



THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

OMB Circular A-133 Reports

Year ended June 30, 2014

(With Independent Auditors' Reports Thereon)

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

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THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA number</u> | <u>Federal expenditures</u> |
|---|------------------------------------|---------------------------------|
| Research and Development Cluster*: | | |
| U.S. Department of Agriculture: | | |
| Passed-through programs: | | |
| Clemson University | 10.500 | \$ 38 |
| Total U.S. Department of Agriculture | | <u>38</u> |
| U.S. Department of Commerce: | | |
| Direct programs: | | |
| National Institute of Standards and Technology | 11.609 | <u>227,351</u> |
| | | <u>227,351</u> |
| Passed-through programs: | | |
| South Carolina Sea Grant Consortium | 11.999 | <u>7,521</u> |
| | | <u>7,521</u> |
| Total U.S. Department of Commerce | | <u>234,872</u> |
| U.S. Department of Defense: | | |
| Direct programs: | | |
| Department of the Navy, Office of the Chief of Naval Research | 12.300 | 65,498 |
| U.S. Army Materiel Command | 12.420 | 9,284,478 |
| U.S. Army Research, Development & Engineering | 12.431 | (1,276) |
| U.S. Department of Defense | 12.999 | <u>1,399</u> |
| | | <u>9,350,099</u> |
| Passed-through programs: | | |
| Advanced Technology Institute | 12.999 | (769) |
| Charleston Research Institute | 12.420 | 49,602 |
| Clemson University | 12.420 | 3,772 |
| Institute for Molecular Neuroscience | 12.420 | 440,792 |
| Institute for Molecular Neuroscience | 12.999 | 83,762 |
| South Carolina Research Authority | 12.420 | (14,758) |
| South Carolina Research Authority | 12.999 | 140,515 |
| University of Central Florida | 12.420 | 41,014 |
| University of Maryland | 12.999 | 26,190 |
| University of Michigan | 12.420 | 356,883 |
| University of Pennsylvania | 12.420 | 49,093 |
| University of Virginia | 12.420 | 203,465 |
| Veterans Education and Research Association | 12.420 | 139,080 |
| Veterans Medical Research Foundation | 12.420 | 21,957 |
| Veterans Medical Research Foundation | 12.999 | <u>5,381</u> |
| | | <u>1,545,979</u> |
| Total U.S. Department of Defense | | <u>10,896,078</u> |
| U.S. Department of Justice: | | |
| Direct programs: | | |
| Missing Children's Assistance | 16.543 | <u>416,909</u> |
| | | <u>416,909</u> |
| Passed-through programs: | | |
| Johns Hopkins University | 16.541 | <u>23,104</u> |
| | | <u>23,104</u> |
| Total U.S. Department of Justice | | <u>440,013</u> |
| National Aeronautics and Space Administration: | | |
| Direct programs: | | |
| Exploration | 43.003 | <u>110,687</u> |
| | | <u>110,687</u> |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| Federal grantor/pass-through grantor/program title | Federal CFDA number | Federal expenditures |
|---|------------------------------------|---------------------------------|
| Passed-through programs: | | |
| College of Charleston | 43.999 | \$ 23,372 |
| | | <u>23,372</u> |
| Total National Aeronautics and Space Administration | | <u>134,059</u> |
| National Science Foundation: | | |
| Direct programs: | | |
| Mathematical and Physical Sciences | 47.049 | 112,715 |
| Biological Sciences | 47.074 | 206,837 |
| | | <u>319,552</u> |
| Passed-through programs: | | |
| College of Charleston | 47.041 | (17,993) |
| South Carolina Research Authority | 47.076 | (1,080) |
| University of South Carolina | 47.080 | 40,058 |
| South Carolina Research Authority | 47.081 | (299,685) |
| University of South Carolina | 47.081 | 928,559 |
| | | <u>649,859</u> |
| ARRA Passed-through programs: | | |
| South Carolina Research Authority | 47.082 | 2,964 |
| | | <u>972,375</u> |
| U.S. Department of Veteran Affairs: | | |
| Direct programs: | | |
| U.S. Department of Veteran Affairs-Other Federal | 64.999 | 1,751,771 |
| | | <u>1,751,771</u> |
| U.S. Department of Energy: | | |
| Direct programs: | | |
| Advanced Research and Projects Agency Energy Financial Assistance Program | 81.135 | 564,681 |
| | | <u>564,681</u> |
| Passed-through programs: | | |
| South Carolina Universities Research and Education Foundation | 81.114 | (694) |
| South Carolina Universities Research and Education Foundation | 81.121 | 1,823,039 |
| South Carolina Universities Research and Education Foundation | 81.999 | (1,030) |
| | | <u>1,821,315</u> |
| Total U.S. Department of Energy | | <u>2,385,996</u> |
| U.S. Department of Education: | | |
| Direct programs: | | |
| National Institute on Disability and Rehabilitation Research | 84.133 | 1,342,230 |
| Graduate Assistance in Areas of National Need | 84.200 | 190,654 |
| | | <u>1,532,884</u> |
| ARRA Passed-through programs: | | |
| Charleston County School District | 84.389 | (73) |
| | | <u>(73)</u> |
| Total U.S. Department of Education | | <u>1,532,811</u> |
| U.S. Department of Health and Human Services: | | |
| Direct programs: | | |
| Family Smoking Prevention and Tobacco Control Act Regulatory Research | 93.077 | 1,183,437 |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | 424,177 |
| Environmental Health | 93.113 | 618,290 |
| Oral Diseases and Disorders Research | 93.121 | 3,357,951 |
| Injury Prevention and Control Research and State and Community Based Programs | 93.136 | 18,532 |
| Research Related to Deafness and Communication Disorders | 93.173 | 2,961,509 |
