

UNIVERSITY OF RHODE ISLAND

**(a Component Unit of the State of Rhode Island and
Providence Plantations)**

**INDEPENDENT AUDITORS' REPORTS AS
REQUIRED BY OFFICE OF MANAGEMENT AND
BUDGET (OMB) CIRCULAR A-133 AND
GOVERNMENT AUDITING STANDARDS AND
RELATED INFORMATION**

JUNE 30, 2011

UNIVERSITY OF RHODE ISLAND

(a Component Unit of the State of Rhode Island and Providence Plantations)

Independent Auditors' Reports as Required by Office of Management and Budget (OMB) Circular A-133 and *Government Auditing Standards* and Related Information

June 30, 2011

CONTENTS

Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance and Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133	1-3
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>	4-5
Schedule of Current Year Findings and Questioned Costs	6-10
Schedule of Expenditures of Federal Awards	11-17
Notes to the Schedule of Expenditures of Federal Awards	18



Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance and Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133

The Board of Governors for Higher Education
State of Rhode Island and Providence Plantations

Compliance

We have audited the University of Rhode Island's (a component unit of the State of Rhode Island and Providence Plantations) compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011. The University of Rhode Island's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the University of Rhode Island's management. Our responsibility is to express an opinion on the University of Rhode Island's compliance based on our audit.

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 major Federal programs have occurred. An audit includes examining, on a test basis, evidence about the University of Rhode Island'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. Our audit does not provide a legal determination of the University of Rhode Island's compliance with those requirements.

In our opinion, the University of Rhode Island complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-1.

Internal Control Over Compliance

Management of University of Rhode Island is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered University of Rhode Island's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 of Rhode Island's internal control over compliance.

A deficiency in internal control over compliance 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, 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.

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 that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified one deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-1. *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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the University of Rhode Island as of and for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Governors for Higher Education, management of the University of Rhode Island, the State of Rhode Island Auditor General's Office, Rhode Island Department of Administration, Federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

O'Connor & Drew, P.C.

Certified Public Accountants

November 30, 2011

(except for the Schedule of Federal Awards, which is dated September 30, 2011)



**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***

To the Board of Governors for Higher Education
State of Rhode Island and Providence Plantations

We have audited the financial statements of the University of Rhode Island (the "University") (a component unit of the State of Rhode Island and Providence Plantations) as of and for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011, which included a reference to the report of the other auditor who audited the discretely presented component unit. We conducted our audit in accordance with 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. Other auditors audited the financial statements of the University of Rhode Island Foundation, as described in our report on the University's financial statements.

This report does not include the results of the other auditors' testing of controls over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the University's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over financial reporting.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses, as defined above.

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*.

We noted certain matters that we reported to management of the University in a separate letter dated September 30, 2011.

This report is intended solely for the information and use of the Board of Governors for Higher Education and management of University of Rhode Island, the Rhode Island Auditor General, Rhode Island Department of Administration, and federal awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

O'Connell & Drew, P.C.

Certified Public Accountants

September 30, 2011

UNIVERSITY OF RHODE ISLAND
(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs

June 30, 2011

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

Federal Award

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance For major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

UNIVERSITY OF RHODE ISLAND
(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2011

Major programs of University of Rhode Island include:

<u>Grantor/pass-through grantor/program title</u>	<u>CFDA Number</u>
Student Financial Assistance Cluster:	
Federal Supplemental Education Opportunity Grant Program	84.007
Federal Work Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Federal Direct Student Loans (Note 2)	84.268
Academic Competitiveness Grants	84.375
National Science and Mathematics Access to Retain Talent Grant	84.376
Health Professional Student Loan Program	93.342
Nursing Student Loan Program	93.364
Research and Development Cluster	Various

The dollar threshold to distinguish between Type A and Type B programs is \$17,000,000.

The University does not qualify as a low-risk auditee.

