of Utah	11/8/2018	\$ 90,000.00
Women's Basketball	UNC	12/2/2019	\$ 18,000.00

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 periods shall obtain and review supporting documentation for each contribution and recalculate totals.

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 and allocated for the fiscal year. Only contributions allocated in the current year are recognized as revenue.

<u>Description</u>	<u>Amount</u>	<u>Amount Allocated</u>
Marcelle Coffin MIH Fund	\$ 135,573.37	\$ 0.00
Tom & Sally Savage Hockey Challenge	\$ 100,220.80	\$ 0.00
Maine Community Foundation	\$ 100,000.00	\$100,000.00
Alfond Fund Football Challenge	\$ 250,000.00	\$250,000.00
Alfond Fund Athletics Challenge	\$ 250,000.00	\$250,000.00

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 2019 was immaterial in the aggregate.

12. Compensation and Benefits Provided by a Third-Party

Obtain the summary of revenues 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.

Results

According to discussions with management, this procedure is not applicable, as third parties do not provide 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.

The contract between Black Bear Sports Properties, LLC (“BBSP”) and the University states that the University was scheduled to receive \$725,000 in fiscal year 2019. We compared and agreed the amount below to the general ledger and contract.

<u>Vendor</u>	<u>Amount</u>
a. Black Bear Sports Properties, LLC	\$ 725,000.00

14. NCAA Distributions

Compare the amounts recorded in the revenue and expense reporting 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 for items (a) through (c) 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>
a. NCAA – Other Income	\$ 186,075.10
b. NCAA – Other Income	\$ 56,543.00
c. NCAA – Grants-in-Aid	\$ 498,632.00
d. NCAA – Sports Sponsorship	\$ 153,166.00

15. Conference Distributions

Obtain and inspect agreements related to the university's conference distributions and participation in revenues from tournaments during the reporting period for 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 and agreed a detail schedule of conference 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. We recalculated the total amount without exception.

<u>Description</u>	<u>Amount</u>
a. America East – WBB Postseason	\$ 25,000.00
b. America East – TV Distribution	\$ 88,944.89

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

This procedure is not applicable. According to management and review of the general ledger, program sales, concessions, novelty sales and parking revenue received during the year ended 2019 was immaterial in the aggregate.

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 for 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 management provided sufficient documentation to gain an understanding of the relevant terms and conditions.

<u>Description</u>	<u>Amount</u>
a. Trademark Licensing	\$ 40,000.00
b. Coca Cola Royalty	\$ 20,000.00
b. NCAA- CBB Copyright Royalty	\$ 11,920.00

18. Sports-Camp Revenues

Inspect sports-camp contract(s) between the university and person(s) conducting university sports camps or clinics during the reporting period to obtain documentation of the university's methodology for recording revenues from sports camps. Obtain schedules of camp participants and select a sample of individual camp participant 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. 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>
Jones	Baseball	\$ 403.00
Foss	Women's Soccer	\$ 282.00

<u>Last Name</u>	<u>Sport</u>	<u>Amount</u>
Cosslett	Women's Basketball	\$ 25.00
Powers	Men's Basketball	\$ 211.50
Caron	Softball	\$ 70.00
Alklen	Men's Ice Hockey	\$ 84.60
Williams	Men's Ice Hockey	\$ 352.50
Wagstaff	Softball	\$ 397.00
Graceffa	Field Hockey	\$ 356.00
Johnston	Track & Field	\$ 20.00

19. Endowment and Investment Income

Obtain and inspect endowment agreements (if any) for 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

This procedure is not applicable. According to management and review of the general ledger, endowment and investment income received during the year ended 2019 was immaterial in the aggregate.

20. Other Income

Perform minimum agreed-upon procedures referenced for all revenue categories and 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	General Alumni	\$ 4,140.00
Facility Rental	Old Town	\$ 7,354.25
Facility Rental	John Baptist Memorial	\$ 3,000.00
Facility Rental	Maine Principals	\$ 3,186.00
Facility Rental	Maine Swimming	\$ 17,654.25
Women's Swimming	New Balance Clothing	\$ 2,454.00
Baseball	Grizzlies	\$ 500.00
Women's Ice Hockey	Team Fundraiser	\$ 1,000.00
Men's Ice Hockey	Banquet	\$ 4,955.52
Strength & Conditioning	Rugby	\$ 2,279.03