| Research and Training in Complementary and Alternative Medicine | 93.213 | (1,129) |
| Research on Healthcare Costs, Quality and Outcomes | 93.226 | 906,302 |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| Federal grantor/pass-through grantor/program title | Federal CFDA number | Federal expenditures |
|--|------------------------------------|---------------------------------|
| Mental Health Research Grants | 93.242 | \$ 3,397,176 |
| Alcohol National Research Service Awards for Research Training | 93.272 | 406,757 |
| Alcohol Research Programs | 93.273 | 5,478,622 |
| Drug Abuse and Addiction Research Programs | 93.279 | 14,916,348 |
| Mental Health Research Career/Scientist Development Awards | 93.281 | (6,576) |
| Mental Health National Research Service Awards for Research Training | 93.282 | 1,830 |
| Centers for Disease Control and Prevention, Investigations and Technical Assistance | 93.283 | 508,705 |
| Discovery and Applied Research for Technological Innovations to Improve Human Health | 93.286 | 401,717 |
| Minority Health and Health Disparities Research | 93.307 | 283,586 |
| National Center for Advancing Translational Sciences | 93.350 | 3,701,438 |
| Nursing Research | 93.361 | 1,170,441 |
| National Center for Research Resources | 93.389 | (290,834) |
| Cancer Cause and Prevention Research | 93.393 | 3,465,861 |
| Cancer Detection and Diagnosis Research | 93.394 | 242,455 |
| Cancer Treatment Research | 93.395 | 3,645,416 |
| Cancer Biology Research | 93.396 | 3,400,668 |
| Cancer Centers Support Grants | 93.397 | 1,627,649 |
| Cancer Research Manpower | 93.398 | 576,518 |
| The Patient Protection and Affordable Care Act of 2010 (ACA) | 93.541 | (1,465) |
| Cardiovascular Diseases Research | 93.837 | 5,004,086 |
| Lung Diseases Research | 93.838 | 10,565 |
| Blood Diseases and Resources Research | 93.839 | 718,349 |
| Arthritis, Musculoskeletal and Skin Diseases Research | 93.846 | 2,344,734 |
| Diabetes, Digestive and Kidney Diseases Extramural Research | 93.847 | 3,897,799 |
| Extramural Research Programs in the Neurosciences and Neurological Disorders | 93.853 | 6,775,272 |
| Allergy, Immunology and Transplantation Research | 93.855 | 1,934,428 |
| Microbiology and Infectious Diseases Research | 93.856 | (3,095) |
| Biomedical Research and Research Training | 93.859 | 8,652,831 |
| Child Health and Human Development Extramural Research | 93.865 | 1,907,661 |
| Aging Research | 93.866 | 1,425,007 |
| Vision Research | 93.867 | 1,891,011 |
| Medical Library Assistance | 93.879 | 236,630 |
| Grants for Training in Primary Care Medicine and Dentistry | 93.884 | 502,797 |
| Assistance Programs for Chronic Disease Prevention and Control | 93.945 | (1,269) |
| Other Federal Assistance | 93.999 | 984,046 |
| | | <hr/> |
| | | 88,676,233 |
| | | <hr/> |
| ARRA - National Institutes of Health: | | |
| ARRA - Trans-NIH Recovery Act Research Support | 93.701 | 40,641 |
| ARRA - Recovery Act - Comparative Effectiveness | 93.715 | 338,717 |
| Other Federal Assistance | 93.999 | 173,956 |
| | | <hr/> |
| Total ARRA - National Institutes of Health | | 553,314 |
| | | <hr/> |
| Passed-through programs: | | |
| Academic Pediatric Association | 93.847 | 12,374 |
| Actuated Medical, Inc | 93.866 | 37,159 |
| American Academy of Child and Adolescent Psychiatry | 93.279 | (3,685) |
| American Academy of Child and Adolescent Psychiatry | 93.999 | 7,440 |
| American College of Radiology | 93.394 | (3,886) |
| American College of Radiology | 93.999 | (10,906) |
| Apogee Biotechnology Corporation | 93.395 | (3,155) |
| Apogee Biotechnology Corporation | 93.855 | 25,845 |
| Apogee Biotechnology Corporation | 93.999 | 259,052 |
| Arizona State University | 93.395 | (4) |
| Arizona State University | 93.859 | 31,468 |
| Baltimore Foundation | 93.999 | 396,606 |
| Baylor University | 93.839 | (9,071) |
| Beth Israel Deaconess Medical Center | 93.837 | 55,747 |
| Beth Israel Deaconess Medical Center | 93.853 | 294,935 |
| Boston University | 93.846 | 83,439 |
| Brigham and Women's Hospital | 93.838 | 66,124 |
| Brigham and Women's Hospital | 93.855 | 5,866 |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| Federal grantor/pass-through grantor/program title | Federal CFDA number | Federal expenditures |
|--|------------------------------------|---------------------------------|
| Case Western Reserve University | 93.286 | \$ 3,122 |
| Case Western Reserve University | 93.394 | 10,682 |
| Case Western Reserve University | 93.838 | 40,821 |
| Case Western Reserve University | 93.847 | 157,167 |
| Cell & Tissue Systems, Inc | 93.837 | 29,116 |
| Cell & Tissue Systems, Inc | 93.847 | 28,132 |
| Children's Hospital Medical Center at the University of Cincinnati | 93.839 | 346,710 |
| Children's Hospital of Philadelphia | 93.395 | 98,481 |
| Children's Hospital of Philadelphia | 93.999 | 275 |
| Children's Hospital of Wisconsin | 93.837 | 1,035 |
| Children's Hospital Research Foundation | 93.859 | 53,133 |
| City College of New York | 93.279 | 444 |
| Clemson University | 93.121 | 142,709 |
| Clemson University | 93.307 | (3,629) |
| Clemson University | 93.389 | 248,129 |
| Clemson University | 93.837 | (3,749) |
| Clemson University | 93.867 | (8) |
| Cornell University Medical Center | 93.853 | 4,889 |
| Communication Disorders Technology, Inc | 93.173 | 88,199 |
