

**College of Charleston
Charleston, South Carolina**

OMB Circular A-133 Reports

For the year ended June 30, 2013

College of Charleston
Charleston, South Carolina
Table of Contents

	<u>Page</u>
Schedule of Expenditures of Federal Awards.....	1-7
Notes to the Schedule of Expenditures of Federal Awards.....	8-9
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	10-11
Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.....	12-14
Schedule of Findings and Questioned Costs.....	15-17
Summary Schedule of Prior Audit Findings.....	18

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:			
US DEPARTMENT OF AGRICULTURE			
Monitoring Stream Flow in the Turkey Creek Watershed, Francis Marion National Forest, South Carolina, 2012	10.RD		\$ 11,737
Passed Through from Southern Regional Aquaculture Center: Effects of Mosquito Abatement Pesticides on Various Life Stages of Commercially Important Shellfish Aquaculture Species in the South	10.RD	2008-38500-19251	3,072
TOTAL US DEPARTMENT OF AGRICULTURE			<u>14,809</u>
US DEPARTMENT OF COMMERCE			
Sea Turtle Testosterone Assays	11.RD		4,403
Sex Ratios of North Carolina Turtles	11.RD		483
Management of NMFS Charleston Laboratory Library	11.RD		86,023
Northeast US Loggerhead sex ratio study	11.RD		160
Services to conduct the analysis of sea turtle blood samples by the College of Charleston, Grice Marine Laboratory in the laboratory of Dr. David Owens	11.RD		2,967
Social Valuation of Ecosystem Services in the ACE Basin, South Carolina (Graduate Research Fellowship)	11.RD		19,484
Passed Through from Clemson University: Storm Hydrograph Separation Analysis for Paired Coastal Watersheds: An Assessment of Pre-development Site Conditions	11.RD	NA100AR4170073	(274)
Passed Through from South Carolina Sea Grant Consortium: Developing an Analysis Pipeline for Next Generation Sequencing Data at the College of Charleston	11.RD	NA100AR4170073-P/M-21 M111	7,884
Gray Triggerfish <i>Balistes-Capriciscus</i> Life History in the South Atlantic Bight	11.RD	NA11NMF4330130	28,688
Microbial Interactions with the Florida Red Tide Dinoflagellates, <i>Karenia</i> - A Role for Quorum Sensing?	11.RD	MOA2010-049/8135	3,611
Health, Well-being, and Ecosystem Service Change in Coastal Counties Impacted by the Deepwater Horizon Industrial-Environmental Disaster -Bob Crimian	11.RD	MOA2010-049/81355/AM.02	12,400
Growth and Distribution of Deep-Water Constructional Scleratinia under 'Acidified' Ocean Conditions in the Southern California Bright, Year 2	11.RD	MOA2010-049/81355AM.002	21,113
Health and Well-being in Coastal Counties: Impact and Resiliency in the Wake of Deepwater Horizon Industrial-Environmental Disaster - Lowell Atkinson	11.RD	MOA2010-049/8135-AM.001 R552	426
Coastal Livelihoods and the Local Sense of Place-Assessing Social -Ecological Relationships and Environmental Values in the Face of Demographic Changes	11.RD	NA100AR4170073	32,832
Coastal Livelihoods and the Local Sense of Place: Assessing Social -Ecological Relationships and Environmental Values in the Face of Demographic Changes	11.RD	NA100AR4170073	14,415
Evaluating Water Quality Parameters in the Coastal Waters of South Carolina Using Satellite Data	11.RD	NA100AR4170073-P	3,307
Fishing Habits and Fish Consumption in Coastal Georgia	11.RD	R558/ MOA-2010-049/8135	2,691
Passed Through from South Carolina Department of Natural Resources: Genetic Risk Assessment Modeling for Offshore Marine Aquaculture Operations: COBIA	11.RD	NA11NMF4330125	11,179
Passed Through from Univ Corp for Atmospheric Research: Improved Integration of SLOSH Model Simulations and Local Landmark Data in a Hurricane Surge Visualization Model	11.RD	NA06NWS4670013	1,562
TOTAL US DEPARTMENT OF COMMERCE			<u>253,354</u>

