

University of Minnesota

Schedule of Expenditures of Federal Awards
and Schedule of Findings and Questioned
Costs for the Year Ended June 30, 2010, and
Independent Auditors' Reports

UNIVERSITY OF MINNESOTA

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Regents
University of Minnesota
Minneapolis, Minnesota

We have audited the consolidated financial statements of the University of Minnesota (the "University") as of and for the year ended June 30, 2010, and have issued our report thereon dated October 28, 2010. We did not audit the financial statements of the discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for discretely presented component units, is based solely on the reports of other auditors. Our report on internal control over financial reporting and compliance and other matters does not include the results of the component units' audits performed by the other auditors. 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.

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 opinion on the consolidated 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement 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 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 described above.

Compliance and Other Matters

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

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

Deloitte & Touche LLP

March 7, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Regents
University of Minnesota
Minneapolis, Minnesota

Compliance

We have audited the University of Minnesota's (the "University") compliance with the types of compliance requirements described in the 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, 2010. The University's major federal programs are identified in the summary of auditors' 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. 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 on the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the 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, 2010.

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 the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University'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 consolidated financial statements of the University as of and for the year ended June 30, 2010, and have issued our report thereon dated October 28, 2010. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by OMB Circular A-133, and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

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

Deloitte & Touche LLP

March 7, 2011

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	American Recovery and Reinvestment Act (ARRA) Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Clustered Programs						
Research and Development						
Agency for International Development:						
Agency for International Development	98.RD	\$ -	\$ -	\$ 31,173	\$ -	\$ 31,173
Other	98.RD			191,947		191,947
Department of Agriculture:						
Agricultural Marketing Service	10.RD			19,321		19,321
Agricultural Research Service	10.RD			58,294	2,042,972	2,101,266
Animal and Plant Health Inspection Service	10.RD			655,978	139,328	795,306
Economic Research Service	10.RD				102,309	102,309
Food and Nutrition Service	10.RD			84,911		84,911
Foreign Agricultural Service	10.RD				22,617	22,617
Forest Service	10.RD		51,061	260,502	265,687	577,250
National Institute of Food and Agriculture	10.RD			1,733,645	13,034,712	14,768,357
Natural Resources Conservation Service	10.RD				205,207	205,207
Other	10.RD			88,906	1,562,643	1,651,549
Risk Management Agency	10.RD				101,133	101,133
Department of Commerce:						
Economic Development Administration	11.RD				119,104	119,104
National Oceanic and Atmospheric Administration	11.RD			212,153	178,665	390,818
Department of Defense:						
Advanced Research Projects Agency	12.RD			452,354	513,612	965,966
Department of the Air Force, Materiel Command	12.RD			81,903	1,933,177	2,015,080
Department of the Navy, Office of the Chief of Naval Research	12.RD			643,972	3,000,053	3,644,025
National Guard Bureau	12.RD				131,992	131,992
National Security Agency	12.RD				120,031	120,031
Office of the Secretary of Defense	12.RD			116,135	538,968	655,103
Other	12.RD			1,405,970	438,197	1,844,167
U.S. Army Materiel Command	12.RD			525,132	381,129	906,261
U.S. Army Medical Command	12.RD			55,455	1,187,221	1,242,676
Department of Education:						
Institute of Education Sciences	84.RD			95,863		95,863
Office of Educational Research and Improvement	84.RD			63,096		63,096
Office of Elementary and Secondary Education	84.RD				292,402	292,402
Office of Innovation and Improvement	84.RD			53,251		53,251
Office of Postsecondary Education	84.RD			4,383	106,522	110,905
Office of Special Education and Rehabilitative Services	84.RD			722,607	2,146,859	2,869,466
Department of Energy:						
Department of Energy	81.RD	264,450	13,602,356	945,096	4,021,682	18,833,584
National Nuclear Security Administration	81.RD				491,625	491,625
Office of Energy Efficiency and Renewable Energy	81.RD				473,511	473,511
Office of Science	81.RD			503,437	4,479,869	4,983,306
Other	81.RD			572,296	4,198,017	4,770,313