| Duke University | 93.173 | 26,023 |
| Duke University | 93.184 | 4,475 |
| Duke University | 93.393 | 107,812 |
| Duke University | 93.837 | 4,209 |
| Duke University | 93.838 | (16,261) |
| Duke University | 93.847 | 18,712 |
| Duke University | 93.855 | (5,594) |
| Duke University | 93.999 | 146,397 |
| Emory University | 93.393 | 16,841 |
| Emory University | 93.853 | 302,367 |
| Emory University | 93.865 | 14,943 |
| Emory University | 93.867 | 1,713 |
| Evidence Based Practice Institute | 93.242 | 44,878 |
| Georgia Regents University | 93.847 | 47,241 |
| Gynecologic Oncology Group | 93.395 | 3,658 |
| Harvard University | 93.855 | 1,567 |
| Health Research, Inc. | 93.077 | 8,669 |
| Health Research, Inc. | 93.393 | 21,961 |
| Jackson Laboratory | 93.846 | 50,956 |
| Jaeb Center for Health Research, Inc | 93.867 | 5,666 |
| John Snow, Inc. | 93.999 | 32,063 |
| Johns Hopkins University | 93.103 | 103 |
| Johns Hopkins University | 93.173 | 123,163 |
| Johns Hopkins University | 93.226 | 22,434 |
| Johns Hopkins University | 93.837 | 16,718 |
| Johns Hopkins University | 93.846 | 17,017 |
| Johns Hopkins University | 93.853 | 5,911 |
| Johns Hopkins University | 93.866 | 101,989 |
| Leidos Biomedical Research, Inc. | 93.999 | 111,605 |
| Lentigen Corporation | 93.395 | (5,967) |
| Loyola University Chicago | 93.395 | 885,395 |
| Loyola University Chicago | 93.846 | 109,396 |
| Massachusetts General Hospital | 93.213 | 14,906 |
| Massachusetts General Hospital | 93.853 | 3,228 |
| Mayo Clinic | 93.837 | (23,146) |
| Mayo Clinic | 93.999 | 30,895 |
| Medical College of Georgia | 93.393 | (114) |
| Medical College of Wisconsin | 93.853 | 39,371 |
| Memorial Sloan-Kettering Cancer Center | 93.999 | 6,000 |
| Michigan State University | 93.173 | 951 |
| Miriam Hospital | 93.837 | 8,256 |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| Federal grantor/pass-through grantor/program title | Federal CFDA number | Federal expenditures |
|--|------------------------------------|---------------------------------|
| Mitohealth, Inc. | 93.113 | \$ 93,796 |
| Mitohealth, Inc. | 93.859 | 145 |
| Moffitt Cancer Center | 93.393 | (464) |
| Moffitt Cancer Center | 93.855 | 172,013 |
| Morehouse School of Medicine, Inc | 93.283 | 11,964 |
| Mt. Sinai School of Medicine | 93.242 | 24,279 |
| National Childhood Cancer Foundation | 93.837 | 6 |
| National Marrow Donor Program | 93.839 | 9,823 |
| New England Research Institutes | 93.837 | 69,431 |
| New York University | 93.837 | 2,139 |
| Northwestern University | 93.855 | 80,314 |
| Northwestern University | 93.865 | 6,320 |
| Omega Optics, Inc. | 93.999 | 37,858 |
| Optima Neuroscience, Inc | 93.853 | 83,689 |
| Oregon Health Sciences University | 93.173 | 29,203 |
| Pediatric Heart Network | 93.837 | 69,964 |
| Radiation Therapy Oncology Group | 93.395 | 7,825 |
| Rutgers University | 93.853 | 58,096 |
| Schnellgen Inc. | 93.113 | 14,742 |
| Shepherd Center | 93.999 | 51,069 |
| South Carolina Department of Health and Environmental Control | 93.283 | 828 |
| South Carolina Department of Health and Environmental Control | 93.531 | 500,962 |
| South Carolina Department of Health and Human Services | 93.999 | (700) |
| South Carolina Experimental Program to Stimulate Competitive Research (EPSCoR) | 93.389 | 35 |
| South West Oncology Group | 93.395 | 4,673 |
| State University of New York at Stony Brook | 93.395 | 137,713 |
| Temple University | 93.853 | 6,027 |
| Temple University | 93.999 | 164,259 |
| Tufts Medical Center | 93.847 | 82,356 |
| Tulane University | 93.113 | 53,320 |
| University of Alabama at Birmingham | 93.847 | 179,516 |
| University of Alabama at Birmingham | 93.999 | 39,013 |
| University of Buffalo | 93.262 | 4,692 |
| University of California at Los Angeles | 93.838 | 8,597 |
| University of California at San Diego | 93.866 | 129,014 |
| University of California, San Francisco | 93.838 | 26,635 |
| University of California, San Francisco | 93.853 | 268,373 |
| University of California, San Francisco | 93.999 | 9,487 |
| University of Chicago | 93.999 | (3,941) |
| University of Cincinnati | 93.853 | 44,561 |
| University of Delaware | 93.859 | 273,879 |
| University of Florida | 93.361 | 21,010 |
| University of Florida | 93.853 | 9,142 |
| University of Georgia | 93.226 | (411) |
| University of Ibadan | 93.310 | 133,579 |
| University of Illinois at Chicago | 93.242 | 22,278 |
| University of Illinois at Chicago | 93.393 | 6,110 |
| University of Illinois at Chicago | 93.865 | 37,097 |
| University of Iowa | 93.837 | 1,604 |
| University of Maryland | 93.242 | 52,566 |
| University of Medicine and Dentistry of New Jersey | 93.853 | 131,702 |
| University of Michigan | 93.173 | 292 |
| University of Michigan | 93.399 | 14,394 |
| University of Michigan | 93.846 | 2,520 |
| University of Michigan | 93.847 | 59,033 |
| University of Michigan | 93.853 | 7,682 |
| University of Nebraska | 93.077 | 13,649 |
| University of New Mexico Health Sciences Center | 93.847 | 100,729 |
| University of North Carolina at Chapel Hill | 93.395 | 4,851 |
| University of North Carolina at Chapel Hill | 93.397 | 90,552 |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA number</u> | <u>Federal expenditures</u> |
|---|------------------------------------|---------------------------------|
| University of North Carolina at Chapel Hill | 93.847 | \$ 18,185 |