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER, Continued:			
US DEPARTMENT OF DEFENSE			
Passed Through from University of Maryland: ONR/MURI Subcontract: Flying Insect Sensory Modalities	12.RD	N00014-10-1-0952	48,937
TOTAL US DEPARTMENT OF DEFENSE			<u>48,937</u>
US DEPARTMENT OF THE INTERIOR			
Shortnose Sturgeon Data Analysis	15.RD		978
Passed Through from Tanana Chiefs Conference: Traditional Ecological Knowledge of Moose, Other Wildlife Species, and Climate Change in Allakaket/Alatna	15.RD	PO P12PX25002	31,254
Passed Through from Florida Fish & Wildlife Conservation Commission: Laparoscopic Examination of Loggerhead Sea Turtles	15.RD	PO A06AEC - 401819G512	79
Laparoscopic Examination of Loggerhead Sea Turtles in Florida Bay 2011	15.RD	PO A38C93 - 401819G512	910
Laparoscopic Examination of Loggerhead Sea Turtles in Florida Bay 2012	15.RD	PR NO. PR6332905	2,241
TOTAL US DEPARTMENT OF THE INTERIOR			<u>35,462</u>
US DEPARTMENT OF TRANSPORTATION			
Passed Through from South Carolina Emergency Management Division: Motor Carrier Safety Assistance Program: Unified Risk Assessment and Management of Hazardous Materials Transportation in South Carolina	20.RD	FM-MHP-0087-12-01-00	118,188
Passed Through from South Carolina Dept of Public Safety-State Transport Police Div: Hazardous Materials Emergency Preparedness Grant-Dorchester Berkeley Charleston Counties-Yr 2	20.RD	HMESC8042160	17,623
TOTAL US DEPARTMENT OF TRANSPORTATION			<u>135,811</u>
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
South Carolina Space Grant Consortium	43.RD		5,388
South Carolina NASA EPSCoR 2007-2012 (Experimental Program to Stimulate Competitive Research) Research Infrastructure Development	43.RD		229,637
South Carolina Space Grant Consortium, Main	43.RD		676,930
South Carolina NASA EPSCoR: Development of Rapid Cycle Pressure Swing Adsorption Oxygen Concentrators for Extraterrestrial Applications	43.RD		45,492
NRA - ROSES - Research Opportunities in Space and Earth Sciences	43.RD		12,680
SCSGC Subaward to USC 2010-2013 (Reynolds)	43.RD		338,663
SCSGC Subaward to Clemson - Chen 2010-2013	43.RD		245,509
Design, Manufacture, Evaluation, and Multi-physical Modeling of Aerospace Composite Materials for Enhanced Reliability	43.RD		54,861
Research Infrastructure Development 2012-2015	43.RD		17,604
Development of the Virgin Islands Center for Space Science at Etelman Observatory: Research, Education, and Economic Development through Promotion of NASA's Vision	43.RD		17,621
Passed Through from Cornell University: Gamma Ray Burst Population Studies with an Enhanced Batse Burst Catalog	43.RD	NNX09AD03G	7,863
Quantified Uncertainty: Flexible Probabilistic Modeling of Dynamic Spectra and Other Astronomical Data	43.RD	NNX09AK60G	45,747