21. Bowl Revenue

Obtain and inspect agreements related to the university's revenues from postseason bowl participation 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

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

22. Athletic Student Aid

Select a sample of students (10% of the total student-athletes for universities who have used NCAA's Compliance Assistant ("CA") software to prepare athletic aid detail, with a maximum sample size of 40 and 20% of the total student-athletes for universities who have not, with a maximum sample size of 60) from the listing of institutional student aid recipients during the reporting period. Data should be captured by the university through the creation of a squad list for each sponsored sport. Obtain individual student account detail for each selection and compare total aid in the university's student system to the student's detail in CA or the university report that ties directly to the NCAA Membership Financial Reporting System.

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 using the following criteria:

- *The equivalency value for each student-athlete in all sports, including head-count sports, needs to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA as the numerator and the full grant amount, which is the total cost for tuition, fees, course-related books, room and board for an academic year, as the denominator. If using the NCAA's CA software, this equivalency value will be calculated for you on the CRDE report labeled "Revenue Distribution Equivalent Award".*
- *Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate. (Athletic grant amount divided by the full grant amount).*
- *Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.07).*
- *Full grant amount should be entered as a full year of tuition, not a semester or quarter.*

- *Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.*
- *Athletic grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championship competitions, emerging sports for women and football bowl subdivision.*
- *Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants' requirements of Bylaw 20.9.6.3.*
- *Universities providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth-year)" or "Medical" receive credit in the grants-in-aid component.*
- *The athletics aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).*
- *If a sport is discontinued and the athletic grant(s) are still being honored by the institution, the grant(s) are included in student-athlete aid for revenue distribution purposes.*
- *All equivalency calculations should be rounded to two decimal places.*
- *If a selected student received a Pell Grant, ensure the value of the grant is not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the University.*
- *If a selected student received a Pell Grant, ensure the student's grant was included in the total number and total value of Pell Grants reported for Revenue Distribution purposes in 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 30 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 with one exception. We noted one student whose aid amount did not agree to the amount posted to the general ledger. The Associate Athletic Director advised us that \$1,410.68 of athletic aid from fiscal year 2018 was posted incorrectly to fiscal year 2019. We compared the information reported to the NCAA's CA Software without exception. We also ensured that all Pell grants were included in the total value of Pell grants for Revenue Distribution purposes as noted in procedure 38. Student identification numbers were redacted from the report at the request of management for privacy purposes.

<u>Participant's Sport</u>	<u>Amount</u>
Baseball	\$37,402.00
Baseball	\$27,242.15
Football	\$47,881.00
Football	\$33,027.00
Football	\$39,230.00
Football	\$17,023.81
Football	\$49,755.70
Football	\$33,437.00
Men's Basketball	\$50,297.00
Men's Basketball	\$25,471.00
Men's Ice Hockey	\$26,685.00
Men's Ice Hockey	\$18,459.00
Men's Ice Hockey	\$31,168.75
Men's Track	\$ 2,617.44
Field Hockey	\$20,641.00
Field Hockey	\$28,822.45
Women's Basketball	\$39,712.40
Women's Basketball	\$23,699.00
Women's Basketball	\$39,567.00
Women's Ice Hockey	\$31,764.60
Women's Ice Hockey	\$37,410.00
Women's Soccer	\$24,188.80
Women's Soccer	\$28,658.58
Softball	\$24,171.79
Softball	\$14,804.83
Women's Swimming	\$30,230.89
Women's Swimming	\$10,000.00
Women's Swimming	\$10,717.60
Women's Track	\$12,777.00
Women's Track	\$10,391.00

23. Away-Game Guarantee Expense

Obtain and inspect visiting institution's away-game settlement reports received by the university 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 university 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

This procedure is not applicable. According to management and review of the general ledger, away game guarantee expense during the year ended 2019 was immaterial in the aggregate.

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 coaches' 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. Accordingly, an employee, who is compensated by more than one state university receives a single W-2 reporting all earned compensation.

We obtained and inspected a list of coaches employed by the University during fiscal year 2019. We selected a sample to test from this list that includes the Men's Football, Men's Basketball and Women's Basketball coaches. We traced the compensation from the general ledger to the payroll reports provided by Human Resources and agreed without exception.