UNIVERSITY OF RHODE ISLAND

(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2011

Finding number: 2011-1
Federal agency: U.S. Department of Health and Human Services
Programs: Research and Development Cluster
CFDA #'s: 93.701
Award year: 2011

Condition

Recipients who provide American Recovery and Reinvestment Act (ARRA) funds to subrecipients must provide the Federal award number, CFDA number, and amount of ARRA funds at the time of subaward and disbursement. Although the University provided the above required information to the subrecipients who received ARRA funds at the time of subaward, the University did not furnish that information at the time of disbursement for one of the subrecipients who received Recovery Act funds during fiscal year 2011. The total amount of the ARRA funds provided to the subrecipient during fiscal year 2011 was \$101,914.

Criteria

According to 2 C.F.R. Section 176.210(c):

Recipients agree to separately identify to each subrecipient, and document at the time of subaward and at the time of disbursement of funds, the Federal award number, CFDA number and amount of Recovery Act funds. When a recipient awards Recovery Act funds for an existing program, the information furnished to subrecipients shall distinguish the subawards of incremental Recovery Act funds from regular subawards under the existing programs.

Cause/Effect

The cause of this condition has been attributed to the University not having a proper policy to ensure that the information is supplied to the subrecipients at the time of disbursement. As a result, the subrecipients did not receive the required information at the time of disbursement.

Recommendation

We recommend that management of the University implement policies and procedures to ensure that the proper information is supplied to subrecipients.

Questioned Costs

N/A

UNIVERSITY OF RHODE ISLAND
(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2011

Views of Responsible Officials

The University issues a separate subaward contract with a purchase order to subrecipients of ARRA funded projects. The contract outlines the required information: Federal award number, CFDA number and amount of Recovery Act funds. The subrecipient invoice is required to reference the subaward contract and purchase order number. The University accounts payable check stub references the vendor's invoice number and invoice amount.

In FY2011, the University implemented a procedure to manually send a separate remit with each ARRA award disbursement which included the required information: Federal award number, CFDA number and amount of Recovery Act funds. The University sent separate remit to the majority of ARRA subrecipients such as University and subrecipients paid by ACH. However, not all subrecipients received a separate remit with payment. In FY2012 for each ARRA subrecipients payment, URI will enter the required information in a description field in PeopleSoft which will print on the check stub.

Contact Person

Sharon Bell, Controller

UNIVERSITY OF RHODE ISLAND
(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2011

Previous Year Findings and Questioned Costs Relating to Federal Awards

Finding number:	2010-1
Federal agency:	U.S. Department of Health and Human Services
Programs:	Research and Development Cluster
CFDA #'s:	93.701
Award year:	2010

Auditor's current year comment

This finding was not corrected. See current year description of finding 2011-1.