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER, Continued:			
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, continued			
Passed Through from Jet Propulsion Laboratory: Coldest Imaged Companion of a Sun-like Star	43.RD	RSA No. 1409371	1,738
Passed Through from Smithsonian Astrophysical Observatory: Energy Dependent X-ray Microlensing	43.RD	NAS8-03060 GO1-12139C	10,778
Energy Dependent Microlensing in X-rays	43.RD	NAS8-03060	11,447
Chandra Archival-An Archival Study of the X-ray Spectral Evolution of AGNs - Proposal 11900843	43.RD	NAS8-03060	10,295
Extreme Velocity Quasar Outflows and the Role of X-ray Shielding	43.RD	NAS8-03060	12,415
Chandra- HETG Ultra-deep Gratings Spectroscopy of Sgr A- CHUGSS	43.RD	NAS8-03060	4,553
Energy Dependent X-Ray Microlensing and the Structure of Quasars	43.RD	NAS8-03060	7,204
Passed Through from South Carolina NASA EPSCoR MSI Faculty Engagement Competition: NSA EPSCoR MSI Faculty Engagement 2012-14	43.RD	NNX12AI12A	52,279
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			<u>1,808,704</u>
NATIONAL ENDOWMENT FOR THE ARTS			
Rebound: Dissections and Excavations in Book Art	45.RD		15,010
Returning to the Sea-Saltworks by Motoi Yamamoto	45.RD		2,513
TOTAL NATIONAL ENDOWMENT FOR THE ARTS			<u>17,523</u>
NATIONAL FOUNDATION FOR THE HUMANITIES			
Investigating Consciousness: Buddhist and Contemporary Philosophical Perspectives	45.RD		3,908
Passed Through from American University: WWI in Middle East Summer Institute Stipend	45.RD	FS-50281-11	1,951
Passed Through from University of South Carolina: Year 2: Digital Library-Ongoing Initiative	45.RD	IIF-11-01 41889 30000-FL07	103
Year 3: South Carolina Digital Library-Ongoing Initiative	45.RD	IIF-12-01	9,999
TOTAL NATIONAL FOUNDATION FOR THE HUMANITIES			<u>15,961</u>
NATIONAL SCIENCE FOUNDATION			
RUI: Photochemical Degradation, Soil Sorption, and Environmental Fate of Pharmaceutically Active Compounds in Simulated and Natural Water Samples	47.RD		87,594
PFI: Lowcountry Partnership for Biomedical Innovation	47.RD		105,714
PFI: Lowcountry Partnership for Biomedical Innovation-University of Louisville	47.RD		15,602
Graduate Research Fellowship-Vanessa Bezy	47.RD		2,500
Molecular Band Measurements of Absolute Starspot Properties	47.RD		44,333
RUI-Ground Based and Space Based Direct Imaging Surveys for Extrasolar Planets	47.RD		32,195
RUI-Ground Based and Space Based Direct Imaging Surveys for Extrasolar Planets	47.RD		51,833
RUI/Collaborative Research: A Spectroscopic Survey of Circumstellar Gas in Lambda Boo Stars	47.RD		16,983
RUI: Numerical Simulations of Optically Thick Accretion onto Black Holes	47.RD		25,517
MRI: Acquisition of an Ultra High Pressure Liquid Chromatograph - Mass Spectrometer for Interdisciplinary Undergraduate Research and Teaching in Chemistry and Related Fields	47.RD		274,940
RUI Stability Analysis for Soliton Solutions of the Vortex Filament Equation and Beyond	47.RD		8,098
Southeast Geometry Conference 2010-2012	47.RD		(2,268)
Collaborative Research: Characterization of the Two Dimensional/Temporal Mosaic of Drop Size Distributions and Spatial Variability (Structure) in Rain	47.RD		101,986
Collaborative Research: Analytical Techniques and Software: Development of CyberInfrastructure to Support Laser-Ablation ICP Mass Spectrometry	47.RD		101,178