<u>Coach</u>	<u>Sport</u>
Matt Birkett	Football
Kevin Reed	Men's Basketball
Tom Biskup	Women's Basketball
Susan Lizzotte	Men's and Women's Swimming
Richard Reichenbach	Women's Ice Hockey

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 other compensation and benefits paid by a third

party and recorded by the university in the statement during the reporting period. Obtain and inspect reporting period payroll summary registers for each selection. Compare and agree payroll summary register to the coaching other compensation and benefits paid by a third-party 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 third parties do not 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 register 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

As described above in procedure 24, employees of the University receive a single W-2.

We obtained and inspected a list of support staff and administrative personnel salaries employed by the University during fiscal year 2019 and selected a sample of 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>
Eric Stoup	Athletic Grounds and Arena Manager
Mike LeRoy	Assistant Athletic Trainer
Tyson McHatten	Senior Associate Director of Athletics- External Operations & Communication
Sam Hallet	Assistant Athletic Director for Digital Content
Chandler Sperry	Assistant Director of Compliance

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 for each selection. Compare and agree related payroll summary registers to the related support staff and administrative 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 on behalf of the University.

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 and review of the general ledger, this procedure is not applicable, as there were no severance payments made by the athletic department in fiscal year 2019.

29. Recruiting

Obtain documentation 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 and coach 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 2019 compliance audit which we preformed and noted no issues that will impact this engagement.

Each test is proctored by the Associate Athletic Director 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 of Compliance, who is responsible for ensuring that all coaches must pass the exam before they are allowed to perform off-campus recruiting. The Associate Athletic Director of Compliance is also responsible for approving all recruiting expenses. Before an expense is approved, she 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 documentation 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 travel card to be used for hotel, meals and other charges. They are required to submit a copy of the receipts to the Associate Athletic Director for Business 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. A coach is permitted to spend up to \$46 per day on meals, and is required to reimburse the University for expenditures in excess of that amount.

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 documentation 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

This procedure is not applicable. According to management and review of the general ledger, athletic facility debt service, leases and rental fee expense during the year ended 2019 was immaterial in the aggregate.

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	Women's Basketball Recruiting	\$ 1,487.83
27-Recruiting	Track & Field Recruiting	\$ 120.00
27-Recruiting	Football Recruiting Weekend	\$ 2,466.63
27-Recruiting	Football Recruiting	\$ 470.00
27-Recruiting	Baseball Recruiting	\$ 325.10
27-Recruiting	Women's Basketball Recruiting	\$ 4,248.68
28-Team Travel	Air Planning LLC	\$163,011.43
28-Team Travel	Ice Hockey Team Travel	\$ 14,636.80
28-Team Travel	Cyr Bus Line	\$ 1,250.00
28-Team Travel	Football Team Travel	\$ 33,682.09
28-Team Travel	Pullman San Francisco Bay	\$ 20,127.54
28-Team Travel	Air Planning LLC	\$ 77,430.93
28-Team Travel	Women's Swimming Team Travel	\$ 11,552.00
28-Team Travel	Softball Team Travel	\$ 13,687.13
29-Equipment, Uniforms & Supplies	Rawlings Sporting Goods	\$ 617.03
29-Equipment, Uniforms & Supplies	Warrior Sports Inc.	\$ 32,258.96
29-Equipment, Uniforms & Supplies	Swim and Tri LLC	\$ 2,018.36
29-Equipment, Uniforms & Supplies	Exxentric North America Inc.	\$ 18,645.00
29-Equipment, Uniforms & Supplies	New Balance Athletic Shoe Inc.	\$ 4,606.93
29-Equipment, Uniforms & Supplies	CCM Hockey US INC	\$ 3,786.00
29-Equipment, Uniforms & Supplies	Sorinex Exercise Equipment Inc.	\$ 12,160.36
30-Game Expenses	Field Hockey Umpire	\$ 505.00
30-Game Expenses	Police Hockey	\$ 4,147.50
30-Game Expenses	Campus Police	\$ 14,967.79
30-Game Expenses	Softball Umpire	\$ 889.76

