

**SOUTH CAROLINA STATE UNIVERSITY**

ORANGEBURG, SOUTH CAROLINA

OMB CIRCULAR A-133 REPORTS

(With Independent Auditors' Report Thereon)

YEAR ENDED JUNE 30, 2011

# SOUTH CAROLINA STATE UNIVERSITY

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**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  
South Carolina State University  
Orangeburg, South Carolina

We have audited the financial statements of the business-type activity and the discretely presented component unit of South Carolina State University (the "University"), as of and for the year ended June 30, 2011, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 3, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of South Carolina State University Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

**Internal Control over Financial Reporting**

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the University's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect 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.

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the University in a separate letter dated October 3, 2011.

This report is intended solely for the information and use of the Board of Trustees, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Cherry, Bekaert & Holland, L.L.P.*

Charlotte, North Carolina  
October 3, 2011



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133 AND ON THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**

Members of the Board of Trustees  
South Carolina State University  
Orangeburg, South Carolina

**Compliance**

We have audited South Carolina State University's (the "University") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2011. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on 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. Our audit does not provide a legal determination of the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

**Internal Control Over Compliance**

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

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the business type activity and the discretely presented component unit of South Carolina State University (the "University"), as of and for the year ended June 30, 2011, and have issued our report thereon dated October 3, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the Board of Trustees, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Cherry, Bekart & Holland, L.L.P.*

Charlotte, North Carolina  
October 3, 2011

**SOUTH CAROLINA STATE UNIVERSITY**

Schedule of Findings And Questioned Costs  
For the Year Ended June 30, 2011

**Section I. Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified?  yes  no
- Significant deficiencies identified that are not considered to be a material weaknesses  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 deficiencies identified that are not considered to be material weaknesses  yes  none reported

Noncompliance material to federal awards  yes  no

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

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

**SOUTH CAROLINA STATE UNIVERSITY**

Schedule of Findings And Questioned Costs  
For the Year Ended June 30, 2011

**Section I. Summary of Auditors' Results (continued)**

Identification of major federal programs:

| <u>PROGRAM NAME</u>  | <u>CFDA<br/>No.</u> |
|--|---------------------|
| <b>Student Financial Assistance Cluster:</b>                     |                     |
| Federal Supplemental Educational Opportunity Grants              | 84.007              |
| Federal Work Study Program                                       | 84.033              |
| Federal Perkins Loan Program - Federal Capital Contribution      | 84.038              |
| Federal Pell Grant Program                                       | 84.063              |
| Federal Direct Student Loan Program                              | 84.268              |
| Academic Competitiveness Grants                                  | 84.375              |
| National Science and Mathematics Access to Retain Talent Grants  | 84.376              |
| <b>TRIO Cluster:</b>   |                     |
| Student Support Services   | 84.042              |
| Talent Search  | 84.044              |
| Upward Bound   | 84.047              |
| Educational Opportunity Centers                                  | 84.066              |
| <b>Non-Cluster Programs:</b>                                     |                     |
| Office of Environmental Waste Processing                         | 81.104              |
| State Energy Program   | 84.041              |
| State Fiscal Stabilization - Education State Grants Recovery Act | 84.394              |

Dollar threshold used to distinguish between  
Type A and Type B Programs

\$ 1,015,959

Auditee qualified as low-risk auditee?

X  yes          no

# **SOUTH CAROLINA STATE UNIVERSITY**

## **Schedule of Findings And Questioned Costs For the Year Ended June 30, 2011**

### **Section II. Financial Statement Findings**

There were no financial statement findings.

### **Section III: Federal Award Findings and Questioned Costs**

There were no findings related to federal awards or questioned costs.

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

### Section IV: Prior Year Findings

#### **Finding: 10-01 - Controls over collection and charges of student accounts**

- Criteria: Student accounts receivable should be properly monitored to ensure the timely collection of outstanding student balances.
- Conditions: Our review disclosed, out of 40 students selected for testing, 31 exceptions/errors in charging students for housing.
- a. Of the students selected for testing, 35% of those with an unpaid balance did not agree with accounts receivable aging report.
  - b. Student housing data were incomplete or not available during the audit.
  - c. Student housing charges were not reconciled with the Treasurer's record on a routine basis.
  - d. As of June 30, 2009, unapplied student credits totaling \$847,382 had no detailed listing to support the amounts.
  - e. A number of students enrolled in the Fall 2008 and Spring 2009 semesters have account balances that remain uncollected as of June 30, 2009.
- Recommendation: The policies and control procedures of the University should be strictly implemented to strengthen internal controls over student accounts receivable, related financial reporting, improve cash flow and avoid losses due to non-collection of student accounts.
- Current status: Management addressed this finding and it does not exist at the year ended June 30, 2011.