| University of North Carolina at Chapel Hill | 93.945 | 128,198 |
| University of Oklahoma | 93.110 | 84,360 |
| University of Oklahoma | 93.393 | 3,753 |
| University of Pennsylvania | 93.279 | (1,919) |
| University of Pennsylvania | 93.307 | 159,018 |
| University of Pennsylvania | 93.393 | 145,171 |
| University of Pittsburgh | 93.393 | 10,433 |
| University of Pittsburgh | 93.838 | 2,812 |
| University of Pittsburgh | 93.847 | (63) |
| University of Rochester | 93.213 | 19,424 |
| University of Rochester | 93.838 | 19,078 |
| University of South Carolina | 93.113 | 17,387 |
| University of South Carolina | 93.173 | 381,739 |
| University of South Carolina | 93.184 | 27,750 |
| University of South Carolina | 93.236 | 46,084 |
| University of South Carolina | 93.307 | (4,450) |
| University of South Carolina | 93.389 | 194,913 |
| University of South Carolina | 93.393 | 2,735 |
| University of South Carolina | 93.837 | 102,363 |
| University of South Carolina | 93.846 | (12) |
| University of South Carolina | 93.847 | 2,994 |
| University of South Carolina | 93.848 | (713) |
| University of South Carolina | 93.859 | 70,565 |
| University of South Carolina | 93.865 | 16,088 |
| University of South Carolina | 93.999 | (516) |
| University of South Florida | 93.113 | 46,590 |
| University of South Florida | 93.847 | 2,850 |
| University of Texas Health Science Center at Houston | 93.307 | 81,013 |
| University of Texas Health Science Center at Houston | 93.853 | 91,792 |
| University of Texas at San Antonio | 93.853 | 9,630 |
| University of Texas Health Science Center of San Antonio | 93.999 | 18,681 |
| University of Texas Southwestern Medical Center | 93.847 | 610,710 |
| University of Toledo | 93.838 | 23,285 |
| University of Utah | 93.837 | 323 |
| University of Vermont | 93.837 | (27,488) |
| University of Virginia | 93.853 | 295,182 |
| University of Washington at Seattle | 93.361 | (137) |
| University of Waterloo | 93.393 | 32,426 |
| University of Wisconsin | 93.999 | 478 |
| Utah State University | 93.866 | 667 |
| Vanderbilt University | 93.838 | 103,543 |
| Washington University | 93.839 | 8,523 |
| Wayne State University | 93.837 | 24,365 |
| Westat, Inc. | 93.999 | 36,256 |
| | | <u>11,061,369</u> |
| ARRA Passed-through programs: | | |
| Audiology, Inc | 93.701 | 61,208 |
| Duke University | 93.701 | (3,911) |
| University of California at San Diego | 93.701 | 18,326 |
| University of California at San Francisco | 93.701 | (254) |
| University of Colorado | 93.701 | 5,988 |
| University of Miami | 93.701 | 4,034 |
| University of South Carolina | 93.701 | (8,929) |
| University of Toledo Health Science Campus | 93.701 | 14,148 |
| University of Texas Southwestern Medical Center | 93.701 | 639 |
| | | <u>91,249</u> |
| Total U.S. Department of Health and Human Services | | <u>100,382,165</u> |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA number</u> | <u>Federal expenditures</u> |
|---|------------------------------------|---------------------------------|
| Other Federal Assistance: | | |
| Passed-through programs: | | |
| Manpower Demonstration Research Corporation | 94.999 | \$ 190,245 |
| Total Other Federal Assistance | | <u>190,245</u> |
| U.S. Department of Homeland Security: | | |
| Passed-through programs: | | |
| South Carolina Emergency Preparedness Division | 97.017 | 123,279 |
| South Carolina Universities Research and Education Foundation | 97.130 | 1,678,484 |
| State of South Carolina | 97.999 | 3,946 |
| Total U.S. Department of Homeland Security | | <u>1,805,709</u> |
| Agency for International Development: | | |
| Passed-through programs: | | |
| Johns Hopkins University | 98.999 | 15,832 |
| Total Research and Development Cluster | | <u>120,741,964</u> |
| Student Financial Assistance Cluster: | | |
| U.S. Department of Education: | | |
| Direct programs: | | |
| Federal Supplemental Educational Opportunity Grant Program | 84.007 | 19,467 |
| Federal Direct Student Loan Program | 84.268 | 84,390,049 |
| Federal Work-Study Program | 84.033 | 238,892 |
| Federal Perkins Loan Program | 84.038 | 167,351 |
| Federal Pell Grant Program | 84.063 | 93,500 |
| Total U.S. Department of Education | | <u>84,909,259</u> |
| U.S. Department of Health and Human Services: | | |
| Direct programs: | | |
| Nurse Faculty Loan Program | 93.264 | 56,210 |
| Total U.S. Department of Health and Human Services | | <u>56,210</u> |
| Total Student Financial Assistance Cluster | | <u>84,965,469</u> |
| Other Programs: | | |
| U.S. Department of Defense: | | |
| Direct programs: | | |
| U.S. Department of Defense | 12.420 | 47,857 |
| Total U.S. Department of Defense | | <u>47,857</u> |
| U.S. Department of Justice: | | |
| Passed-through programs: | | |
| South Carolina Department of Public Safety | 16.575 | 137,859 |
| South Carolina Department of Public Safety | 16.588 | 115,339 |
| Total U.S. Department of Justice | | <u>253,198</u> |
| U.S. Department of Transportation: | | |
| Passed-through programs: | | |
| Think First Foundation | 20.218 | (16,715) |
| Total U.S. Department of Transportation | | <u>(16,715)</u> |
| National Science Foundation: | | |
| Direct programs: | | |
| National Science Foundation | 47.076 | 120,427 |
| Total National Science Foundation | | <u>120,427</u> |
| U.S. Department of Veteran Affairs: | | |