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER, Continued:			
NATIONAL SCIENCE FOUNDATION, continued			
Collaborative Research: Cascading effects of an Invasive Seaweed on Estuarine Food Webs of the Southeastern US	47.RD		102,985
Collaborative Research: Lipid Lubrication of Oceanic Carbon and Sulfur Biogeochemistry via a Host-Virus Chemical Arms Race	47.RD		171,000
CAREER Updating Problems in Information Retrieval and a Mathematical Dissection Lab	47.RD		2,128
CAREER Updating Problems in Information Retrieval and a Mathematical Dissection Lab -Davidson College	47.RD		(743)
AF: Small: RUI: Ranking and Clustering by Integer and Linear Optimization	47.RD		87,372
EAGER-An Efficient Algorithm for Automated Transcription of Music Vocalizations and Arbitrary Sound Recordings	47.RD		12,120
REU Site: Marine Organism Health: Resilience and Response to Environmental Change	47.RD		86,981
Arabidopsis Collaborative Research RUI Quantifying Mutation Parameters in a Fitness Landscape Spontaneous Mutation in A Thaliana its Native Range	47.RD		14,623
RUI-Fine Root Production and Architecture in a Loblolly Pine Forest Exposed to FACE-Interactive Effects of Atmospheric CO2 Enrichment with Soil N Availability	47.RD		171,128
RUI-Fine Root Production and Architecture in a Loblolly Pine Forest Exposed to FACE -Interactive Effects of Atmospheric CO2 Enrichment with Soil N Availability	47.RD		2,097
Collaborative Research: Jaws and Backbone: Chondrichthyan Phylogeny and a Spine for the Vertebrate Tree of Life	47.RD		370,979
Collaborative Research: Jaws and Backbone: Chondrichthyan Phylogeny and a Spine for the Vertebrate Tree of Life	47.RD		62,616
Collaborative Research: Jaws and Backbone: Chondrichthyan Phylogeny and a Spine for the Vertebrate Tree of Life	47.RD		60,671
Collaborative Research: Jaws and Backbone: Chondrichthyan Phylogeny and a Spine for the Vertebrate Tree of Life	47.RD		775
RUI Impaired Metabolism and Performance in Crustaceans Exposed to Bacteria	47.RD		2,606
Collaborative: RUI: Engaging Undergraduates in Genomic Questions and Environmental Context: Building a Database of Complex Phenotypes for Plant	47.RD		85,141
CAREER: Prediction of Synchrony and Phase-Locked Modes in Neural Networks based on Stimulus Time Resetting Curves	47.RD		77,238
RUI- Integrating Roots into Whole Plant Phenotypes- Ecological and Genetic Perturbations	47.RD		112,144
RUI-Elevated Environmental CO2 Impairs Acclimation to Hypoxia in Crustaceans	47.RD		141,196
RUI: Targeted Annotation and Exploration of Synteny of Immunoglobulin Loci in Teleosts Using RSS Motifs	47.RD		9,271
Graduate Research Fellowship Program	47.RD		456
Collaborative Research: Scaling up an innovative approach for attracting students	47.RD		46,184
Collaborative- TRACERS- Tracing the Fate of Algal Carbon Export in the Ross Sea	47.RD		154,398
RUI: SBBI: Phylogenetic Effect On Host Use Within Generalist Herbivores: A Case Study Using Marine Amphipods in the Family Ampithoidae (Crustacea: Amphipoda)	47.RD		4,235
Passed Through from Incorporated Research Institutions for Seismology: Technology Assistance with Implementation and Operation of Transportable Array Element of Usarray and Earthscope	47.RD	EAR-0733069	12,668

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER, Continued:			
NATIONAL SCIENCE FOUNDATION, continued			
Passed Through from Arizona Geological Survey: Producing the Governance Framework and Terms of Reference for EarthCube	47.RD	NSF-1256235-COFC	4,990
TOTAL NATIONAL SCIENCE FOUNDATION			<u>2,661,464</u>
US DEPARTMENT OF EDUCATION			
Passed Through from University of Virginia: WINGS	84.RD	R305A110703	202,038
TOTAL US DEPARTMENT OF EDUCATION			<u>202,038</u>
US DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through from Medical University of South Carolina: Subaward under NIH R01 project by Dr. K. Gray, MUSC	93.RD	1U01DA031779-01A1	6,825
Passed Through from the University of South Carolina: South Carolina INBRE Year 2-Bioinformatics Core-Digital transcriptomics of loggerhead sea turtles (Caretta Caretta)	93.RD	5P20RR016461-11	8,062
Building Biomedical Research Pathways in Genetics, Neurobiology, and Chemical Biology	93.RD	5P20RR016461-11	(5,739)
Building Biomedical Research Pathways in Genetics, Neurobiology, and Chemical Biology	93.RD	8P20GM103499-12	133,279
Passed Through from South Carolina Developmental Disabilities Council: Move, Groove, and Get Active: A Family Centered Recreation Program for Children with Asperger's/Autism Spectrum Disorder	93.RD	0-21-0031	1,476
Move, Groove, and Get Active: A Family Centered Recreation Program for Children with Asperger's/Autism Spectrum Disorder 2011-2012	93.RD	01-21-0031	4,310
Passed Through from the University of Virginia: ARRA - Minds in Motion	93.RD	5RC1HD063534-02	2,143
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>150,356</u>
US DEPARTMENT OF HOMELAND SECURITY			
Passed Through South Carolina Emergency Management Division: Earthquake Mitigation Plan and Education and Outreach - South Carolina 2011-2012	97.RD	EMA-2011-GR-5135	4,682
TOTAL US DEPARTMENT OF HOMELAND SECURITY			<u>4,682</u>
TOTAL RESEARCH AND DEVELOPMENT CLUSTER			<u>5,349,101</u>
STUDENT FINANCIAL ASSISTANCE CLUSTER:			
US DEPARTMENT OF EDUCATION			
Federal Supplemental Educational Opportunity Grant 2012-2013	84.007		224,804
Federal College Work-Study Program 2012-2013	84.033		251,856
Federal Perkins Loans	84.038		386,038
Federal Pell Grant Program 2011-2012	84.063		(782)
Federal Pell Grant Program 2012-2013	84.063		10,316,299
Federal Direct Loans 11-12 Unsubsidized Subsidized Direct Plus and Graduate Plus Programs	84.268		(57,393)
Federal Direct Loans 12-13 Unsubsidized Subsidized Direct Plus and Graduate Plus Programs	84.268		61,060,599
Teacher Education Assistance for College and Higher Education Grants 2012-2013	84.379		468,597
TOTAL US DEPARTMENT OF EDUCATION - STUDENT FINANCIAL ASSISTANCE CLUSTER			<u>72,650,018</u>