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>                               | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|--|------------------------------------|-------------------------------|---|
| <b>Research and Development Cluster</b>                            |                                    |                               |   |
| <b>Direct Programs:</b>  |                                    |                               |   |
| <b>U.S. Department of Agriculture</b>                              |                                    |                               |   |
| Plant and Animal Disease, Pest Control, and Animal Care            | 10.025                             | \$ 1,213                      | \$ -  |
| Payments to 1890 Land-Grant Colleges<br>and Tuskegee University    | 10.205                             | 2,131,821                     | 88,682  |
| 1890 Institution Capacity Building Grants                          | 10.216                             | 103,237                       | 17,856  |
| <b>U.S. Department of Transportation</b>                           |                                    |                               |   |
| Highway Training and Education                                     | 20.215                             | (54,110)                      | -   |
| <b>National Aeronautics and Space Administration</b>               |                                    |                               |   |
| Aerospace Education Services Program                               | 43.001                             | 4,687                         | -   |
| <b>National Science Foundation</b>                                 |                                    |                               |   |
| Mathematical and Physical Sciences                                 | 47.049                             | 443,860                       | 52,977  |
| Geosciences  | 47.050                             | 17,436                        | 12,545  |
| Education and Human Resources                                      | 47.076                             | 1,484,582                     | 681,605   |
| <b>U.S. Department of Energy</b>                                   |                                    |                               |   |
| Office of Science Financial Assistance Program                     | 81.049                             | 1,717,889                     | 913,587   |
| University Reactor Infrastructure and Education Support            | 81.114                             | 107,452                       | 7,950   |
| Serving Institutions (MSI) Program                                 | 81.123                             | 49,721                        | -   |
| <b>U.S. Department of Education</b>                                |                                    |                               |   |
| Minority Science and Engineering Improvement                       | 84.120                             | 8,470                         | -   |
| Strengthening Minority-Serving Institutions                        | 84.382                             | 467,310                       | -   |
| <b>U.S. Department of Health and Human Services</b>                |                                    |                               |   |
| National Center on Minority Health and<br>Health Disparities       | 93.307                             | 2,682                         | -   |
| Nurse Education, Practice and Retention Grant                      | 93.359                             | 5,000                         | -   |
| <b>U.S. Agency for International Development</b>                   |                                    |                               |   |
| USAID Foreign Assistance for Programs Oversees                     | 98.001                             | 4,581,842                     | -   |
|  |                                    | <u>11,073,092</u>             | <u>1,775,202</u>  |
| <b>Pass-Through State Agencies:</b>                                |                                    |                               |   |
| <b>National Science Foundation</b>                                 |                                    |                               |   |
| Passed Through Clemson University<br>Office of Cyberinfrastructure | 47.080                             | 338                           | -   |