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Department of Health and Human Services:						
Administration for Children and Families	93.RD	\$ -	\$ -	\$ 92,058	\$ 334,777	\$ 426,835
Administration on Aging	93.RD			10,390		10,390
Agency for Healthcare Research and Quality	93.RD		372,841	199,234	3,390,939	3,963,014
Agency for Toxic Substances and Disease Registry	93.RD				106,286	106,286
Centers for Disease Control and Prevention	93.RD			906,209	3,721,598	4,627,807
Centers for Medicare and Medicaid Services	93.RD				720,114	720,114
Food and Drug Administration	93.RD			57,417	128,151	185,568
Health Resources and Services Administration	93.RD			310,178	2,460,431	2,770,609
National Institutes of Health	93.RD	1,719,182	18,753,344	27,086,336	230,046,433	277,605,295
Office of Disease Prevention and Health Promotion	93.RD			(13,598)		(13,598)
Office of Population Affairs	93.RD			45,790		45,790
Office of the Secretary	93.RD			27,043		27,043
Other	93.RD			2,347,272	295,325	2,642,597
Substance Abuse and Mental Health Services Administration	93.RD				373,708	373,708
Department of Homeland Security:						
Department of Homeland Security	97.RD			77,900	6,050,132	6,128,032
Other	97.RD			302,573	195,773	498,346
Department of Housing and Urban Development:						
Office of Healthy Homes and Lead Hazard Control	14.RD				50	50
Other	14.RD			8,252		8,252
Department of Justice:						
National Institute of Justice	16.RD			97,308	68,107	165,415
Department of Labor:						
Other	17.RD			(232)		(232)
Department of the Interior:						
Bureau of Indian Affairs	15.RD				14,060	14,060
Fish and Wildlife Service	15.RD			274,605	38,951	313,556
Other	15.RD				206,006	206,006
U.S. Geological Survey	15.RD			31,332	716,677	748,009
Department of the Treasury:						
Other	21.RD				24,303	24,303
Department of Transportation:						
Department of Transportation	20.RD			402,671		402,671
Federal Highway Administration	20.RD				716,212	716,212
Other	20.RD			2,400,465	2,776,227	5,176,692
Department of Veterans Affairs:						
Other	64.RD			42,878	1,516,888	1,559,766
Environmental Protection Agency:						
Office of Pollution Prevention and Toxics Substances	66.RD			(313)	34,712	34,399
Office of Research and Development	66.RD			147,373	204,666	352,039
Office of the Administrator	66.RD			45,186		45,186
Office of the Chief Financial Officer	66.RD			54,745		54,745
Office of Water	66.RD			572,261	203,645	775,906
Other	66.RD			261,375		261,375

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Executive Office for the President:						
Other	95.RD	\$ -	\$ -	\$ -	\$ 1,826	\$ 1,826
Institute of Museum and Library Services:						
Institute of Museum and Library Services	45.RD				61,352	61,352
National Aeronautics and Space Administration:						
Other	43.RD			8,326,936	4,724,417	13,051,353
Space Telescope Science Institute	43.RD			122,967	146,601	269,568
National Science Foundation:						
National Science Foundation	47.RD	175,016	3,950,961	2,848,177	58,594,085	65,568,239
Other	47.RD			26,271	92,745	119,016
Social Security Administration:						
Social Security Administration	96.RD			32,111		32,111
United States Institute of Peace:						
United States Institute of Peace	91.RD				28,020	28,020
Total Research and Development		<u>2,158,648</u>	<u>36,730,563</u>	<u>56,720,950</u>	<u>360,222,461</u>	<u>455,832,622</u>
Student Financial Aid						
Department of Education:						
Federal Direct Loan Advances	84.268				384,433,903	384,433,903
Federal Work Study	84.033		744,116		3,106,555	3,850,671
Pell Grant Program	84.063				41,348,914	41,348,914
Supplemental Educational Opportunity Grants	84.007				4,733,846	4,733,846
Javits Fellowships	84.170				28,801	28,801
ACG	84.375				2,212,298	2,212,298
SMART	84.376				3,452,243	3,452,243
TEACH	84.379				306,000	306,000
Department of Health and Human Services:						
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342				2,294,439	2,294,439
Department of Veterans Affairs:						
Unid CFDA-Department of Veterans Affairs	64.UXX				1,337	1,337
National Science Foundation:						
Unid CFDA-National Science Foundation	47.UXX				284,538	284,538
Total Student Financial Aid		<u>-</u>	<u>744,116</u>	<u>-</u>	<u>442,202,874</u>	<u>442,946,990</u>
CCDF Cluster						
Department of Health and Human Services:						
Child Care and Development Block Grant	93.575	19,460		359,371	42,042	420,873
Total CCDF Cluster		<u>19,460</u>	<u>-</u>	<u>359,371</u>	<u>42,042</u>	<u>420,873</u>
Federal Transit Cluster						
Department of Transportation:						
Federal Transit — Capital Investment Grants	20.500			1,628,568		1,628,568
Total Federal Transit Cluster		<u>-</u>	<u>-</u>	<u>1,628,568</u>	<u>-</u>	<u>1,628,568</u>

