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***UNIVERSITY OF CENTRAL MISSOURI***  
*OMB CIRCULAR A-133*  
*SINGLE AUDIT REPORT*  
*JUNE 30, 2015*

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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 Governors  
University of Central Missouri  
Warrensburg, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University of Central Missouri (the University) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 5, 2015. Our report includes a reference to other auditors who audited the financial statements of University of Central Missouri Foundation, a discretely presented component unit of the University, as described in our report on the University's financial statements. The financial statements of the University of Central Missouri Foundation were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the University of Central Missouri Foundation.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

*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.

Our consideration of internal control over financial reporting 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 financial reporting that might be significant deficiencies or material weaknesses. 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 University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RubinBrown LLP*

October 5, 2015



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**Independent Auditors' Report On Compliance  
For Each Major Federal Program; Report On  
Internal Control Over Compliance; And Report  
On Schedule Of Expenditures Of Federal  
Awards Required By OMB Circular A-133**

Board of Governors  
University of Central Missouri  
Warrensburg, Missouri

**Report On Compliance For Each Major Federal Program**

We have audited the University of Central Missouri's (the University) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2015. The University'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 the requirements of laws, regulations, contracts and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

### ***Opinion On Each Major Federal Program***

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### **Report On Internal Control Over Compliance**

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report On Schedule Of Expenditures Of Federal Awards Required By OMB Circular A-133**

We have audited the financial statements of the University as of and for the year ended June 30, 2015, and have issued our report thereon dated October 5, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 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 financial statements or to the 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 financial statements as a whole.

*RubinBrown LLP*

October 5, 2015

**UNIVERSITY OF CENTRAL MISSOURI**

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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For The Year Ended June 30, 2015**

<b>Federal Grantor/ Pass-Through Grantor/ Program Or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Award/ Identifying Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department Of Education</b>			
Student Financial Aid Cluster -Direct			
TEACH Grants	84.379		\$ 103,698
Federal SEOG	84.007		276,975
Federal Work Study	84.033		266,316
Federal Pell Grants	84.063		15,910,803
Federal Direct Student Loans	84.268		59,835,106
Federal Perkins Loan	84.038		<u>1,422,405</u>
Total Student Financial Aid Cluster - Direct			<u>77,815,303</u>
TRIO Cluster - Direct			
Student Support Services	84.042		301,173
McNair Central Achievers Program	84.217		<u>229,352</u>
Total TRIO Cluster - Direct			<u>530,525</u>
<b>Passed Through Missouri Department Of Elementary And Secondary Education</b>			
Migrant English Language Learning - Indirect	84.011	unknown	<u>176,206</u>
Special Education Cluster (IDEA) - Indirect			
Special Education Consultants - RPDC- PLC	84.027	unknown	74,603
Special Education Consultants - RPDC- Director Support	84.027	unknown	35,997
Special Education Consultants - RPDC-Improvement Consult	84.027	unknown	99,466
Special Education Consultants - RPDC - Positive Behavior	84.027	unknown	97,900
Special Education Consultants - RPDC- Consolidated Work	84.027	unknown	<u>304,003</u>
Total IDEA Cluster - Indirect			<u>611,969</u>
<b>Passed Through The Curators Of The University Of Missouri</b>			
Missouri Center for Career Education	84.048	unknown	<u>8</u>
Preparing Elementary Mathematics Specialists to Serve Missouri Schools (PREP EMS) Project	84.367	C00045121-3	<u>25,560</u>
<b>Total U.S. Department Of Education</b>			<u>\$ 79,159,571</u>

**UNIVERSITY OF CENTRAL MISSOURI**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
For The Year Ended June 30, 2015**