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Federal CFDA number</u> | <u>Federal expenditures</u> |
|---|------------------------------------|---------------------------------|
| Direct programs: | | |
| Veteran's Administration Medical Center | 64.999 | \$ 518,489 |
| Total U.S. Department of Veteran Affairs | | <u>518,489</u> |
| Environmental Protection Agency: | | |
| Passed-through programs: | | |
| National Environmental Education and Training | 66.999 | <u>3,573</u> |
| Total Environmental Protection Agency | | <u>3,573</u> |
| U.S. Department of Energy: | | |
| Direct programs: | | |
| U.S. Department of Energy | 81.136 | <u>743,357</u> |
| | | <u>743,357</u> |
| Passed-through programs: | | |
| South Carolina State University | 81.999 | <u>262,453</u> |
| | | <u>262,453</u> |
| Total U.S. Department of Energy | | <u>1,005,810</u> |
| U.S. Department of Health and Human Services: | | |
| Direct programs: | | |
| Office of Minority Health | 93.004 | (6,757) |
| Health Resources and Services Administration | 93.059 | 350,894 |
| Health Resources and Services Administration | 93.107 | 406,044 |
| Health Resources and Services Administration | 93.124 | 38,247 |
| Health Resources and Services Administration | 93.153 | 520,320 |
| Health Resources and Services Administration | 93.191 | 140,193 |
| National Institutes of Health | 93.242 | 721 |
| Substance Abuse and Mental Health Services Administration | 93.243 | 1,186,964 |
| Health Resources and Services Administration | 93.247 | 268,629 |
| National Institutes of Health | 93.279 | 491,116 |
| Centers for Disease Control and Prevention | 93.283 | 462,418 |
| Health Resources and Services Administration | 93.358 | 349,920 |
| National Institutes of Health | 93.394 | 4,480 |
| ARRA – Health Resources and Services Administration | 93.403 | 339,364 |
| Health Resources and Services Administration | 93.505 | 115,172 |
| Health Resources and Services Administration | 93.510 | 465,547 |
| Health Resources and Services Administration | 93.513 | 415,800 |
| Centers for Medicare and Medicaid Services | 93.611 | 483,273 |
| ARRA – National Center for Research Resources, Recovery Act | 93.701 | (131) |
| ARRA – Construction Support | 93.702 | 413,798 |
| Health Resources and Services Administration | 93.732 | 153,908 |
| National Institutes of Health | 93.847 | (1,802) |
| U.S. Department of Health and Human Services-Other Federal | 93.999 | <u>30,256</u> |
| | | <u>6,628,374</u> |
| Passed-through programs: | | |
| University of South Carolina | 93.145 | 3,847 |
| South Carolina Department of Health and Environmental Control | 93.153 | (24,115) |
| Duke University | 93.173 | 1,710 |
| Hermes, LLC | 93.242 | (20,853) |