College of Charleston

Schedule of Expenditures of Federal Awards
For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
TRIO CLUSTER:			
US DEPARTMENT OF EDUCATION			
Project ROAR-A Student Support Services Program to Serve 140 Low Income First Generation and Disabled Students	84.042A		241,542
The Regular Upward Bound Program	84.047A		(44,959)
College of Charleston Upward Bound 2012-2017	84.047A		414,146
College of Charleston Ronald E McNair Post-baccalaureate Degree Program	84.217A		261,120
TOTAL US DEPARTMENT OF EDUCATION - TRIO CLUSTER			871,849
SPECIAL EDUCATION CLUSTER (IDEA):			
US DEPARTMENT OF EDUCATION			
Passed Through from South Carolina Department of Education: Project CREATE 2011 - 2012	84.027A	H63010100911	1,895
Project CREATE 2012 - 2013	84.027	13CO303-01	30,008
TOTAL US DEPARTMENT OF EDUCATION - SPECIAL EDUCATION CLUSTER (IDEA)			31,903
OTHER PROGRAMS:			
US DEPARTMENT OF JUSTICE			
Passed Through from South Carolina Department of Alcohol and Other Drug Abuse Svcs: Palmetto Initiative for Campus Community Collaborations PICCC 2009-2010	16.727	COC-PICC-0	(7,236)
Palmetto Initiative for Campus Community Collaborations PICCC 2010-2011	16.727	COC-PICC-1	(379)
Palmetto Initiative for Campus Community Collaborations PICCC 2011-2012	16.727	COC-PICC-2	29,443
TOTAL US DEPARTMENT OF JUSTICE			21,828
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
Passed Through from the University of Alabama in Huntsville: UAH-CofC NASA Space Mission Design	43.008	NNM11AA01A	1,497
The ENGINEER Program	43.008	NNM11AA01A	9,986
Passed Through from Space Telescope Science Institute: Transporting HST Exoplanet Research to the Middle and High School Classroom	43.UNK	HST-EO-12228.20-A	620
Passed Through from Brown University: The Moon as Cornerstone to the Terrestrial Planets The Formative Years	43.UNK	NNA09DB34A	59,481
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			71,584
NATIONAL ENDOWMENT FOR THE HUMANITIES			
NEH Enduring Questions Concern on What is the Rule of Law?	45.163		(192)
Passed Through from South Carolina Humanities Council: Workshop on Teaching the New History of Emancipation in the Carolinas	45.129	13-1483-2	856
TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES			664
NATIONAL SCIENCE FOUNDATION			
MRI-Consortium Acquisition of a Shipboard Sorting High Speed Flow Cytometer for Research and Education	47.050		6,440
Computing in the Arts: A Model Curriculum	47.076		48,438
Passed Through from South Carolina State University: SCAMP Federal Year 5 2011-2012	47.076	HRD-0705355	32,081
TOTAL NATIONAL SCIENCE FOUNDATION			86,959