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Fish and Wildlife Cluster						
Department of the Interior: Sport Fish Restoration Program	15.605	\$ -	\$ -	\$ 6,628	\$ -	\$ 6,628
Total Fish and Wildlife Cluster		-	-	6,628	-	6,628
Health Centers Cluster						
Department of Health and Human Services: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	93.224				866,167	866,167
ARRA — Grants to Health Center Programs	93.703		319,161			319,161
Total Health Centers Cluster		-	319,161	-	866,167	1,185,328
Highway Planning and Construction Cluster						
Department of Transportation: Highway Planning and Construction	20.205			(1)		(1)
Total Highway Planning and Construction Cluster		-	-	(1)	-	(1)
Highway Safety Cluster						
Department of Transportation: Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601			15,318		15,318
Total Highway Safety Cluster		-	-	15,318	-	15,318
Homeland Security Cluster						
Department of Homeland Security: Homeland Security Grant Program	97.067			3,879		3,879
Total Homeland Security Cluster		-	-	3,879	-	3,879
Medicaid Cluster						
Department of Health and Human Services: Medical Assistance Program	93.778			34,795		34,795
Total Medicaid Cluster		-	-	34,795	-	34,795
SNAP Cluster						
Department of Agriculture: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561			7,374,371		7,374,371
Total SNAP Cluster		-	-	7,374,371	-	7,374,371
Special Education Cluster						
Department of Education: Special Education — Grants to States	84.027			25,257		25,257
Special Education — Preschool Grants	84.173			117,151		117,151
Total Special Education Cluster		-	-	142,408	-	142,408

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
State Fiscal Stabilization Fund Cluster						
Department of Education:						
State Fiscal Stabilization Fund —						
Education State Grants, Recovery Act	84.394	\$41,111,815	\$ -	\$ -	\$ -	\$ 41,111,815
Total State Fiscal Stabilization Fund Cluster		<u>41,111,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,111,815</u>
TANF Cluster						
Department of Health and Human Services:						
Temporary Assistance for Needy Families	93.558			174,852		174,852
Total TANF Cluster		<u>-</u>	<u>-</u>	<u>174,852</u>	<u>-</u>	<u>174,852</u>
TRIO Cluster						
Department of Education:						
TRIO Student Support Services	84.042				691,798	691,798
TRIO Upward Bound	84.047				1,141,544	1,141,544
TRIO McNair Post-Baccalaureate Achievement	84.217				277,654	277,654
Total TRIO Cluster		<u>-</u>	<u>-</u>	<u>-</u>	<u>2,110,996</u>	<u>2,110,996</u>
Vocational Rehabilitation Cluster						
Department of Education:						
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126			11,177		11,177
Total Vocational Rehabilitation Cluster		<u>-</u>	<u>-</u>	<u>11,177</u>	<u>-</u>	<u>11,177</u>
WIA Cluster						
Department of Labor:						
WIA Adult Program	17.258			86,322		86,322
Total WIA Cluster		<u>-</u>	<u>-</u>	<u>86,322</u>	<u>-</u>	<u>86,322</u>
Total Clustered Programs		<u>43,289,923</u>	<u>37,793,840</u>	<u>66,558,638</u>	<u>805,444,540</u>	<u>953,086,941</u>
Non Clustered Programs						
Public Service						
Agency for International Development:						
Contract-United States Agency for International Development	98.CXX			644,538		644,538
Corporation for National and Community Service:						
Retired and Senior Volunteer Program	94.002				68,753	68,753
AmeriCorps	94.006			11,303		11,303

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Department of Agriculture:						
Specialty Crop Block Grant Program — Farm Bill	10.170	\$ -	\$ -	\$ 14,172	\$ -	\$ 14,172
Agricultural Research — Basic and Applied Research	10.001				29,887	29,887
Plant and Animal Disease, Pest Control, and Animal Care	10.025			5,984	543,653	549,637
Agricultural and Rural Economic Research	10.250				47,586	47,586
State Mediation Grants	10.435				377,075	377,075
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443			12,458		12,458
Food Safety Cooperative Agreements	10.479				364,697	364,697
Cochran Fellowship Program- International Training-Foreign Participant	10.962				51,822	51,822
Cooperative Forestry Assistance	10.664			45,505	3,138	48,643
Forest Stewardship Program	10.678			4,046		4,046
Recovery Act of 2009: Wildland Fire Management	10.688		507			507
Grants for Agricultural Research, Special Research Grants	10.200			16,228	812,390	828,618
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203			(37,909)	1	(37,908)
Grants for Agricultural Research_ Competitive Research Grants	10.206			12,908		12,908
Sustainable Agriculture Research and Education	10.215				857,903	857,903
Higher Education Multicultural Scholars Program	10.220				24,000	24,000
Integrated Programs	10.303			70,034	66,583	136,617
Homeland Security — Agricultural	10.304			15,652	6,618	22,270
Organic Agriculture Research and Extension Initiative	10.307			1,884		1,884
Agriculture and Food Research Initiative	10.310				19,750	19,750
Beginning Farmer and Rancher Development Program	10.311			2,983		2,983
Biomass Research and Development Initiative Competitive Grants Program	10.312				271,558	271,558
Trade Adjustment Assistance for Farmers Training Coordination Program	10.315		281,784			281,784
Cooperative Extension Service	10.500			638,061	13,579,404	14,217,465
Contract-Department of Agriculture	10.CXX			44,310	267,492	311,802
Unid CFDA-Department of Agriculture	10.UXX				59,865	59,865
Community Outreach and Assistance Partnership Program	10.455			8,268		8,268
Partnership Agreements to Develop Non-Insurance Risk Management Tools for Producers (Farmers)	10.456			10,111		10,111
Department of Commerce:						
Broadband Technology Opportunities Program	11.557	1,547	182,996			184,543
Economic Development — Technical Assistance	11.303				129,030	129,030
Sea Grant Support	11.417			23,251	802,141	825,392
Coastal Zone Management Administration Awards	11.419			32,007		32,007
Climate and Atmospheric Research	11.431			31,906		31,906
Coastal Services Center	11.473			8,303		8,303
Contract-Department of Commerce	11.CXX				240,390	240,390