Federal Grantor/ Pass-Through Grantor/ Program Or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department Of Transportation</b>			
<b>Passed Through Missouri Division Of Highway Safety</b>			
Airport Improvement Program - Indirect	20.106	#14-019A-1	\$ 59,338
Airport Improvement Program - Indirect	20.106	#12-019A-1	<u>1,366</u>
			<u>60,704</u>
Highway Safety Cluster - Indirect			
Driver Improvement Program	20.600	#13-DE-02-004	25,617
Crash Investigation Training	20.600	#13-AI-04-002	30,780
CIOT Enforcement	20.600	#14-OP-05-002	53,130
Instructor Development Training	20.600	#15-PT-02-004	5,671
Youth Seat Belt Enforcement	20.600	#14-OP-05-022	2,485
Statewide Seat Belt Survey	20.600	#14-OP-05-003	10,675
Teen Seatbelt Survey	20.600	#14-OP-05-024	7,363
Crash Investigation	20.600	#14-AI-04-001	18,165
Driver Improvement Program	20.600	#14-DE-02-002	8,872
Survey - Child Passenger Seat	20.600	#14-OP-05-023	4,652
Enforcement CPS Week	20.613	#14-K3-05-001	49,720
Drug Impaired Driving FY14	20.616	#14-M5TR-03-001	42,017
Drug Impaired Driving FY15	20.616	#15-M5TR-03-001	78,122
FY15 Enforcement Youth Seatbelt	20.616	#15-M2HVE-05-027	38,460
FY15 Enforcement CPS Week	20.616	#15-M2HVE-05-022	6,597
FY15 Enforcement CIOT	20.616	#15-M2HVE-05-020	118,949
FY15 Teen Seatbelt Survey	20.616	#15M2OP-05-001	62,969
FY15 Statewide Seatbelt Safety	20.616	#15-M2OP-05-002	131,461
FY15 Enforcement- Statewide DWI	20.616	#15-M5HVE-03-035	225,243
Total Highway Safety Cluster - Indirect			<u>920,948</u>
Alcohol Open Container Requirements Program - Indirect			
Impaired Driving Countermeasures	20.607	#14-154-AL-063	90,118
Impaired Driving Countermeasures-ADM	20.607	#15-154-AL-001	208,986
Impaired Driving Countermeasures-BAC	20.607	#15-154-AL-001	203,208
Impaired Driving Countermeasures-SFST	20.607	#15-154-AL-001	34,488
Impaired Driving Countermeasures-Ignition Interlock	20.607	#15-154-AL-001	12,747
Impaired Driving Countermeasures-Sobriety Checkpoint	20.607	#15-154-AL-001	8,336
Statewide DWI Enforcement	20.607	#14-154-AL-062	120,041
Total Alcohol Open Container Requirements Program - Indirect			<u>677,924</u>
Breath Alcohol Instrument Upgrade #2	20.608	#14-164-AL-001	<u>667,653</u>
Total Passed Through Missouri Division Of Highway Safety			<u>2,327,229</u>
<b>Passed Through Missouri Department Of Transportation</b>			
FY2014 CMV Seatbelt Survey	20.218	#14-CMV-MC-003	36,067
			<u>36,067</u>
<b>Total U.S. Department Of Transportation</b>			<u>\$ 2,363,296</u>

# UNIVERSITY OF CENTRAL MISSOURI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS *(Continued)* For The Year Ended June 30, 2015

Federal Grantor/ Pass-Through Grantor/ Program Or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department Of Health And Human Services</b>			
<b>Passed Through Missouri Department Of Health and Senior Services</b>			
Implementation of Violence Prevention Strategy	93.136	#41217	\$ 20,178
Implementation of Violence Prevention Strategy	93.136	#41217	21,396
NIOSH/IPA - Direct	93.362	#12-IPA-1213320	<u>39,899</u>
<b>Total U.S. Department Of Health And Human Services</b>			<u>81,473</u>
<b>U.S. Small Business Administration</b>			
<b>Passed-Through The Curators Of The University Of Missouri</b>			
SBDC Grant	59.037	C00048775-6	122,593
SBDC Grant	59.037	E00042414-5	<u>29,757</u>
<b>Total U.S. Small Business Administration</b>			<u>152,350</u>
<b>National Science Foundation</b>			
<b>Passed-Through The University Of Evansville</b>			
Resequencing Calculus Phase 2	47.076	290206-04	<u>6,248</u>
<b>U.S. Department Of Agriculture</b>			
<b>Passed-Through The Missouri Department Of Health And Senior Services</b>			
USDA Sustainability Building Grant	10.326	#13004-002	712
Food Security Through Linking Resources	10.326	#13173-004	<u>12,426</u> 13,138
Child and Adult Care Food Program - Indirect	10.558	unknown	50,874
UCM SBTDC Technical Assistance	10.769	unknown	<u>1,764</u>
<b>Total U.S. Department Of Agriculture</b>			<u>\$ 65,776</u>

**UNIVERSITY OF CENTRAL MISSOURI**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
For The Year Ended June 30, 2015**