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| Federal grantor/pass-through grantor/program title | Federal CFDA number | Federal expenditures |
|---|------------------------------------|---------------------------------|
| Allegheny-Singer Research Institute | 93.243 | \$ 60,274 |
| South Carolina Eat Smart Move More Coalition | 93.531 | 98,364 |
| University of South Carolina | 93.531 | 114,443 |
| Allegheny General Hospital | 93.732 | 26,354 |
| South Carolina Department of Health and Human Services | 93.767 | 15,477 |
| South Carolina Department of Health and Environmental Control | 93.917 | 1,526,913 |
| South Carolina Department of Health and Environmental Control | 93.943 | 33,381 |
| University of South Carolina | 93.969 | 59,622 |
| South Carolina Department of Health and Environmental Control | 93.994 | (24,028) |
| Center for Public Service Communications | 93.999 | 70,742 |
| IFC Consulting | 93.999 | 58,777 |
| National Reach Coalition | 93.999 | 214,451 |
| South Carolina Department of Health and Human Services | 93.999 | 638,998 |
| South Carolina Tobacco Collaborative | 93.999 | 15,697 |
| University of Maryland | 93.999 | 23,775 |
| | | <u>2,893,829</u> |
| Total U.S. Department of Health and Human Services | | <u>9,522,203</u> |
| U.S. Department of Homeland Security: | | |
| Direct programs: | | |
| PDM Competitive Grant Program | 97.017 | 330 |
| Assistance to Firefighters | 97.044 | 197,410 |
| | | <u>197,740</u> |
| Passed-through programs: | | |
| South Carolina Emergency Preparedness Division | 97.017 | 2,449,137 |
| Total U.S. Department of Homeland Security | | <u>2,646,877</u> |
| Total Federal Expenditures | | <u>\$ 219,809,152</u> |

