

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**SINGLE AUDIT REPORT ON FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
University Enterprises Corporation at CSUSB  
San Bernardino, California

**Report on Compliance for Each Major Federal Program**

We have audited University Enterprises Corporation at CSUSB's (UEC) (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of UEC's major federal programs for the year ended June 30, 2022. UEC's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, University Enterprises Corporation at CSUSB 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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of University Enterprises Corporation at CSUSB and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of University Enterprises Corporation at CSUSB's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to University Enterprises Corporation at CSUSB's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on University Enterprises Corporation at CSUSB's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about University Enterprises Corporation at CSUSB's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding University Enterprises Corporation at CSUSB's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of University Enterprises Corporation at CSUSB's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of University Enterprises Corporation at CSUSB's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all

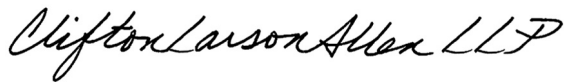
deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of University Enterprises Corporation at CSUSB as of and for the year ended June 30, 2022, and have issued our report thereon dated October 12, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



**CliftonLarsonAllen LLP**

Glendora, California  
December 30, 2022

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(FEIN: 95-6067343)  
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>National Institute of Health</b>				
<i>Direct Programs</i>				
Biomedical Research and Research Training	93.859		\$ -	\$ 8,454
<b>U.S Department of Agriculture</b>				
<i>Passed through from UCSD</i>				
N/A	10.000	(1)		9,000
<i>Passed through from CSU Chico Research Foundation</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	(1)	-	57,324
Total U.S Department of Agriculture			-	66,324
<b>U.S. Department of Commerce</b>				
<i>Direct Programs</i>				
Market Development Cooperator Program	11.112			103,184
<b>National Security Agency</b>				
<i>Direct Programs</i>				
National Security Education Program David L. Boren Scholarships	12.551		87,831	179,246
Information Security Grant Program	12.902		1,436,715	3,625,282
GenCyber Grants Program	12.903			109,242
CyberSecurity Core Curriculum	12.905			193,352
<i>Passed through from Norwich University</i>				
CyberSecurity Core Curriculum	12.905	22595-RS010		94,419
Total 12.905				287,771
Total National Security Agency			1,524,546	4,201,541
<b>Department of Housing and Urban Development (HUD)</b>				
<i>Passed through from City of Palm Desert</i>				
Community Development Block Grant ARRA Entitlement Grants	14.253	C40230F		2,919
<b>Department of the Treasury</b>				
<i>Passed through from State of California</i>				
Coronavirus State And Local Fiscal Recovery Funds	21.027	CCSFR010		52,606
<b>National Endowment for the Humanities</b>				
<i>Direct Programs</i>				
Promotion of the Arts_Grants to Organizations and Individuals	45.024			2,384
<b>Department of Homeland Security</b>				
<i>Direct Programs</i>				
Homeland Security Grant Program	97.067			139,342

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(FEIN: 95-6067343)  
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Small Business Administration</b>				
<i>Direct Program</i>				
Women's Business Ownership Assistance	59.043	N/A	\$ -	\$ 715,391
<i>Passed through from CSU Fullerton Aux Srvc Corp</i>				
Small Business Development Centers	59.037	S-7448-CSUSB amend 4		246,551
Small Business Development Centers	59.037	RISK LETTER		15,946
Small Business Development Centers	59.037	S-7582-CSUSB		270,329
Total 59.037				532,826
<i>Passed through from California Department of Food and Agriculture</i>				
State Trade and Expansion	59.061	20-0509-003-SF amd 1		85,266
<i>Passed through from State of California</i>				
State Trade and Export Promotion Pilot Grant Program	59.061	19-0720-005-SF		89,522
Total 59.061				174,788
Total U.S Small Business Administration				1,423,006
<b>U.S. Department of Education</b>				
<i>Direct Programs</i>				
Nurse Faculty Loan Program	93.264		12,960	76,152
Undergraduate International Studies and Foreign Language Programs	84.016		7,502	63,670
Rehabilitation Long-Term Training	84.129			191,642
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334			185,982
Child Care Access Means Parents in School	84.335			253,372
<i>Passed through from California Dept of Rehabilitation</i>				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	CSUSB PO#		221,598
<i>Passed through from University of California Office of the President</i>				
Supporting Effective Instruction State Grants	84.367	(1)		207,532

See accompanying Notes to Schedule of Expenditures of Federal Awards.



**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**(FEIN: 95-6067343)**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>TRIO CLUSTER:</b>				
<b>U.S. Department of Education</b>				
<i>Direct Programs:</i>				
TRIO Student Support Services	84.042		\$ -	\$ 413,433
TRIO Talent Search	84.044			701,674
TRIO Upward Bound	84.047			1,008,130
TRIO Educational Opportunity Centers	84.066			127,234
Total TRIO Cluster			-	2,250,471
Total U.S. Department of Education			20,462	3,450,419
<b>U.S. Department of Health and Human Services</b>				
<i>Passed through from Regents Of The University Of California</i>				
Foster Care_Title IV-E	93.658	00010493	-	25,124
Foster Care_Title IV-E	93.658	9904-01/CSUSB		5,976
<i>Passed through from University of California Berkeley</i>				
Foster Care_Title IV-E	93.658	00010493-01		2,393,670
Total 93.658 and U.S. Department of Health and Human Services			-	2,424,770
<b>RESEARCH AND DEVELOPMENT CLUSTER:</b>				
<b>U.S Department of Agriculture</b>				
<i>Direct Program</i>				
Hispanic Serving Institutions Education Grants	10.223			6,940
<b>U.S Department of Commerce</b>				
<i>Direct Program</i>				
Measurement and Engineering Research and Standards	11.609			234,824
<b>National Security Agency</b>				
<i>Direct Program</i>				
Information Security Grant Program	12.902			28,237