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UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Department of Defense:						
Air Force Defense Research Sciences Program	12.800	\$ -	\$ -	\$ -	\$ 8,694	\$ 8,694
Basic and Applied Scientific Research	12.300				290,740	290,740
Mathematical Sciences Grants Program	12.901				78,387	78,387
Contract-Department of Defense	12.CXX			343,238	4,101	347,339
Basic Scientific Research	12.431				9,999	9,999
Department of Education:						
Education Research, Development and Dissemination	84.305				295,702	295,702
Twenty-First Century Community Learning Centers	84.287			210,010		210,010
Civic Education — Cooperative Education Exchange Program	84.304			60,913		60,913
Safe and Drug-Free Schools and Communities-National Programs	84.184			237,471	81,604	319,075
Comprehensive Centers	84.283			2,998		2,998
Foreign Language Assistance	84.293			21,350		21,350
Arts in Education	84.351			87,175		87,175
Reading First State Grants	84.357			35,659		35,659
Voluntary Public School Choice	84.361			62,241		62,241
Improving Teacher Quality State Grants	84.367			198,003		198,003
National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	84.015				787,970	787,970
International Research and Studies	84.017				98,819	98,819
Higher Education — Institutional Aid Fund for the Improvement of Postsecondary Education	84.031			58,833		58,833
Minority Science and Engineering Improvement	84.116			46,322	202,072	248,394
National Institute on Disability and Rehabilitation Research	84.120			10,176		10,176
National Institute on Disability and Rehabilitation Research	84.133				486,340	486,340
Special Education — State Personnel Development	84.323			63,010		63,010
Research in Special Education	84.324			25,840	263,522	289,362
Special Education — Personnel Development to Improve Services and Results for Children with Disabilities	84.325				80,721	80,721
Special Education — Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326			36,617	2,232,152	2,268,769
Special Education — Technology and Media Services for Individuals with Disabilities	84.327				370,050	370,050
Special Education — Technical Assistance on State Data Collection	84.373			110,342	1,238,453	1,348,795
Career and Technical Education — Basic Grants to States	84.048			36,238		36,238
Career and Technical Education — National Programs	84.051			290,297	(135)	290,162
Contract-Department of Education	84.CXX			108,532		108,532
Unid CFDA-Department of Education	84.UXX			23,633		23,633

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Department of Energy:						
State Energy Program	81.041	\$ 6,201	\$ -	\$ -	\$ -	\$ 6,201
Office of Science Financial Assistance Program	81.049				5,000	5,000
Conservation Research and Development Contract-Department of Energy-Los Alamos National Laboratory	81.086 81.C04			33,436	5,000	33,436 5,000
Contract-Department of Energy-National Renewable Energy Laboratory	81.C09				34,966	34,966
Contract-Department of Energy-Battelle- Pacific Northwest National Laboratory	81.C02			103,856		103,856
Contract-Department of Energy- Lawrence Berkley National Laboratory	81.C08			141,000		141,000
Contract-Department of Energy	81.CXX				60,914	60,914
Unid CFDA-Department of Energy	81.UXX				256,084	256,084
Department of Health and Human Services:						
Family Violence Prevention and Services/Grants for Battered Women's Shelters — Discretionary Grants	93.592				(1,196)	(1,196)
Developmental Disabilities Basic Support and Advocacy Grants	93.630			(8,975)		(8,975)
Developmental Disabilities Projects of National Significance	93.631			6,277		6,277
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632			13,578	503,292	516,870
Child Abuse and Neglect Discretionary Activities	93.670			224,354		224,354
Contract-Department of Health and Human Services-Administration for Children and Families	93.C01			77,336	717,912	795,248
Research on Healthcare Costs, Quality and Outcomes	93.226				62,270	62,270
Contract-Department of Health and Human Services-Agency for Health Care Policy and Research	93.C03			55,434		55,434
Public Health Emergency Preparedness Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.069 93.135			9,387	35,176	9,387 35,176
Centers for Disease Control and Prevention — Investigations and Technical Assistance	93.283			46,843	59,499	106,342
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946			49,304		49,304
Contract-Department of Health and Human Services-Centers for Disease Control	93.C05			48,889	737,584	786,473
Contract-Department of Health and Human Services-Centers for Disease Control-NIOSH	93.C06			97,142	14,538	111,680
Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	93.768			100,012		100,012