* Denotes major program.

See accompanying notes to schedule of expenditures of federal awards.

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the Medical University of South Carolina (the University) and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

(2) Summary of Significant Accounting Policies for Federal Award Expenditures

Expenditures for student financial aid programs include the federal share of students' Federal Supplemental Educational Opportunity Grant (FSEOG) program grants and Federal Work Study (FWS) program earnings, certain other federal financial aid for students and administrative cost allowances, where applicable. Federal Pell grant awards are recognized as agency transactions and are not recorded as expenditures in the financial statements.

Expenditures for federal research and development programs are determined using the cost accounting principles and procedures set forth in OMB Circular A-21, *Cost Principles for Educational Institutions*. Under these cost principles, certain expenditures are not allowable or are limited as to reimbursement.

(3) Non-Cash Assistance

Most federal financial assistance is in the form of cash awards. However, there are a number of federal programs that do not involve cash transactions with the University. These non cash transactions in which the University obtains other assistance are the Federal Direct Student Loan Program, which includes the Federal Direct Stafford Student Loan program (subsidized and unsubsidized) and the Federal Direct Parent Loans for Undergraduate Students (PLUS) and revolving loan programs such as the Federal Perkins Loan program.

The loans advanced and related expenditures are as follows for the various student loan programs:

| | <u>CFDA number</u> | <u>Amount</u> |
|---|------------------------|----------------------|
| Federal Perkins Loan Program: | | |
| Student loans advanced | 84.038 | \$ 1,063,398 |
| Cancellation of loans | | <u>95,156</u> |
| Total Federal Perkins Loan Program | | <u>\$ 1,158,554</u> |
| Federal Direct Student Loan Program – | | |
| Student loans advanced: | 84.268 | |
| Direct Stafford Loan Program | | \$ 839,829 |
| Direct Unsubsidized Stafford Loan Program | | 57,918,882 |
| Federal Direct PLUS Loan Program | | 247,774 |
| Federal Direct Graduate PLUS Loan Program | | <u>25,383,564</u> |
| Total Federal Direct Student Loan Program | | <u>\$ 84,390,049</u> |

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

| | <u>CFDA number</u> | <u>Amount</u> |
|---|------------------------|-------------------|
| Health Professions Student Loans, including Primary Care Loans/Loans for disadvantaged students: | | |
| Loans advanced | 93.264 | \$ 637,621 |
| Cancellation of loans | | <u>56,210</u> |
| Total Health Professions Student Loans | | <u>\$ 693,831</u> |

The Federal Perkins Loan, the Health Professions Student Loan (HPSL) and the Nurse Faculty Loan (NFLP) programs are administered directly by the University and balances and transactions relating to these programs are included in the University's basic financial statements. The balance of loans outstanding under the Federal Perkins, HPSL and Nurse Faculty Loan programs were \$4,585,060, \$6,526,057, and \$922,908, respectively, as of June 30, 2014.

The University is responsible only for the performance of certain administrative duties with respect to the guaranteed student loan programs and, accordingly, these loans are not included in its financial statements. It is not practicable to determine the balance of loans outstanding to students and former students of the University under these programs as of June 30, 2014.

(4) Matching

Under the FWS program, the University matched \$73,315 in total compensation for the year ended June 30, 2014 in addition to the federal share of expenditures in the accompanying schedule of expenditures of federal awards.

Under the FSEOG program, the University matched \$6,489 in funds awarded to students for the year ended June 30, 2014 in addition to the federal share of expenditures in the accompanying schedule of expenditures of federal awards.

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

(5) Subrecipients

Of the federal expenditures presented in the schedule, the University provided federal awards to subrecipients as follows:

| <u>Federal granting agency</u> | <u>Federal CFDA number</u> | <u>Amount provided to subrecipients</u> |
|---|------------------------------------|---|
| U.S. Department of Defense: | | |
| Department of Defense | 12.RD | \$ 389,728 |
| Total U.S. Department of Defense | | <u>389,728</u> |
| U.S. Department of Justice: | | |
| U.S. Department of Justice | 16.RD | <u>233,798</u> |
| Total U.S. Department of Justice | | <u>233,798</u> |
| National Science Foundation: | | |
| National Science Foundation | 47.RD | <u>49,007</u> |
| Total National Science Foundation | | <u>49,007</u> |
| U.S. Department of Energy: | | |
| U.S. Department of Energy | 81.RD | 869 |
| U.S. Department of Energy – ARRA | 81.RD | 328,741 |
| Pass-through programs from: | | |
| SC Universities Research and Education Foundation | 81.RD | <u>25,991</u> |
| Total U.S. Department of Energy | | <u>355,601</u> |
| U.S. Department of Education: | | |
| U.S. Department of Education | 84.RD | <u>250,557</u> |
| Total U.S. Department of Education | | <u>250,557</u> |
| U.S. Department of Health & Human Services: | | |
| U.S. Department of Health & Human Services | 93.RD | 8,511,950 |
| U.S. Department of Health & Human Services – ARRA | 93.RD | 244,234 |
| Pass-through programs from: | | |
| Duke University | 93.RD | 44,615 |
| John Hopkins | 93.RD | <u>47,904</u> |
| Total U.S. Department of Health & Human Services | | <u>8,848,703</u> |
| U.S. Department of Homeland Security: | | |
| Pass-through programs from: | | |
| SC Universities Research & Education Foundation | 97.RD | <u>504,247</u> |
| Total U.S. Department of Homeland Security | | <u>504,247</u> |
| Total Research & Development | | \$ <u><u>10,631,641</u></u> |