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<u>Student Financial Assistance Cluster:</u>		
<i>U.S. Department of Education:</i>		
Federal Supplemental Educational Opportunity Grants	84.007	\$ 1,385,261
Federal Work-Study Program	84.033	823,614
Federal Perkins Loan Program-Federal Capital Contributions	84.038	607,574
Federal Pell Grant Program	84.063	16,347,415
Federal Direct Student Loans	84.268	103,543,565
Academic Competitiveness Grant	84.375	586,232
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	195,818
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379	24,000
<i>U.S. Department of Health and Human Services:</i>		
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	285,000
Nursing Student Loans	93.364	<u>374,781</u>
Total Student Financial Assistance Cluster		<u>124,173,260</u>
<u>Research and Development Cluster:</u>		
<i>U.S. Department of Agriculture:</i>		
Department of Agriculture with No CFDA	10.000	47,079
Agricultural Research - Basic and Applied Research	10.001	8,077
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19,238
Grants for Agricultural Research, Special Research Grants	10.200	343,190
Grants for Agricultural Research-Competitive Research Grants	10.206	318,933
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.210	74,795
Integrated Programs	10.303	1,476,280
International Science and Education Grants	10.305	48,308
Agriculture and Food Research Initiative	10.310	255,465
Crop Insurance Education in Targeted States	10.458	151,591
Cooperative Extension Service	10.500	271,694
Forestry Research	10.652	21,616
Soil and Water Conservation	10.902	53,758
Soil Survey	10.903	33,334
Environmental Quality Incentives Program	10.912	64,741
<i>Formula Funds:</i>		
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	2,623,608
<i>Passed Through Subcontracts:</i>		
Grants for Agricultural Research - Competitive Research Grants	10.206	20,132
Sustainable Agricultural Research and Education	10.215	98,202
1890 Institution Capacity Building Grants	10.216	422
Integrated Programs	10.303	29,160
Homeland Security Agricultural	10.304	26,304
Agriculture and Food Research Initiative	10.310	28,643
Cooperative Extension Service	10.500	170,667
Soil and Water Conservation	10.902	(1,400)
<i>Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):</i>		
Trade Adjustment Assistance for Farmers Training Coordination Program (TAAF)	10.315	493
<i>Passed Through Other State Agencies:</i>		
Specialty Crop Block Grant Program	10.169	27,782
Grants for Agricultural Research, Special Research Grants	10.200	53,368
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	<u>983,564</u>
Total U.S. Department of Agriculture		<u>7,249,044</u>

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Commerce:</i>		
Department of Commerce with No CFDA	11.000	372,399
Economic Development-Support for Planning Organizations	11.302	183,353
Sea Grant Support	11.417	2,654,325
Coastal Zone Management Estuarine Research Reserves	11.420	37,649
Fisheries Development / Utilization Research / Development Grants / Cooperative Agreements Program	11.427	98,059
Climate and Atmospheric Research	11.431	307,645
National Oceanic and Atmospheric Administration	11.432	32,639
Marine Fisheries Initiative	11.433	159,920
Cooperative Science and Education Program	11.455	7,636
Special Oceanic and Atmospheric Projects	11.460	30,169
Unallied Science Program	11.472	480,769
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478	352,814
Congressionally-Identified Projects	11.617	228,329
<i>American Recovery and Reinvestment Act (ARRA):</i>		
State Broadband Data and Development Grant Program	11.558	40,961
<i>Passed Through Subcontracts:</i>		
Department of Commerce with No CFDA	11.000	16,042
Economic Adjustment Assistance	11.307	13,051
Sea Grant Support	11.417	90,043
Coastal Zone Management Administrative Awards	11.419	46,052
Climate and Atmospheric Research	11.431	237,238
National Oceanic and Atmospheric Administration	11.432	28,557
Weather and Air Quality Research	11.459	115,396
Habitat Conservation	11.463	13,493
Meteorologic and Hydrologic Modernization Development	11.467	154,457
Unallied Science Program	11.472	74,208
Coastal Services Center	11.473	103,044
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478	245,844
<i>Passed Through Other State Agencies:</i>		
Sea Grant Support	11.417	48,786
Coastal Zone Management Estuarine Research Reserves	11.420	<u>3,603</u>
Total U.S. Department of Commerce		<u>6,176,481</u>
<i>U.S. Department of Defense:</i>		
Department of Defense with No CFDA	12.000	12,916
Basic and Applied Scientific Research	12.300	2,972,287
Military Medical Research and Development	12.420	169,767
Air Force Defense Research Sciences Program	12.800	678,004
<i>Passed Through Subcontracts:</i>		
Department of Defense with No CFDA	12.000	314,711
Basic and Applied Scientific Research	12.300	1,532,145
Military Medical Research and Development	12.420	25,263
Basic Scientific Research	12.431	256,310
Air Force Defense Research Sciences Program	12.800	287,758
<i>Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):</i>		
Air Force Defense Research Sciences Program	12.800	<u>8,586</u>
Total U.S. Department of Defense		<u>6,257,747</u>