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>  | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|---|------------------------------------|-------------------------------|---|
| <b>U.S. Department of Education</b>   |                                    |                               |   |
| Passed Through Medical University of South Carolina<br>Special Education Grants to States   | 84.027                             | 25,387                        | -   |
| Passed Through Office of the Governor<br>State Fiscal Stabilization (SFSF) - Education State Grants<br>Recovery Act                         | 84.394                             | 66,127                        | -   |
| Passed Through Medical University of South Carolina<br>National Center for Research Resources   | 93.389                             | 144,334                       | -   |
| <b>Total Pass-Through State Agencies</b>  |                                    | 236,186                       | -   |
| <b>Pass-Through Other Than State Agencies:</b>  |                                    |                               |   |
| <b>U.S. Department of Agriculture</b>   |                                    |                               |   |
| Passed Through University of Florida<br>Higher Education Challenge Grants   | 10.217                             | 4,544                         | -   |
| <b>U.S. Department of Defense</b>   |                                    |                               |   |
| Passed Through Clarkson Aerospace Corporation<br>Air Force Defense Research Sciences Program  | 12.800                             | 82,488                        | -   |
| <b>U.S. Department of Transportation</b>  |                                    |                               |   |
| Passed Through Anderson County, South Carolina<br>Formula Grants for Other Than Urbanized Areas   | 20.509                             | 42,651                        | -   |
| <b>National Science Foundation</b>  |                                    |                               |   |
| Passed Through University of Houston Downtown<br>Geosciences  | 47.050                             | 10,923                        | -   |
| Passed Through South Carolina Research Authority<br>Education and Human Resources   | 47.076                             | (10,226)                      | -   |
| Passed Through South Carolina Research Authority<br>Office of Experimental Program to Stimulate Competitive Rese                            | 47.081                             | 244,893                       | -   |
| Passed Through South Carolina Research Authority<br>Trans-NSF Recovery Act Research Support   | 47.082                             | 1,800                         | -   |
| <b>U.S. Department of Energy</b>  |                                    |                               |   |
| Passed Through University of Tennessee<br>Nuclear Energy Research, Development and Demonstration  | 81.121                             | 18,671                        | -   |
| <b>U.S. Department of Health and Human Services</b>   |                                    |                               |   |
| Passed Through Central State University<br>Family and Community Violence Prevention Program   | 93.910                             | 324                           | -   |
| Passed Through Morehouse School of Medicine<br>Substance Abuse and Mental Health Services Projects<br>of Regional and National Significance | 93.243                             | 3,422                         | -   |

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>   | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|--|------------------------------------|-------------------------------|---|
| <b>U.S. Department of Homeland Security</b>  |                                    |                               |   |
| Passed Through Jackson State University<br>Centers for Homeland Security   | 97.061                             | 26,567                        | -   |
| <b>U.S. Agency for International Development</b>   |                                    |                               |   |
| Passed Through American Council on Education<br>USAID Development for University Cooperation and Develop                   | 98.012                             | 168,778                       | -   |
| <b>Total Pass-Through Other Than State Agencies</b>  |                                    | <u>594,835</u>                | <u>-</u>  |
| <b>Total Research and Development Cluster</b>  |                                    | <u>11,904,113</u>             | <u>1,775,202</u>  |
| <b>Student Financial Assistance Programs Cluster</b>   |                                    |                               |   |
| <b>U.S. Department of Education</b>  |                                    |                               |   |
| Federal Supplemental Educational Opportunity<br>Grants   | 84.007                             | 644,000                       | -   |
| Federal Work-Study Program   | 84.033                             | 421,292                       | -   |
| Federal Perkins Loan Program-Federal<br>Capital Contribution   | 84.038                             | 1,924,111                     | -   |
| Federal Pell Grant Program   | 84.063                             | 13,869,255                    | -   |
| Federal Direct Student Loan Program  | 84.268                             | 40,805,807                    | -   |
| Academic Competitiveness Grants  | 84.375                             | 389,581                       | -   |
| National Science and Mathematics Access to<br>Retain Talent (SMART) Grants   | 84.376                             | 170,500                       | -   |
| Total Higher Education Cluster   |                                    | <u>58,224,546</u>             | <u>-</u>  |
| <b>Non-Cluster Programs</b>  |                                    |                               |   |
| <b>Direct Programs:</b>  |                                    |                               |   |
| <b>U.S. Department of Agriculture</b>  |                                    |                               |   |
| Plant and Animal Disease, Pest Control, and Animal Care<br>Payments to 1890 Land-Grant Colleges<br>and Tuskegee University | 10.025                             | 33,183                        | -   |
| 1890 Institution Capacity Building Grants  | 10.205                             | 1,505,734                     | -   |
| Higher Education Multicultural Scholars Program  | 10.216                             | 122,354                       | -   |
| 1890 Land Institutions Rural Entrepreneurial Outreach<br>Program   | 10.220                             | 27,341                        | -   |
| Outreach and Assistance for Socially Disadvantaged<br>Farmers and Ranchers   | 10.443                             | 77,998                        | -   |
| Cooperative Extension Service  | 10.500                             | 104,888                       | -   |
| Rural Development, Forestry, and Communities   | 10.672                             | 291,661                       | -   |
| Rural Cooperative Development Grants   | 10.771                             | 574                           | -   |
| 1890 Land Institutions Rural Entrepreneurial Outreach<br>Program   | 10.856                             | 52,844                        | -   |
| Soil and Water Conservation  | 10.902                             | 53,024                        | -   |