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Contract-Department of Health and Human Services-Centers for Medicare and Medicaid Services	93.C07	\$ -	\$ 92,914	\$ -	\$ 1,154,655	\$ 1,247,569
Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.107				991,291	991,291
Maternal and Child Health Federal Consolidated Programs	93.110			114,902	281,632	396,534
AIDS Education and Training Centers	93.145			201,801		201,801
Telehealth Programs	93.211			23,430	334,805	358,235
Grants for Dental Public Health Residency Training	93.236			3,146		3,146
State Rural Hospital Flexibility Program	93.241			419	23,610	24,029
State Health Access Program	93.256			55,034		55,034
Grants for Training in Primary Care Medicine and Dentistry	93.884				222,330	222,330
Contract-Department of Health and Human Services-Health Resources and Services Administration	93.C09			6,392	121,035	127,427
Clinical Research	93.333				877	877
National Center for Research Resources	93.389				3,006	3,006
Cancer Treatment Research	93.395			37,473		37,473
Trans-NIH Recovery Act Research Support	93.701	132,308	490,719			623,027
Cardiovascular Diseases Research	93.837				40,208	40,208
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847			61,562		61,562
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				35,000	35,000
Allergy, Immunology and Transplantation Research	93.855				8,000	8,000
Biomedical Research and Research Training	93.859				393,178	393,178
Medical Library Assistance	93.879			21,995		21,995
Contract-Department of Health and Human Services-National Institutes of Health	93.C11			16,899	135,728	152,627
Unid CFDA-Department of Health and Human Services-NIH	93.U01			1,926		1,926
Medical Reserve Corps Small Grant Program	93.008			10,000		10,000
Contract-Department of Health and Human Services	93.CXX			654,466	118,961	773,427
Unid CFDA-Department of Health and Human Services-Other PHS	93.U02			19,647		19,647
Unid CFDA-Department of Health and Human Services	93.UXX				(10)	(10)
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243				303,287	303,287
Block Grants for Prevention and Treatment of Substance Abuse	93.959			252,457		252,457
Contract-Department of Health and Human Services-Substance Abuse and Mental Health Services Administration	93.C12			16,354		16,354

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Department of Homeland Security:						
Research Projects	97.002	\$ -	\$ -	\$ -	\$ (1,069)	\$ (1,069)
Contract-Department of Homeland Security	97.CXX			1,442,118	7,986	1,450,104
Department of Housing and Urban Development:						
Unid CFDA-Department of Housing and Urban Development	14.UXX			180,471		180,471
Department of Justice:						
Recovery Act — Edward Byrne Memorial Justice Assistance Grant Program/ Grants to States and Territories	16.803	4,595				4,595
Crime Victim Assistance	16.575			42,208		42,208
Contract-Department of Justice	16.CXX			76,628	426,206	502,834
Unid CFDA-Department of Justice	16.UXX			13,182		13,182
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525				39,662	39,662
OVW Technical Assistance Initiative	16.526				350,374	350,374
Violence Against Women Formula Grants	16.588			7,393	312,361	319,754
Department of Labor:						
H-1B Job Training Grants	17.268			201,103		201,103
Contract-Department of Labor	17.CXX			59,493		59,493
Department of the Interior:						
Migratory Bird Conservation	15.647				47	47
Contract-Department of the Interior	15.CXX				1,083	1,083
Unid CFDA-Department of the Interior	15.UXX				2,041	2,041
National Geological and Geophysical Data Preservation Program	15.814				7,858	7,858
Department of the Treasury:						
Low Income Taxpayer Clinics	21.008				37,186	37,186
Contract-Department of the Treasury	21.CXX				28,518	28,518
Unid CFDA-Department of the Treasury	21.UXX				2,798	2,798
Department of Transportation:						
Highway Research and Development Program	20.200				7,943	7,943
Public Transportation Research	20.514			36,847		36,847
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608			4,607		4,607
Contract-Department of Transportation	20.CXX			599,720	1,820	601,540
Unid CFDA-Department of Transportation	20.UXX				151,736	151,736
Department of Veterans Affairs:						
Contract-Department of Veterans Affairs	64.CXX				175,359	175,359
Unid CFDA-Department of Veterans Affairs	64.UXX				13,791	13,791