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**(FEIN: 95-6067343)**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Bureau of Indian Affairs</b>				
<i>Direct Program</i>				
Cultural Resources Management	15.159			1,272
<b>National Aeronautics and Space Administration</b>				
<i>Passed through from Board of Regents, NSHE, obo University of Nevada, Las Vegas</i>				
Aerospace Education Services Program	43.001	GR07102.02		47,633
<i>Direct Programs</i>				
Science	43.001		-	26,313
Aerospace Education Services Program	43.001			12,599
Total 43.001				86,545
Office of Stem Engagement (OSTEM)	43.008			3,596
Total National Aeronautics and Space Administration			-	90,142
<b>National Science Foundation</b>				
<i>Direct Programs</i>				
Mathematical and Physical Sciences	47.049		\$ -	\$ 110,962
Geosciences	47.050			60,648
Office of International Science and Engineering (OISE)	47.079			108,748
Computer and Information Science and Engineering	47.070			1,091
Computer and Information Science and Engineering	47.070			15,976
Total 43.070				17,068
Biological Sciences	47.074			5,335
Social, Behavioral, and Economic Sciences	47.075			10,604
Education and Human Resources	47.076			12,501
Education and Human Resources	47.076		350,856	3,151,229
Education and Human Resources	47.076			303,084
<i>Passed through from Whatcom Community College</i>				
Education and Human Resources	47.076	1902329 addendum		11,339

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**(FEIN: 95-6067343)**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>National Science Foundation</b>				
<i>Passed through from Board of Regents University of Nebraska-Lincoln</i> Education and Human Resources	47.076	25-0536-0045-003 A1		750
<i>Passed through from Riverside Community College District</i> Education and Human Resources	47.076	C-0006460		38,764
<i>Passed through from Trustees Of The California State University</i> Education and Human Resources	47.076	X0170120-SBZUX AMND1		11,769
<i>Passed through from Whatcom Community College</i> Education and Human Resources	47.076	DUE-2054724		16,770
<i>Passed through from Colorado State University</i> Education and Human Resources	47.076	1835055		19,819
Total 43.076			350,856	3,581,965
Total National Science Foundation			350,856	3,879,390
<b>U.S. DEPARTMENT OF ENERGY</b>				
<i>Passed through from Regents of The University of California</i> Conservation Research and Development	81.086	7,633,678.000		199
<b>U.S. Department of Education</b>				
<i>Direct Programs</i> Higher Education Institutional Aid	84.031		70,587	2,166,010
<i>Passed through from University of California Office of the President</i> Supporting Effective Instruction State Grants	84.367	(1)		35,719
<i>Passed through from Riverside County Office of Education</i> Education Innovation and Research	84.411	C1006753		252,830
Total U.S. Department of Education				2,454,560

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**(FEIN: 95-6067343)**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>National Institute of Health</b>				
<i>Direct Programs</i>				
Mental Health Research Grants	93.242			48,397
Trans-NIH Research Support	93.310			279,777
Biomedical Research and Research Training	93.859			654,942
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853			26,583
<i>Passed through from The National Alliance For Hispanic Health</i>				
Trans-NIH Research Support	93.310	3OT2OD025277-01		9,968
<i>Passed through from Board Of Regents U Of Georgia - Augusta University</i>				
Blood Diseases and Resources Research	93.839	33737-10		8,835
<i>Passed through from Washington Statue University</i>				
N/A	N/A	135230 SPC003906		15,083
Total National Institute of Health				<u>1,043,583</u>
<b>U.S. Department of Justice</b>				
<i>Passed through from Texas A&amp;M University</i>				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	TAMIU-2021-420376-02		10,943
Total Research and Development Cluster			<u>421,444</u>	<u>7,750,090</u>
Total Expenditures of Federal Awards			<u>\$ 1,966,452</u>	<u>\$ 19,625,038</u>

(1) - Pass-Through Entity Identifying Number not readily available.

N/A - Not applicable, not a pass-through award.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the UEC under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the UEC, it is not intended to and does not present the financial position, changes in net assets or cash flows of the UEC.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**NOTE 3 INDIRECT COST RATE**

A nonfederal entity may have a federally negotiated indirect cost rate that is being used for federal awards. In general, under 2 CFR 200.414(f), if an entity has never received a negotiated indirect cost rate, the entity may elect to use a 10 percent de minimis indirect cost rate. The entity has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. 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
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal 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
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
Various	Research and Development Cluster
Various	Trio Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$   750,000  

Auditee qualified as low-risk auditee pursuant?   x   yes      \_\_\_\_\_ no

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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**Section II – Financial Statement Findings**

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Our audit did not disclose any matters required to be reported in accordance with Government Auditing Standards.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2022**

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**Section II – Financial Statement Findings**

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**Finding 2021-001: Accounting for Contributions**

Type of Finding: Material Weakness in Internal Control over Financial Reporting

**Condition:** We identified errors while performing audit procedures over contributions:

**Status:** Corrective action was taken and finding resolved.

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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There were no prior year federal findings to report.



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