<u>Category</u>	<u>Description</u>	<u>Amount</u>
30-Game Expenses	Baseball Umpire	\$ 819.00
31-Fundraising, Marketing & Promotions	Atlantic Coast Radio LLC	\$ 1,750.00
31-Fundraising, Marketing & Promotions	Townsquare Media Bangor LLC	\$ 500.00
31-Fundraising, Marketing & Promotions	Creative Print Services	\$ 3,630.75
31-Fundraising, Marketing & Promotions	Hibu Inc	\$ 5,500.00
31-Fundraising, Marketing & Promotions	Synergy Imports LLC	\$ 2,000.00
32-Sport Camp Expenses	Girls Ice Hockey	\$ 11,621.57
32-Sport Camp Expenses	Girls Basketball	\$ 12,810.16
32-Sport Camp Expenses	Girls Ice Hockey	\$ 18,499.04
32-Sport Camp Expenses	Baseball Day Camp	\$ 1,825.60
32-Sport Camp Expenses	Football Youth Overnight	\$ 5,355.80
33- Spirit Group	Shorts Travel Management Inc.	\$150,145.80
35-Direct Overhead & Administrative	Atlantic Irrigation	\$ 8,977.78
35-Direct Overhead & Administrative	Atlantic Medical Repair	\$ 315.00
35-Direct Overhead & Administrative	Daktronics Inc.	\$ 775.00
35-Direct Overhead & Administrative	Geosurfaces Inc.	\$ 16,500.00
37-Medical Expenses & Insurance	Cross Insurance	\$ 79,508.00
37-Medical Expenses & Insurance	Alison Tobey	\$ 450.00
37-Medical Expenses & Insurance	Mayo Clinic Hospital Rochester	\$ 4,158.77
37-Medical Expenses & Insurance	DJO LLC	\$ 534.10
37-Medical Expenses & Insurance	Collins Sports Medicine	\$ 539.71
38-Membership & Dues	Women's Hockey East Association	\$ 34,735.00
38-Membership & Dues	Hockey East	\$ 60,000.00
38-Membership & Dues	CSCAA Membership	\$ 225.00
38-Membership & Dues	National Athletic Trainers' Assoc.	\$ 1,505.00
38-Membership & Dues	Eastern College Athletic	\$ 2,250.00
40-Other Operating Expenses	Dragonfly LLC	\$ 4,100.00
40-Other Operating Expenses	Sellingforcoaches.com	\$ 2,000.00

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>
Women's Ice Hockey	Locker Room Food	\$ 5,132.22
Women's Basketball	Team Meal	\$ 832.71
Football	Team Meal	\$ 570.00

<u>Sport</u>	<u>Description</u>	<u>Amount</u>
Women's Ice Hockey	Locker Room Food	\$ 3,257.73
Women's Basketball	Team Banquet	\$ 2,124.00

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 participate or incur bowl expenses.

36. NCAA Membership Financial Reporting System

Compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA or other report that supports the equivalency calculations from the university. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the university. If there is a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or other report that supports the equivalency calculations, inquire about the discrepancy and report the justification in the AUP report. Compare current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission. Inquire and document an explanation for any variance greater than +/- 4%.

Results

Squad lists maintained by the Department are retrieved directly from Compliance Assistant, which submits and retrieves information directly to the NCAA Membership Financial Reporting System. As a result, all squad lists that are maintained agree with the NCAA Membership Financial Reporting System.

37. Sports Sponsorship and Demographics Forms Report

Obtain the university's Sports Sponsorship and Demographics Forms submitted to the NCAA for the reporting year. Validate that the countable NCAA sports reported by the university meet the minimum requirements set forth in Bylaw 20.9.6.3, related to the number of contests and the number of participants. If the university requested and/or received a waiver related to minimum contests or minimum participants for a sport, that sport would not qualify as a sponsored sport for the purposes of revenue distribution. Also, only sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football are eligible. Once countable sports have been validated, ensure that the University has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. Note: Any discrepancies MUST be resolved within the NCAA Membership Financial Reporting System prior to the report being submitted to the NCAA. Compare current year

number of Sports Sponsored to prior year reported total per the Membership Financial Reporting submission. Inquire and document an explanation for any variance.

Results

We received the Sports Sponsorship and Demographics Forms Report and validated that the sports reported met the minimum requirements for the number of games played as well as the minimum participants, where applicable. These sports statistics are maintained also with the squad lists, which are in agreement with the NCAA Membership Financial Reporting System. There were no variances when compared to the prior year.