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Environmental Protection Agency:						
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	\$ -	\$ -	\$ -	\$ 60,440	\$ 60,440
Consolidated Pesticide Enforcement Cooperative Agreements	66.700			(344)		(344)
Office of Research and Development Consolidated Research/Training/ Fellowships	66.511				130,320	130,320
Environmental Education Grants	66.951				437	437
Congressionally Mandated Projects	66.202			7,796		7,796
Nonpoint Source Implementation Grants	66.460			49,159		49,159
Contract-Environmental Protection Agency	66.CXX			13,306		13,306
Unid CFDA-Environmental Protection Agency	66.UXX				26,582	26,582
Institute of Museum and Library Services:						
Museums for America	45.301				29,900	29,900
Grants to States	45.310			1,469,879		1,469,879
National Aeronautics and Space Administration:						
Aerospace Education Services Program	43.001				445,790	445,790
Unid CFDA-National Aeronautics and Space Administration	43.UXX				17,803	17,803
Unid CFDA-National Aeronautics and Space Administration-Space Telescope Science Institute	43.U01			7,980		7,980
National Archives and Records Administration:						
National Historical Publications and Records Grants	89.003				38,093	38,093
National Endowment for the Arts:						
Promotion of the Arts — Grants to Organizations and Individuals	45.024			10,000	22,092	32,092
Promotion of the Arts — Partnership Agreements	45.025			17,800		17,800
Unid CFDA-National Endowment for the Arts	45.U02			14,575		14,575
National Endowment for the Humanities:						
Promotion of the Humanities — Federal/ State Partnership	45.129			5,000		5,000
Promotion of the Humanities — Division of Preservation and Access	45.149				4,204	4,204
Promotion of the Humanities — Public Programs	45.164			592		592
National Science Foundation:						
Engineering Grants	47.041			794,814	240,051	1,034,865
Mathematical and Physical Sciences	47.049			33,906	328,633	362,539
Geosciences	47.050			33,229	213,608	246,837
Computer and Information Science and Engineering	47.070				52,099	52,099
Biological Sciences	47.074				62,994	62,994
Social, Behavioral, and Economic Sciences	47.075			18,121		18,121
Education and Human Resources	47.076			9,233	3,694,348	3,703,581
International Science and Engineering Trans-NSF Recovery Act Research Support	47.079				(2,835)	(2,835)
Support	47.082	371,603	340,973			712,576
Contract-National Science Foundation	47.CXX			124,051		124,051
Unid CFDA-National Science Foundation	47.UXX			(3,812)	67,781	63,969

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Peace Corps:						
Contract-Peace Corps	08.CXX	\$ -	\$ -	\$ -	\$ 19,114	\$ 19,114
Small Business Administration:						
Unid CFDA-Small Business Administration	59.UXX			185,800		185,800
U.S. Department of State:						
Professional and Cultural Exchange Programs — Citizen Exchanges	19.415				89,149	89,149
Contract-Department of State	19.CXX			594,219	194,654	788,873
Unid CFDA-Department of State	19.UXX			33,977		33,977
Vietnam Education Foundation:						
Unid CFDA-Vietnam Education Foundation	09.UXX				(509)	(509)
Total Public Service		<u>516,254</u>	<u>1,389,893</u>	<u>12,263,728</u>	<u>39,112,007</u>	<u>53,281,882</u>
Instruction						
Corporation for National and Community Service:						
Learn and Serve America — Higher Education	94.005			179		179
Department of Agriculture:						
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557				25,359	25,359
Cooperative Forestry Assistance Payments to Agricultural Experiment Stations Under the Hatch Act	10.664			16,168		16,168
Grants for Agricultural Research — Competitive Research Grants	10.203				22,159	22,159
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.206				93,079	93,079
Higher Education Challenge Grants	10.210				178,985	178,985
Higher Education Multicultural Scholars Program	10.217				3,729	3,729
International Science and Education Grants	10.220				19	19
	10.305				9,729	9,729
Department of Commerce:						
Sea Grant Support	11.417				22,295	22,295
Department of Defense:						
Military Medical Research and Development	12.420				62,962	62,962
Department of Education:						
Education Research, Development and Dissemination	84.305				1,426,820	1,426,820
National Professional Development Program	84.195				314,841	314,841
Improving Teacher Quality State Grants	84.367			298,513		298,513
National Writing Project	84.928			45,662		45,662
National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	84.015				762,273	762,273
International Research and Studies	84.017				61,445	61,445
Overseas Programs — Faculty Research Abroad	84.019				16,501	16,501
Fund for the Improvement of Postsecondary Education	84.116				35,377	35,377
Graduate Assistance in Areas of National Need	84.200				368,688	368,688
Language Resource Centers	84.229				336,999	336,999