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>   | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|--|------------------------------------|-------------------------------|---|
| <b>U.S. Department of Housing and Urban Development</b>  |                                    |                               |   |
| Northeastern Corridor of Orangeburg Community<br>Historically Black Colleges and Universities Program                          | 14.520                             | 21,545                        | -   |
| <b>U.S. Department of Transportation</b>   |                                    |                               |   |
| Highway Planning and Construction  | 20.205                             | 4,176,031                     | -   |
| Highway Training and Education   | 20.215                             | 21,000                        | -   |
| <b>National Aeronautics and Space Administration</b>   |                                    |                               |   |
| Aerospace Education Services Program   | 43.001                             | 6,722                         | -   |
| <b>Nuclear Regulatory Commission</b>   |                                    |                               |   |
| U.S. Nuclear Regulatory Commission Nuclear<br>Education Grant Program  | 77.006                             | 31,559                        | -   |
| U.S. Nuclear Regulatory Commission Minority<br>Serving Institutions Program (MISP)   | 77.007                             | (284)                         | -   |
| U.S. Nuclear Regulatory Commission Scholarship<br>and Fellowship Program   | 77.008                             | 177,573                       | -   |
| <b>U.S. Department of Energy</b>   |                                    |                               |   |
| Office of Environmental Waste Processing   | 81.104                             | 1,033,104                     | 107,802   |
| University Reactor Infrastructure and Education Support  | 81.114                             | 5,790                         | -   |
| Nuclear Energy Research, Development and Demonstration   | 81.121                             | 27,756                        | -   |
| National Nuclear Security Administration (NNSA) Minority<br>Serving Institutions (MSI) Program                                 | 81.123                             | 17,968                        | -   |
| <b>U.S. Department of Education</b>  |                                    |                               |   |
| Higher Education-Institutional Aid   | 84.031                             | 5,726,711                     | 5,000   |
| TRIO Cluster   |                                    |                               |   |
| Student Support Services   | 84.042                             | 250,704                       | -   |
| Talent Search  | 84.044                             | 203,375                       | -   |
| Upward Bound   | 84.047                             | 233,931                       | -   |
| Educational Opportunity Centers  | 84.066                             | 234,098                       | -   |
| Subtotal for TRIO Cluster  |                                    | 922,108                       | -   |
| Minority Science and Engineering Improvement   | 84.120                             | 8,859                         | -   |
| Rehabilitation Long-Term Training  | 84.129                             | 899,281                       | -   |
| Business and International Education Projects  | 84.153                             | 7,074                         | -   |
| Demonstration Projects to Support Postsecondary Faculty, Staff,<br>and Administrations in Educating Students with Disabilities | 84.333                             | 387,359                       | -   |
| Gaining Early Awareness and Readiness for<br>Undergraduate Programs  | 84.334                             | 334,866                       | 2,009   |
| <b>U.S. Department of Health and Human Services</b>  |                                    |                               |   |
| Rural Health Outreach and Rural Network<br>Development Program   |                                    |                               |   |
| Nurse Education, Practice and Retention Grant  | 93.359                             | 255,652                       | -   |
|  |                                    | 16,330,275                    | 114,811   |