38. Pell Grants

Agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Athletic Aid, Pell Grant recipients on Partial Athletic Aid and Pell Grant recipients with no Athletic Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the institutions financial aid records, of all student-athlete Pell Grants. Note: individual student-aid file testing in step 32 above should tie any selected student athletes who received Pell Grants back to the report of all student athlete Pell Grants to test the completeness and accuracy of the report.

Results

We received a report detailing the Pell Grant award amount each student-athlete received and compared it to the amount of Pell Grants indicated in the NCAA Membership Financial Reporting System. We compared the amounts listed in the report to each student-athlete sampled during the Athletic Aid testing and agreed without exception. However, we noted one student-athlete who was not included on the report submitted to the NCAA.

39. Excess Transfers to Institution and Conference Realignment Expenses

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

Results

According to discussions with management, this procedure is not applicable, as the athletic department did not have any excess transfers to the university and did not incur realignment expenses.

40. Total Athletics-Related Debt

Obtain repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. Recalculate annual maturities (consisting of principal and interest) provided in the schedules obtained.

Agree the total annual maturities and total outstanding athletic-related debt to supporting documentation and the University's general ledger, as applicable.

Results

According to discussions with management, this procedure is not applicable, as there is no athletics-related debt.

41. Total Institutional Debt

Agree the total outstanding university debt to supporting documentation and the university's audited financial statements, if available, or the university's general ledger.

Results

We reviewed the University's audited financial statements and noted the total institutional debt for the year ending June 30, 2019.

42. Value of Athletics-Dedicated Endowments

Obtain a schedule of all athletics-dedicated endowments maintained by athletics, the university, and affiliated organizations. Agree the fair market value in the schedule(s) to supporting documentation, the general ledger(s) and audited financial statements, if available.

Results

We agreed the University's and Foundation's schedule of athletics dedicated endowments at fair market value to supporting documentation and the general ledger without exception.

43. Value of Institutional Endowments

Agree the total fair market value of institutional endowments to supporting documentation, the university's general ledger and/or audited financial statements, if available.

Results

We reviewed the University's audited financial statements and noted the total value of Institutional Endowments for the year ending June 30, 2019.

44. Total Athletics-Related Capital Expenditures

Obtain a schedule of athletics-related capital expenditures made by athletics, the university, and affiliated organizations during the reporting period.

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 any athletics-related capital expenditures in 2019.

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 3.2.4.15. 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. Joan Ferrini-Mundy, 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.

**Certified Public Accountants
Braintree, Massachusetts**

January 7, 2020

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Statement of Revenues and Expenditures