KPMG LLP
Suite 2000
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Atlanta, GA 30308-3210

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*

The Board of Trustees
The Medical University of South Carolina

Report on *Cont Auditing Standards*,

We have audited, in accordance with the auditing standards generally accepted in the United States of issued by the Comptroller General of the United States, the financial statements of the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Medical University of South Carolina (the University) as of and for the year ended June 30, 2014, 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 10, 2014. Our report includes an emphasis of matter paragraph explaining that during fiscal year 2014, the University adopted Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our report includes a reference to other auditors who audited the financial statements of the Medical University of South Carolina Foundation and the MUSC Foundation for Research Development, as described in our report on University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Medical University of South Carolina Foundation and the MUSC Foundation for Research Development 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 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 opinions 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 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 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 and therefore, material weaknesses or significant deficiencies may



exist that were not identified. 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as finding 2014-01 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University'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*.

The University's Response to Findings

The University's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The University's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Atlanta, Georgia
October 10, 2014



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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, *Audits of States, Local Governments, and Non-Profit Organizations*

The Board of Trustees
The Medical University of South Carolina
Charleston, South Carolina:

Report on Compliance for Each Major Federal Program

We have audited the Medical University of South Carolina (the University)'s 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, 2014. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The University's basic financial statements include the operations of the Medical University Hospital Authority (the Authority), which received \$344,271,274 in federal awards which is not included in the Schedule of Expenditures of Federal Awards during the year ended June 30, 2014. Our audit, described below, did not include the operations of the Authority because the Authority's federal awards are separately audited in accordance with OMB Circular A-133.

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, 2014.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the University as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated October 10, 2014, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter paragraph explaining that during fiscal year 2014, the University adopted Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our report includes a reference to other auditors who audited the financial statements of the Medical University of South Carolina Foundation and the MUSC Foundation for Research Development, as described in our report on University's financial statements. This report does not include the results of the other auditors'



testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Medical University of South Carolina Foundation and the MUSC Foundation for Research Development were not audited in accordance with *Government Auditing Standards*. 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 OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

KPMG LLP

Atlanta, Georgia
January 29, 2015

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: **Unmodified opinion**
- (b) Significant deficiencies in internal control were disclosed by the audit of the basic financial statements: **Yes, see finding 2014-01** Material weaknesses: **None**
- (c) Noncompliance which is material to the basic financial statements: **None**
- (d) Significant deficiencies in internal control over major programs: **None reported** Material weaknesses: **None**
- (e) The type of report issued on compliance for major programs: **Unmodified opinion**
- (f) Any audit findings which are required to be reported under Section 0.510(a) of OMB Circular A-133: **No**
- (g) Major Federal program: **Research and Development Cluster (various CFDA numbers)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee under Section 0.530 of OMB Circular A-133: **Yes**

(2) Findings Relating to the Basic Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding 2014-01

Payroll supervisor approval of employee timecards as required by MUSC policy.

Criteria

Time sheets are required to be reviewed and approved by a supervisor.

Condition, Cause, and Effect

Compensation and employee benefit costs are a significant element to the University's operations representing approximately 57% of total operating expenses. During our test work over payroll, we noted that although the control over supervisor approval of timecards was designed and implemented properly, the control was not operating effectively during fiscal year 2014. Of the 25 sample timesheets selected for testing, 5 from one department did not show sufficient evidence of supervisory review and approval. This deficiency increases the potential for payments for unauthorized time charges. This instance potentially affects the existence, accuracy, and presentation of the operating expense financial statement caption "Compensation and Employee Benefits", as employee time records are a direct input into this significant account.

In some circumstances, a control deficiency may be mitigated by appropriate compensating controls. To have a mitigating effect, the compensating control should operate at a level of precision that would prevent or detect material misstatements of the account impacted by the deficiency. However, we did not identify relevant compensating controls to mitigate the risks associated with the above control deficiency.

THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Recommendation

We recommend the University strengthen its monitoring of payroll time sheet submissions and follow up on supervisory review compliance. We also recommend the University obtain detailed documentation from the departments to support amounts being submitted to ensure information recorded in the general ledger is complete and accurate.

Management Response

We concur with KPMG's cited deficiency. The appropriate management within the department has been notified. Mandatory online training sessions with University timekeepers to review leave documentation policies and procedures has already taken place. MUSC Finance has developed a leave-balance confirmation report that will now be sent electronically to Vice Presidents, Deans or Directors so they may address areas of concern. Additionally, we are working closely with MUSC Internal Audit to enhance compliance with policies and procedures.

(3) Findings and Questioned Cost Relating to Federal Awards

None