College of Charleston

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
OTHER PROGRAMS, continued:			
US NUCLEAR REGULATORY COMMISSION			
Enhancement of the Undergraduate Nuclear and Radiochemistry Curriculum Through the Development of Radiochemistry	77.006		6,665
TOTAL US NUCLEAR REGULATORY COMMISSION			<u>6,665</u>
US DEPARTMENT OF EDUCATION			
The Need for International Entrepreneurship Education	84.153A		8,846
Passed Through from South Carolina Department of Education:			
REACH FAR-Realizing Educational and Career Hopes -Foundation Augmentation Replication	84.407A	P407A100001	441,178
Partnering to Increase Science and Mathematics Teacher Knowledge and Student Achievement	84.366	H63010008209	175
Partnering to Increase Science and Mathematics Teacher Knowledge and Student Achievement Year 2	84.366	H63010008211	106,485
Partnership to Increase Science and Mathematics Teacher Knowledge and Student Achievement Year 3	84.366	13MA303	100,723
TOTAL US DEPARTMENT OF EDUCATION			<u>657,407</u>
US DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through from Medical University of South Carolina:			
CofC Subcontract: Creating a healthier Lowcountry through active living and smoke-free air	93.531	1U58DP003583-10	3,023
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>3,023</u>
US DEPARTMENT OF HOMELAND SECURITY			
Passed Through from South Carolina Emergency Management Division:			
Earthquake Mitigation Plan and Education and Outreach: South Carolina 2012-2013-South Carolina 2011-2012	97.082	EMA-2012-GR-5284	17,733
TOTAL US DEPARTMENT OF HOMELAND SECURITY			<u>17,733</u>
TOTAL OTHER PROGRAMS			<u>865,863</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 79,768,734</u></u>

College of Charleston

Notes to the Schedule of Expenditures of Federal Awards *For the year ended June 30, 2013*

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the College of Charleston and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Summary of Significant Accounting Policies for Federal Awards

Expenditures for student financial aid programs include the federal share of student's Federal Supplemental Educational Opportunity Grant program grants and Federal Work Study program earnings, certain other federal financial aid for students and administrative cost allowances, where applicable.

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.

Expenditures for nonfinancial aid awards include indirect costs, related primarily to facilities operation and maintenance and general, divisional and departmental administrative services, which are allocated to direct cost objectives (including federal awards) based on negotiated formulas commonly referred to as facilities and administrative cost rates. Facilities and administrative costs allocated to such awards for the year ended June 30, 2013, were based on predetermined fixed rates negotiated with the College's cognizant federal agency.

Note 3. Federal Perkins Loan Program (CFDA Number 84.038)

The Federal Perkins Loan Program is administered directly by the College of Charleston, and balances and transactions are included in the loan fund of the College of Charleston's financial statements. The balance of loans outstanding under the Federal Perkins Loan program was \$2,051,686 as of June 30, 2013.

Note 4. Matching

Under the Federal Work Study program, the College of Charleston matched \$55,159 in total compensation for the year ended June 30, 2013 in addition to the federal share of expenditures in the accompanying Schedule of Expenditures of Federal Awards.

Under the Federal Supplemental Education Opportunity Grant program, the College of Charleston matched \$95,820 in funds awarded to students for the year ended June 30, 2013 in addition to the federal share of expenditures in the accompanying Schedule of Expenditures of Federal Awards.

College of Charleston**Notes to the Schedule of Expenditures of Federal Awards****For the year ended June 30, 2013**

Note 5. Contingencies

The College of Charleston receives funds under various federal grant programs and such awards are to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of non-compliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have any material financial impact.

Note 6. Subrecipients

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the College of Charleston provided federal awards to subrecipients as follows:

<u>Federal Granting Agency</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
National Aeronautics and Space Administration	43.XXX	\$ 1,230,859
National Science Foundation	47.XXX	190,568
US Department of Education	84.XXX	<u>46,191</u>
		<u>\$ 1,467,618</u>



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Members of the Board of Trustees
College of Charleston
Charleston, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the College of Charleston (the College), a component unit of the State of South Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 8, 2013. The financial statements of the College of Charleston Cougar Club (the Cougar Club) 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 Cougar Club. Our report includes a reference to other auditors who audited the financial statements of the College of Charleston Foundation, as described in our report on the College's financial statements. The financial statements of the College of Charleston Foundation 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 College'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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2013-1.