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Interior:</i>		
Department of Interior with No CFDA	15.000	840,531
Fish, Wildlife and Plant Conservation Resource Management	15.231	890
Fish and Wildlife Management Assistance	15.608	54,416
Coastal Program	15.630	34,832
Assistance to State Water Resources Research Institutes	15.805	94,343
U.S. Geological Survey-Research and Data Collection	15.808	38,919
Department of Interior National Park Service	15.944	159
Passed Through Subcontracts:		
Department of Interior with No CFDA	15.000	65,950
Coastal Impact Assistance Program	15.426	22,191
Passed Through Other State Agencies:		
State Wildlife Grants	15.634	<u>47,253</u>
Total U.S. Department of Interior		<u>1,199,484</u>
<i>U.S. Department of Justice:</i>		
Department of Justice with No CFDA	16.000	318,742
National Institute of Justice W.E.B. DuBois Fellowship Program	16.566	162,988
Public Safety Partnership and Community Policing Grants	16.710	104,799
Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	36,171
Passed Through Other State Agencies:		
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	8,345
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	<u>20,872</u>
Total U.S. Department of Justice		<u>651,917</u>
<i>U.S. Department of State:</i>		
Passed Through Subcontracts:		
Professional and Cultural Exchange Programs-Citizen Exchanges	19.415	<u>24,862</u>
Total U.S. Department of State		<u>24,862</u>
<i>U.S. Department of Transportation:</i>		
Highway Research and Development Program	20.200	7,989
Highway Training and Education	20.215	8,092
University Transportation Centers	20.760	534,198
Passed Through Subcontracts:		
Highway Research and Development Program	20.200	45,273
Highway Planning and Construction	20.205	66,999
University Transportation Centers Program	20.701	105,609
University Transportation Centers	20.760	4,473
Passed Through Other State Agencies:		
Highway Research and Development Program	20.200	197,243
Highway Planning and Construction	20.205	52,033
Highway Training and Education	20.215	130,874
State Planning and Research	20.515	56,665
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	<u>49,243</u>
Total U.S. Department of Transportation		<u>1,258,691</u>

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>National Aeronautics & Space Administration:</i>		
NASA with No CFDA	43.000	314,903
Aerospace Education Services Program	43.001	13,511
Technology Transfer	43.002	341,183
Passed Through Subcontracts:		
NASA with No CFDA	43.000	95,322
Aerospace Education Services Program	43.001	6,367
Technology Transfer	43.002	<u>27,996</u>
Total National Aeronautics & Space Administration		<u>799,282</u>
<i>National Endowment for the Humanities:</i>		
Passed Through Subcontracts:		
Promotion of the Humanities-Division of Preservation and Access	45.149	<u>(808)</u>
Total National Foundation on the Arts and the Humanities		<u>(808)</u>
<i>National Science Foundation:</i>		
National Science Foundation with No CFDA	47.000	194,351
Engineering Grants	47.041	733,401
Mathematical and Physical Sciences	47.049	116,579
Geosciences	47.050	6,828,580
Computer and Information Science and Engineering	47.070	167,768
Biological Sciences	47.074	363,743
Social, Behavioral, and Economic Sciences	47.075	63,266
Education and Human Resources	47.076	4,710,536
Polar Programs	47.078	296,637
International Science and Engineering (OISE)	47.079	318,129
American Recovery and Reinvestment Act (ARRA):		
Trans-NSF Recovery Act Research Support	47.082	2,986,521
Passed Through Subcontracts:		
Engineering Grants	47.041	53,459
Geosciences	47.050	672,885
Biological Sciences	47.074	32,913
Education and Human Resources	47.076	<u>203,649</u>
Total National Science Foundation		<u>17,742,417</u>
<i>U.S. Department of Veteran Affairs:</i>		
Veterans Rehabilitation-Alcohol and Drug Dependence	64.019	<u>30,421</u>
Total Department of Veteran Affairs		<u>30,421</u>
<i>Environmental Protection Agency:</i>		
Environmental Protection Agency with No CFDA	66.000	(1)
National Estuary Program	66.456	299,927
Great Lakes Program	66.469	60,674
Science To Achieve Results (STAR) Research Program	66.509	1,009
Surveys, Studies, Investigations and Special Purpose Grants within the Office of Research and Development	66.510	87,125
Science To Achieve Results	66.514	12,896
Pollution Prevention Grants Program	66.708	87,998
Passed Through Subcontracts:		
Environmental Protection Agency with No CFDA	66.000	101,451
Climate Showcase Communities Grant Program	66.041	51,040
Pollution Prevention Grants Program	66.708	6,764