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities	84.333	\$ -	\$ -	\$ -	\$ 67,586	\$ 67,586
Special Education — State Personnel Development	84.323			6,393		6,393
Special Education — Personnel Development to Improve Services and Results for Children with Disabilities	84.325				204,874	204,874
Department of Health and Human Services:						
Foster Care — Title IV-E	93.658			2,152,515		2,152,515
National Research Service Awards — Health Services Research Training	93.225				331,648	331,648
Innovations in Applied Public Health Research	93.061				688,252	688,252
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135				731,627	731,627
Occupational Safety and Health Program	93.262				1,755,607	1,755,607
Centers for Disease Control and Prevention — Investigations and Technical Assistance	93.283				544,430	544,430
Contract-Department of Health and Human Services-Food and Drug Administration	93.C08			4,253		4,253
Maternal and Child Health Federal Consolidated Programs	93.110				1,603,145	1,603,145
Nurse Anesthetist Traineeships	93.124				10,849	10,849
Advanced Nursing Education Grant Program	93.247			32,080	123,600	155,680
Public Health Training Centers Grant Program	93.249				367,546	367,546
Comprehensive Geriatric Education Program	93.265				77,806	77,806
Advanced Nursing Education Traineeships	93.358				78,578	78,578
Nurse Education, Practice and Retention Grants	93.359				260,489	260,489
Health Careers Opportunity Program	93.822				156,247	156,247
Grants for Training in Primary Care Medicine and Dentistry	93.884				473,406	473,406
Public Health Traineeships	93.964				42,541	42,541
Geriatric Education Centers	93.969				468,752	468,752
Health Professions Recruitment Program for Indians	93.970				3,627	3,627
Oral Diseases and Disorders Research	93.121				997,373	997,373
NIEHS Hazardous Waste Worker Health and Safety Training	93.142			227,395		227,395
Research Related to Deafness and Communication Disorders	93.173				53,371	53,371
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271				80,258	80,258
Drug Abuse and Addiction Research Programs	93.279				1,590,444	1,590,444
Mental Health National Research Service Awards for Research Training	93.282				689,920	689,920
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286				198,625	198,625
Nursing Research	93.361				32,419	32,419
National Center for Research Resources	93.389				242,421	242,421

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
Cancer Research Manpower	93.398	\$ -	\$ -	\$ -	\$ 637,483	\$ 637,483
Trans-NIH Recovery Act Research Support	93.701		189,694			189,694
Cardiovascular Diseases Research	93.837				356,042	356,042
Lung Diseases Research	93.838				430,378	430,378
Blood Diseases and Resources Research	93.839				322,330	322,330
Arthritis, Musculoskeletal and Skin Diseases Research	93.846				548,325	548,325
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847				722,882	722,882
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				107,959	107,959
Allergy, Immunology and Transplantation Research	93.855				293,249	293,249
Biomedical Research and Research Training	93.859				1,407,902	1,407,902
Child Health and Human Development Extramural Research	93.865				578,407	578,407
Aging Research	93.866			47,717	341,404	389,121
Vision Research	93.867				217,634	217,634
Medical Library Assistance	93.879				57,597	57,597
International Research and Research Training	93.989				117,622	117,622
State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program	93.006			20,000		20,000
Improving, Enhancing, and Evaluating Outcomes of Comprehensive Heart Health Care Programs for High-Risk Women	93.012			3,624		3,624
Department of Homeland Security:						
Homeland Security-related Science, Technology, Engineering and Mathematics Career Development Program	97.104				160,546	160,546
Department of the Interior:						
Assistance to State Water Resources Research Institutes	15.805				44,543	44,543
Department of Veterans Affairs:						
Contract-Department of Veterans Affairs	64.CXX				37,566	37,566
Environmental Protection Agency:						
Science To Achieve Results Fellowship Program	66.514				51,243	51,243
National Aeronautics and Space Administration:						
Aerospace Education Services Program	43.001				178,359	178,359
Unid CFDA-National Aeronautics and Space Administration	43.UXX				77,943	77,943
National Endowment for the Humanities:						
Promotion of the Humanities — Fellowships and Stipends	45.160			60,000		60,000

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

Federal Agency	CFDA	ARRA Pass-through Expenditures	ARRA Direct Expenditures	Non-ARRA Pass-through Expenditures	Non-ARRA Direct Expenditures	Total Expenditures
National Science Foundation:						
Engineering Grants	47.041	\$ -	\$ -	\$ -	\$ 78,979	\$ 78,979
Mathematical and Physical Sciences	47.049				135,448	135,448
Geosciences	47.050				150,937	150,937
Biological Sciences	47.074				136,170	136,170
Education and Human Resources	47.076				1,074,047	1,074,047
Polar Programs	47.078				4,357	4,357
International Science and Engineering	47.079				4,346	4,346
Unid CFDA-National Science Foundation	47.UXX			23,783		23,783
U.S. Department of State:						
Undi CFDA-Department of State	19.UXX			321,012	13,648	334,660
Total Instruction		-	189,694	3,259,294	23,904,047	27,353,035
Total Non Clustered Programs		516,254	1,579,587	15,523,022	63,016,054	80,634,917
Total Expenditures		<u>\$43,806,177</u>	<u>\$39,373,427</u>	<u>\$82,081,660</u>	<u>\$868,460,594</u>	<u>\$1,033,721,858</u>

See notes to schedule of expenditures of federal awards.