Management's Response to Findings

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

Purpose of this Report

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

Greenville, South Carolina
October 8, 2013





**Independent Auditor's Report on Compliance for
Each Major Federal Program; Report on Internal Control Over
Compliance; and Report on the Schedule of Expenditures of
Federal Awards Required by OMB Circular A-133**

Members of the Board of Trustees
College of Charleston
Charleston, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the College of Charleston's (the College'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 College's major federal programs for the year ended June 30, 2013. The College's major federal programs are identified in the summary of auditor's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College'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 College'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 College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College 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, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2013-1. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of the College 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 College'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 College'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. However, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2013-1, that we consider to be a significant deficiency.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of 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 and the aggregate discretely presented component units of the College as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 8, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 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.



Greenville, South Carolina

January 17, 2014, except for the portion related to the Schedule of Expenditures of Federal Awards as to which the date is October 8, 2013.

College of Charleston

Schedule of Findings and Questioned Costs For the year ended June 30, 2013

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness identified? yes no
- Significant deficiency identified that is not considered to be a material weakness yes none reported

Noncompliance material to financial statements noted

yes no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? yes no
- Significant deficiency identified that is not considered to be a material weakness yes none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133

yes no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.007; 84.033; 84.038; 84.063; 84.268; 84.379	Student Financial Aid Cluster

Dollar threshold used for distinguishing between type A and B programs:

\$2,393,062

Auditee qualified as low-risk auditee?

Yes

Section II. Financial Statement Findings

None

College of Charleston

Schedule of Findings and Questioned Costs

For the year ended June 30, 2013

Section III. Federal Award Findings and Questioned Costs

Finding 2013-1

Program:	CFDA No. 84.038 – Federal Perkins Loan Program
Criteria or Specific Requirement:	For students with Perkins loans who have separated from the College, the loans must be converted to repayment in a timely manner, 9 months after the student's separation date (34 CFR section 674.31(b)(2)).
Condition:	The College communicated incorrect separation dates for a number of students who separated from the College during the 2012-2013 fiscal year resulting in the students' loans being converted to repayment later than required.
Questioned Costs:	\$0
Context:	A test of the loans entering repayment during the year revealed discrepancies in the separation date reported to the student loan servicer responsible for converting loans to repayment and the actual separation date recorded in the students' academic records. There were discrepancies in the date for 4 of the 11 students selected for testing. Approximately 109 students' loans entered repayment during the year. Of these students, the College has determined that no more than 18 separation dates were reported incorrectly.
Effect:	The students' loans were converted to repayment later than required, resulting in a deferred repayment period. This had no impact on the total repayment cost of the loan.
Cause:	Student separation dates are communicated to the loan servicer on a periodic basis throughout the year. The students' separation dates were originally reported correctly to the loan servicer soon after the actual separation date. However, these dates were later overwritten using an internal report run each semester identifying students who have not completed their Perkins Loan exit interview and are expected to graduate. The report should have excluded any students with prior exit interview dates, however, a time frame parameter setting in the report incorrectly caused the students to be included in the report, and their separation dates were overwritten with the standard graduation date at that point.
Recommendation:	Procedures should be implemented whereby student separation dates cannot be overridden without proper documentation and verification of the separation date by the Registrar's Office, as reported to the National Clearing House by that office.

College of Charleston***Schedule of Findings and Questioned Costs******For the year ended June 30, 2013***

Section III. Federal Award Findings and Questioned Costs, Continued**Finding 2013-1, continued**

View of Responsible
Official and

Corrective Actions: Effective October 2013, the College has modified its business process so that separation dates can only be modified after receiving proper documentation and verification from ECSI and the Registrar's Office.

College of Charleston***Summary Schedule of Prior Audit Findings******For the year ended June 30, 2013***

In accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, the following is the status of known material findings and recommendations from prior year audits:

None noted