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>Environmental Protection Agency (continued):</i>		
Passed Through Other State Agencies:		
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	92,859
Beach Monitoring and Notification Program Implementation Grants	66.472	34,638
Environmental Policy and State Innovation Grants	66.940	<u>15,080</u>
Total Environmental Protection Agency		<u>851,460</u>
<i>U.S. Nuclear Regulatory Commission:</i>		
U.S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	110,402
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008	<u>32,500</u>
Total U.S. Nuclear Regulatory Commission		<u>142,902</u>
<i>U.S. Department of Energy:</i>		
Office Science Financial Assistance Programs	81.049	351,079
Defense Nuclear Nonproliferation Research	81.113	192,530
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	659,213
Passed Through Subcontracts:		
US Department of Energy with No CFDA	81.000	127,422
Renewable Energy Research and Development	81.087	207,363
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123	76,666
Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):		
State Energy Program	81.041	1,329,522
Renewable Energy Research and Development	81.087	<u>22,620</u>
Total U.S. Department of Energy		<u>2,966,415</u>
<i>U.S. Department of Education:</i>		
Undergraduate International Studies and Foreign Language Programs	84.016	103,661
Safe and Drug-Free Schools and Communities - National Programs	84.184	92,138
Education Technology State Grants	84.318	368,991
Teacher Quality Partnership Grants	84.336	1,024,662
Passed Through Subcontracts:		
Magnet Schools Assistance	84.165	11,811
Education Research, Development and Dissemination	84.305	30,796
Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):		
Educational Technology State Grants	84.318	82,144
State Fiscal Stabilization Fund	84.394	3,662,906
Passed Through Other State Agencies:		
Special Education - Grants to States	84.027	88,222
Special Education-Grants for Infants and Families	84.181	<u>82,431</u>
Total U.S. Department of Education		<u>5,547,762</u>

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Health and Human Services:</i>		
Department of Health and Human Services with No CFDA	93.000	1,437
Environmental Health	93.113	556,449
Biometry and Risk Estimation	93.115	15,512
NIEHS Superfund Hazardous Substances Basic Research and Education	93.143	197,653
Mental Health Research Grants	93.242	78,526
Alcohol National Research Service Award	93.272	28,043
Drug Abuse and Addiction Research Programs	93.279	2,583,766
Advanced Education Nursing Traineeships	93.358	38,705
Nursing Research	93.361	901,199
National Center for Research Resources	93.389	4,461,287
Academic Res Enhancement Award	93.390	7,491
Cancer Cause and Prevention Research	93.393	673,823
Cancer Detection and Diagnosis Research	93.394	982,022
Cancer Biology Research	93.396	306,453
Developmental Disabilities Basic Support and Advocacy Grants	93.630	461,619
Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	93.768	522,578
Cardiovascular Diseases Research	93.837	192,994
Blood Diseases and Resources Research	93.839	28,455
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	285,948
Allergy, Immunology and Transplantation Research	93.855	2,753,401
Biomedical Research and Research Training	93.859	193,340
Child Health and Human Development Extramural Research	93.865	58,830
Health Care and Other Facilities	93.887	359,661
Geriatric Education Centers	93.969	442,138
<i>American Recovery and Reinvestment Act (ARRA):</i>		
Trans-NIH Recovery Act Research Support	93.701	1,649,093
Allergy, Immunology and Transplantation Research	93.855	35,894
<i>Passed Through Subcontracts:</i>		
Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.107	257,835
Oral Diseases and Disorders Research	93.121	29,498
Human Genome Research	93.172	9,317
Research on Healthcare Costs, Quality and Outcomes	93.226	16,492
Alcohol Research Programs	93.273	676
Drug Abuse and Addiction Research Programs	93.279	128,856
Cancer Detection and Diagnosis Research	93.394	83,118
Cardiovascular Diseases Research	93.837	153,483
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	124,804
Allergy, Immunology and Transplantation Research	93.855	171,447
Biomedical Research and Research Training	93.859	17,162
Child Health and Human Development Extramural Research	93.865	19,795
Aging Research	93.866	11,483
<i>Passed Through Subcontracts, American Recovery and Reinvestment Act (ARRA):</i>		
Trans-NIH Recovery Act Research Support	93.701	147,796
<i>Passed Through Other State Agencies:</i>		
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	93.043	39,972
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	59,983
Family Support Payments to States-Assistance Payments	93.560	<u>(1,802)</u>
Total U.S. Department of Health and Human Services		<u>19,086,232</u>