(Concluded)

UNIVERSITY OF MINNESOTA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the University of Minnesota (the "University") and is prepared on the cash basis of accounting. The information presented in the Schedule is presented in accordance with the requirements of the United States Office of Management and Budget 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 University's consolidated financial statements.

The University passes through certain funds to subgrantee organizations. Expenditures incurred by the subgrantees and reimbursed by the University are presented in the Schedule but not in the consolidated financial statements of the University. The University is also the subrecipient of federal funds, which have been subject to testing and are reported expenditures included as pass-throughs in the Schedule.

2. INDIRECT COST RATES

The University utilized indirect cost rates that have been negotiated with and approved by its cognizant agency, the United States Department of Health and Human Services, and are effective for the period from July 1, 2007 through June 30, 2011.

3. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

Some of the programs, grants, and/or other awards included in the Schedule are contracts, which do not report CFDA numbers. The expenditure amounts related to these programs, grants, and/or other awards have been reported, generally, at an agency level.

4. FEDERAL PERKINS LOAN PROGRAM

Amounts reported in the Schedule for the Federal Perkins Loan Program represent administrative and collection costs. Outstanding loans at June 30, 2010, under the Federal Perkins Loan Program were \$225,381,754. New Federal Perkins Loans of \$4,601,255 were advanced to students during the year ended June 30, 2010.

5. NEGATIVE EXPENDITURES

Within the Schedule there are negative amounts which represent a true-up of the grants awards received versus the expenditures incurred. The negative amounts also remove the need for any reconciliation necessary for the federal agencies.

6. RECONCILIATION OF FEDERAL AWARDS TO THE CONSOLIDATED FINANCIAL STATEMENTS

The following schedule is a reconciliation of total expenditures as shown on the Schedule to the general ledger accounts included in the operating expenses reported on the consolidated statement of revenues, expenses, and changes in net assets for the year ended June 30, 2010, which is included as part of the University's consolidated financial statements.

Schedule of expenditures of federal awards	<u>\$ 1,033,721,858</u>
Federal loan program amounts provided by Student Finance Office not directly included on the consolidated financial statements (Federal Direct Loan Advances-CFDA 84.268, Federal Work Study-CFDA 84.033, Pell Grant Program-CFDA 84.063, SEOG-CFDA 84.007, ACG-CFDA 84.375, SMART-CFDA 84.376, TEACH-CFDA 84.379, and Health Professions Student Loans-CFDA 93.342)	(442,632,314)
Expenditures of federal program dollars included in consolidated operating expenses	56,260,746
Less expenditures not included on the consolidated statement of revenues, expenses, and changes in net assets (equipment, buildings, and structures)	(127,314,008)
Less difference of prior-year overdrafts added back and current-year overdrafts subtracted out	(2,935,829)
Adjustments for expenditures of federal program dollars included in consolidated operating expenses and/or expenditures of non-federal program dollars included in consolidated operating expenses	164,789
Less cash to accrual basis adjusting journal entries (year-end close)	(6,504,957)
Less federal pass-through grants not on the consolidated statement of revenues, expenses, and change in net assets	<u>(84,592,936)</u>
Subtotal A-133 expense adjustments in federal fund class	<u>(607,554,509)</u>
Expenditures of non-federal dollars included in consolidated operating expenses	<u>2,630,492,182</u>
Internal sales included in consolidated operating expenses	<u>(210,977,444)</u>
Depreciation included in consolidated operating expenses	<u>169,523,839</u>
Non-depreciation and internal sales accrual basis adjusting journal entries (year-end close)	<u>(114,816,880)</u>
Total operating expenses as shown on the consolidated statement of revenues, expenses, and changes in net assets for the year ended June 30, 2010	<u>\$ 2,900,389,046</u>

UNIVERSITY OF MINNESOTA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2010

Part I — Summary of Auditor’s Results

Financial Statements

- A. Type of auditor’s report issued: Unqualified
- B. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported
- C. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

- D. Internal control over major programs:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported
- E. Type of auditor’s report issued on compliance for major programs: Unqualified
- F. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ yes X no
- G. Identification of major programs:

CFDA Number

Name of Federal Program or Cluster

Various
Various

10.561
47.076
84.394
10.500

Research and Development Cluster *
Student Financial Aid Cluster *
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
Education
State Fiscal
Cooperative

* This program has various and unidentified CFDA numbers

- H. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000 for Type A programs
\$300,000 for Type B programs
- I. Auditee qualified as low-risk auditee? X yes _____ no

(Continued)

UNIVERSITY OF MINNESOTA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2010

Part II — Financial Statement Findings

No financial statement matters are reportable matters.

Part III — Federal Award Findings and Questioned Costs

No matters are reportable matters.