<b>Federal Grantor/ Pass-Through Grantor/ Program Or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b>National Endowment For The Arts</b>			
Pleiades Website Development	45.024	15-5200-7076	\$ 4,950
<b>U.S. Department Of Justice</b>			
<b>Passed Through Missouri Department Of Public Safety</b>			
Enforcing Underage Drinking Laws Project	16.727		378
Enforcing Underage Drinking Laws Project	16.727	2009-EUDL-AF-01	166,227
<b>Total U.S. Department Of Justice</b>			<u>166,605</u>
<b>U.S. Department Of Housing And Urban Development</b>			
<b>Passed-Through Missouri Department Of Economic     Development Community Development Block Grant Program</b>			
JCEDC Missouri Innovation Campus	14.228	2008-DI-93	<u>46,391</u>
<b>U.S. Environmental Protection Agency</b>			
<b>Passed-Through Missouri Department Of Natural Resources</b>			
MO Wetland Rapid Assessment Method & Education Outreach	66.461	CD-97738401	<u>36,533</u>
<b>U.S. Department Of Labor</b>			
<b>Passed Through Missouri Department of Elementary and     Secondary Education</b>			
MCCE Administration	17.275	unknown	<u>601</u>
<b>U.S. Department Of Energy</b>			
<b>Passed Through Missouri State University At Rolla</b>			
Advanced Electric Vehicles	81.086	00026334-01	<u>5,490</u>
<b>Total Expenditures Of Federal Awards</b>			<u>\$ 82,089,284</u>

# UNIVERSITY OF CENTRAL MISSOURI

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## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2015

### 1. Organization

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of University of Central Missouri (the University) for the year ended June 30, 2015. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

### 2. Basis Of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the University under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Government, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

### 3. Summary Of Significant Accounting

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-21, *Cost Principles for Education Institutions*, 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.

**UNIVERSITY OF CENTRAL MISSOURI**

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Notes To Schedule Of Expenditures Of Federal Awards (*Continued*)

**4. Federal Student Loan Programs**

The federal student loan programs listed subsequently are administered directly by the University, and balances and transactions relating to these programs are included in the University's basic financial statements. Loans made during the year are included in the federal expenditures presented in the schedule. The balance of loans outstanding at June 30, 2015 consists of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance</u>
84.038	Perkins Loan Program	\$ 7,912,784

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Loan Program and, accordingly, it is not practical to determine the balance of loans outstanding to students and former students of the University under this program at June 30, 2015.

**5. Subrecipients**

Of the federal expenditures presented in this schedule, the University provided no federal awards to subrecipients.

**UNIVERSITY OF CENTRAL MISSOURI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2015**

**Section I - Summary Of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   x   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   x   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   x   no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes   x   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   x   none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes   x   no

Identification of major programs:

Name Of Federal Program Or Cluster	CFDA Number
Student Financial Aid Cluster	
Federal SEOG	84.007
Federal Work Study	84.033
Federal Perkins Loans	84.038
Federal Pell Grants	84.063
Federal Direct Student Loans	84.268
TEACH Grants	84.379
TRIO Cluster	
Student Support Services	84.042
McNair Central Achievers Program	84.217

Dollar threshold used to distinguish between type A and type B programs:   \$300,000  

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes   x   no

**UNIVERSITY OF CENTRAL MISSOURI**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)***  
**For The Year Ended June 30, 2015**

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**Section II - Financial Statement Findings**

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None

**UNIVERSITY OF CENTRAL MISSOURI**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)  
For The Year Ended June 30, 2015**

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**Section III – Federal Award Findings And Questioned Costs**

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None

**UNIVERSITY OF CENTRAL MISSOURI**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For The Year Ended June 30, 2014**

<b>Finding No.</b>	<b>CFDA No.</b>	<b>Program</b>	<b>Condition</b>	<b>Current Year Status</b>
2014-01	NA	Financial Statement Finding	Within the payroll cycle, the Payroll Director and Payroll Specialist perform or have the ability to perform virtually all access, recording, and monitoring functions.	RESOLVED
2014-02	84.007, 84.033, 84.038, 84.063, 84.268, 84.379	Student Financial Aid Cluster	In our sample of 40 students, there was no documentation of exit counseling for 2 students. This issue was also noted in the Department of Education's Program Review for 6 students conducted from April 23, 2012 to April 27, 2012.	RESOLVED
2014-03	84.007, 84.033, 84.038, 84.063, 84.268, 84.379	Student Financial Aid Cluster	The University's Perkins funds are held in the same bank account with the University's operating funds and therefore separate reconciliations are performed monthly to verify amounts are being properly maintained. Per review of the Federal Student Aid Handbook, Volume 4, Chapter 2, this practice is acceptable as long as FSA balances are readily identifiable and earnings are properly calculated per FSA balance. However, during the review completed by the DOE in the current year, it was noted that the account in which Perkins Loans were being held was not properly identified as Federal (as stipulated in the Federal Student Aid Handbook) and/or a UCC-1 statement was not on file for these funds.	RESOLVED - Since the Federal Student Aid Handbook allows an exception to identifying the account as Federal for State Universities.