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>  | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|---|------------------------------------|-------------------------------|---|
| <b>Indirect Programs:</b>   |                                    |                               |   |
| <b>Pass-Through State Agencies:</b>   |                                    |                               |   |
| <b>U.S. Department of Agriculture</b>   |                                    |                               |   |
| Passed Through South Carolina Department of Education<br>National School Lunch Program                              | 10.555                             | 92,705                        | -   |
| Passed Through South Carolina Department of Social Services<br>Summer Food Service Program for Children             | 10.559                             | 13,266                        | -   |
| <b>U.S. Department of Defense</b>   |                                    |                               |   |
| Passed Through University of South Carolina<br>Procurement Technical Assistance for Business Firms                  | 12.002                             | 10,861                        | -   |
| <b>U.S. Department of Justice</b>   |                                    |                               |   |
| Passed Through South Carolina Department of Public Safety<br>Crime Victim Assistance                                | 16.575                             | 18,093                        | -   |
| Bulletproof Vest Partnership Program  | 16.607                             | 1,165                         | -   |
| <b>U.S. Department of Transportation</b>  |                                    |                               |   |
| Passed Through South Carolina Department of Transportation<br>Highway Planning and Construction                     | 20.205                             | 2,478                         | -   |
| <b>National Science Foundation</b>  |                                    |                               |   |
| Passed Through University of Florida<br>Education and Human Resources   | 47.076                             | 67,946                        | -   |
| <b>Small Business Administration</b>  |                                    |                               |   |
| Passed Through University of South Carolina<br>Small Business Development Center                                    | 59.037                             | 203,380                       | -   |
| <b>U.S. Department of Energy</b>  |                                    |                               |   |
| Passed Through SC Energy Office<br>State Energy Program   | 81.041                             | 495,786                       | -   |
| <b>U.S. Department of Education</b>   |                                    |                               |   |
| Passed Through SC Department of Education<br>Special Education Grants to States                                     | 84.027                             | 98,461                        | -   |
| Reading First State Grants  | 84.357                             | 19,781                        | 2,389   |
| Mathematics and Science Partnerships  | 84.366                             | (12)                          | -   |
| Improving Teacher Quality State Grants  | 84.367                             | 3,959                         | -   |
| Passed Through Office of the Governor<br>State Fiscal Stabilization (SFSF) - Education State Grants<br>Recovery Act | 84.394                             | 3,897,247                     | 63,116  |

# SOUTH CAROLINA STATE UNIVERSITY

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

| <u>Federal Grantor/Program Title</u>   | <u>Federal<br/>CFDA<br/>Number</u> | <u>Total<br/>Expenditures</u> | <u>Pass-Through<br/>Expenditures to<br/>Subrecipients</u> |
|--|------------------------------------|-------------------------------|---|
| <b>U.S. Department of Health and Human Services</b>  |                                    |                               |   |
| Passed Through University of South Carolina<br>Child Welfare Services Training Grant   | 93.648                             | 84,157                        | -   |
| <b>Total Passed Through State Agencies</b>   |                                    | 5,009,273                     | 65,505  |
| <b>Pass-Through Other Than State Agencies:</b>   |                                    |                               |   |
| <b>National Endowment for the Arts</b>   |                                    |                               |   |
| Passed Through Southeastern Art Federation<br>Promotion of the Arts Partnership Agreement                                    | 45.025                             | 1,500                         | -   |
| Passed Through the Humanities Council on South Carolina<br>Promotion of the Humanities Federal/State Partnership             | 45.129                             | 1,998                         | -   |
| Passed Through Institute of Museum and Library Services<br>Museum Grants for African American History and Culture            | 45.309                             | 79,363                        | 3,000   |
| <b>U.S. Department of Energy</b>   |                                    |                               |   |
| Passed Through SC University Research and Education<br>Foundation<br>University Reactor Infrastructure and Education Support | 81.114                             | 406,956                       | 186,676   |
| Passed Through Thurgood Marshall College Fund<br>Serving Institutions (MSI) Program  | 81.123                             | 4,916                         | -   |
| <b>U.S. Department of Education</b>  |                                    |                               |   |
| Passed Through SC Coalition for Mathematics and Science<br>Title I Grants to Local Educational Agencies                      | 84.010                             | 55,734                        | 35,507  |
| Title I Grants to Local Educational Agencies Recovery Act  | 84.389                             | 71,189                        | 29,626  |
| <b>Total Pass-Through Other Than State Agencies</b>  |                                    | 621,656                       | 254,809   |
| <b>Total Federal Assistance</b>  |                                    | \$ 92,089,863                 | \$ 2,210,327  |

# **SOUTH CAROLINA STATE UNIVERSITY**

## **Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011**

### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of South Carolina State University (the "University") and is presented on the modified 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 Award Expenditures**

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 costs allowances, where applicable.

### **Note 3 - Federal Perkins Loan Program (CFDA Number 84.038)**

The Federal Perkins Loan Program is administered directly by the University and balances and transactions are included in of the University's financial statements. The balance of loans outstanding under the Federal Perkins Loan Program was \$1,975,520 as of June 30, 2011.

### **Note 4 - Federal Direct Student Loan Program (CFDA Number 84.268)**

During the fiscal year ended June 30, 2011, the University processed \$40,805,807 of new loans under the Federal Direct Student Loan Program.

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan Program and, accordingly, these loans are not included on the University's financial statements; furthermore, it is not practical to determine the balance of loans outstanding to students and former students of the University under these programs at June 30, 2011.