For the Year Ended June 30, 2019

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	\$ 176,095	\$ 26,276	\$ 90,726	\$ 807,229	\$ 38,298	\$ 1,138,624
2 Direct State or Governmental Support	-	-	-	-	78,333	78,333
3 Student Fees	-	-	-	-	-	-
4 Direct Institutional Support	3,259,488	1,002,389	1,118,984	6,543,150	1,379,157	13,303,168
5 Less - Transfers to Institution	-	-	-	-	-	-
6 Indirect Institutional Support	-	-	-	-	2,104,324	2,104,324
7 Guarantees	700,000	620,000	44,000	45,500	-	1,409,500
8 Contributions	461,442	82,372	124,354	693,918	372,548	1,734,634
9 In Kind- Third-Party Support	-	-	-	1,689	5,251	6,940
10 Compensation and Benefits Provided by a Third Party	-	-	-	-	-	-
11 Media Rights	-	-	-	-	725,000	725,000
12 NCAA Distributions	104,250	-	44,895	-	1,105,843	1,254,988
13 Conference Distributions (Non-Media or Bowl)	-	-	42,500	12,424	88,945	143,869
14 Program, Novelty, Parking and Concession Sales	13,105	452	1,774	2,037	13,947	31,315
15 Royalties, Licensing, Advertisements and Sponsorships	-	-	-	40,000	31,920	71,920
16 Sports Camp Revenues	32,898	4,699	38,253	350,141	-	425,991
17 Athletics Restricted Endowment and Investment Income	23,795	1,328	3,716	3,861	-	32,700
18 Other Operating Revenue	-	-	-	23,381	336,196	359,577
19 Bowl Revenue	-	-	-	-	-	-
Subtotal Operating Revenues	4,771,073	1,737,516	1,509,202	8,523,330	6,279,762	22,820,883
Operating Expenses						
20 Athletic Student Aid	2,213,664	578,650	454,352	3,706,367	-	6,953,033
21 Guarantees	-	5,000	2,579	19,404	-	26,983
22 Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	853,361	504,428	363,697	1,870,917	-	3,592,403
23 Coaching Salaries, Benefits and Bonuses paid by a Third Party	-	-	-	-	-	-
24 Support Staff/Administrative, Compensation, Benefits and Bonuses paid by the University and Related Entities	56,330	27,110	48,788	99,579	3,103,188	3,334,995
25 Support Staff/Administrative Compensation, Benefits and Bonuses paid by a Third Party	-	-	-	-	-	-
26 Severance Payments	-	-	-	-	-	-
27 Recruiting	78,254	46,891	48,133	148,421	-	321,699
28 Team Travel	730,675	310,470	323,560	1,283,686	-	2,648,391
29 Sports Equipment, Uniforms and Supplies	113,387	33,656	23,937	458,851	92,049	721,880
30 Game Expenses	40,298	155,719	134,809	66,162	198,090	595,078
31 Fundraising, Marketing and Promotion	-	-	-	-	127,400	127,400
32 Sports Camp Expenses	20,792	3,356	25,618	232,518	400	282,684
33 Spirit Groups	-	-	-	-	176,456	176,456
34 Athletic Facilities Debt Service, Leases and Rental Fees	-	-	-	-	20,706	20,706
35 Direct Overhead and Administrative Expenses	198	-	-	662	61,142	62,002
36 Indirect Institutional Support	-	-	-	-	2,104,324	2,104,324
37 Medical Expenses and Insurance	18,100	7,414	402	3,427	140,578	169,921
38 Memberships and Dues	30,720	1,390	2,108	100,918	87,826	222,962
39 Student Athlete Meals (non-travel)	5,075	12,545	6,134	46,414	19,707	89,875
40 Other Operating Expenses	192,295	77,695	33,328	228,790	780,871	1,312,979
41 Bowl Expenses	-	-	-	-	-	-
Total Operating Expenses	4,353,149	1,764,324	1,467,445	8,266,116	6,912,737	22,763,771
Excess (Deficiency) of Revenues over (Under) Expenses	\$ 417,924	\$ (26,808)	\$ 41,757	\$ 257,214	\$ (632,975)	\$ 57,112
50 Excess Transfers to Institution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51 Conference Realignment Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52 Total Athletics-Related Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
53 Total Institutional Debt	\$ -	\$ -	\$ -	\$ -	\$ 150,138,000	\$ 150,138,000
54 Value of Athletics-Dedicated Endowments	\$ 624,957	\$ 178,416	\$ 60,761	\$ 3,693,620	\$ 5,326,404	\$ 9,884,158
55 Value of Institutional Endowments	\$ -	\$ -	\$ -	\$ -	\$ 162,580,000	\$ 162,580,000
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, 2019

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

Certain of the 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, Alfond 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, 2019

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.

UNIVERSITY OF MAINE DEPARTMENT OF ATHLETICS

Notes to the Statement of Revenues and Expenditures - Continued

June 30, 2019
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.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** UM Department of Athletics – FY18 Agreed-Upon Procedures (AUP) Report Findings Follow-up

2. **INITIATED BY:** James O. Donnelly, Chair

3. **BOARD INFORMATION:** X

BOARD ACTION:

4. **OUTCOME:**
Primary Outcomes:
Enhance fiscal positioning

BOARD POLICY:
Bylaws – Section 3

5. **BACKGROUND:**

On October 30, 2019, Ken Ralph, Director of Athletics at the University of Maine presented the Agreed-Upon Procedures Report for the year ended June 30, 2018. He will provide a follow-up to the findings presented at that time.

May 4, 2020



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Enterprise Risk Management
2. **INITIATED BY:** James O. Donnelly, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **OUTCOME:** **BOARD POLICY:**
 Primary Outcomes: Bylaws – Section 3
 Enhance fiscal positioning
5. **BACKGROUND:**

Gretchen Catlin, Risk Manager, will present an update to the Audit committee meeting regarding implementation of Enterprise Risk Management (ERM). Risk Management previously presented an ERM status update during the October 30, 2019 Audit committee. Since that meeting, Risk Management has added four risks to the matrix, bringing the total to 19 risks currently being monitored.

May 4, 2020