University of Rhode Island
(A Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Expenditures of Federal Awards
Year ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>Corporation for National and Community Service:</i>		
Passed Through Other State Agencies:		
AmeriCorps	94.006	<u>95,877</u>
Total Corporation for National and Community Service		<u>95,877</u>
<i>Department of Homeland Security:</i>		
Centers for Homeland Security	97.061	1,562,660
Homeland Security Advanced Research Projects Agency	97.065	59,037
Homeland Security Grant Program	97.067	47,034
Competitive Training Grants	97.068	221,109
Passed Through Subcontracts:		
Centers for Homeland Security	97.061	100,717
Homeland Security Advanced Research Projects Agency	97.065	(122)
Passed Through Other State Agencies:		
Homeland Security Grant Program	97.067	<u>4,974</u>
Total U.S. Department of Homeland Security		<u>1,995,409</u>
<i>Agency for International Development:</i>		
Agency for International Development with No CFDA	98.000	259,777
USAID Foreign Assistance for Programs Overseas	98.001	5,626,185
Passed Through Subcontracts:		
USAID Foreign Assistance for Programs Overseas	98.001	<u>341,157</u>
Total Agency for International Development		<u>6,227,119</u>
Total Research and Development Cluster		<u>78,302,714</u>
Total Expenditures of Federal Awards		<u>\$ 202,475,974</u>

See accompanying notes to schedule of expenditure of Federal awards.

UNIVERSITY OF RHODE ISLAND
(a Component Unit of the State of Rhode Island and Providence Plantations)

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2011

Note 1 - **Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activities of University of Rhode Island (the "University") (a component unit of the State of Rhode Island and Providence Plantations) and is presented on the accrual basis of accounting.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between the University, agencies, departments of the federal government, and all subawards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements.

Note 2 - **Federal Direct Student Loans Program**

The University disbursed \$103,543,565 of loans under the Federal Direct Student Loans program which includes Stafford Subsidized and Unsubsidized Loans and Parents' Loans. It is not practical to determine the balances of loans outstanding to students of the University under this program as of June 30, 2011. The University is responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements.

Note 3 - **Federal Perkins, Health Professional Student and Nursing Student Loan Programs**

During the year ended June 30, 2011, \$607,574 in loans were advanced under the Federal Perkins Loan Program, \$285,000, in loans were advanced under the Health Professional Student Loan Program and \$374,781 were advanced under the Nursing Loan Program. As of June 30, 2011 loan balances receivable under the Perkins, Health Professional Student and Nursing Loan Programs were \$9,781,563, \$1,863,868 and \$1,474,759, respectively.