

**PORTLAND STATE UNIVERSITY
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2019**

**PORTLAND STATE UNIVERSITY
REPORT ON SINGLE AUDIT
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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***

Members of the Board
Portland State University
Portland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Portland State University (the University), a component unit of the State of Oregon, as of and for the years ended June 30, 2019 and June 30, 2018, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 15, 2019. Our report includes a reference to other auditors who audited the financial statements of the Portland State University Foundation, a discretely presented component unit, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 15, 2019



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

Members of the Board
Portland State University
Portland, Oregon

Report on Compliance for Each Major Federal Program

We have audited Portland State University's (the University) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the University's major federal programs for the year ended June 30, 2019. The University's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the University's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-001 and 2019-002. Our opinion on the major federal programs is not modified with respect to these matters.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2019-001 and 2019-002 that we consider to be significant deficiencies.

The University's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 business-type activities and the discretely presented component unit of the University as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated November 15, 2019, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the Portland State University Foundation. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
February 28, 2020, except for the Schedule of Expenditures of Federal Awards,
which is dated November 15, 2019

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
Research and Development							
Department of Agriculture							
	10.309	National Institute of Food & Agriculture - Specialty Crop Research Initiative		Texas A&M University	M1900061	65,696	-
	10.675	US Forest Service - Urban and Community Forestry Program				84,468	-
	10.907	Natural Resources Conservation Service - Snow Survey and Water Supply Forecasting				64,970	-
	10.912	Natural Resources Conservation Service - Environmental Quality Incentives Program				18,133	-
	10.XXX	Other Department of Agriculture Programs					
			18-CR-11062756-031			137,092	-
			16-CS-11221637-119			130,496	-
			16-CR-11062754-028			123,902	-
			18-CR-11261900-036			81,731	-
			18-JV-11261979-022			65,583	-
			17-CR-11221636-113			63,553	-
			2015-JV-11261979-051			57,092	-
			1204R418P0020			38,623	-
			17-JV-11261985-068			31,541	-
			13-JV-11261979-059			26,976	-
			18-JV-11261975-076			23,674	-
			13-CR-11261900-083			17,088	-
			17-CR-11261975-066			16,715	-
			16-CR-11061500-001			13,876	-
			17-CR-11261985-091			11,016	-
			AG-04TO-P-17-0033			10,890	-
			16-CR-11261975-093			7,217	-
			18-CR-11061800-015			5,366	-
			13-JV-11261985-084			4,903	-
			14-JV-11242313-112			1,673	-
			17-JV-11272138-007			(388)	-
				North Carolina State University	2018-0567-01	19,339	-
Department of Commerce							
	11.417	National Oceanic & Atmospheric Administration - Sea Grant Support		Oregon State University	NB325E-B	56,578	-
				Oregon State University	NA325A-D	9,277	-
	11.431	National Oceanic & Atmospheric Administration - Climate and Atmospheric Research		Oregon State University	NA277A-A	6,754	-
	11.439	National Oceanic & Atmospheric Administration - Marine Mammal Data Program				110,866	-
	11.XXX	Other Department of Commerce Programs					
			140L4318P0105			49,444	-
			1333LB19C00000009			4,615	-
				Oregon State University	NA270C-C	3,712	-
Department of Defense							
	12.300	Office of Naval Research - Basic and Applied Scientific Research				108,700	-
				University of California	43019217	125,399	-
				University of California	111881050 MP#S9002221	57,827	-
				Woods Hole Oceanographic Institution	A101329	45,382	-
	12.351	Defense Threat Reduction Agency - Scientific Research - Combating Weapons of Mass Destruction		University of New Mexico	433630-873E	88,398	-
	12.420	U.S. Army Medical Command - Military Medical Research and Development		Oregon Health & Science University	1008990_PSU	151,103	-
				Oregon Health & Science University	1008360_PSU	131,670	-
	12.431	US Army - Basic Scientific Research				20,598	-
	12.550	Office of the Secretary of Defense - The Language Flagship Grants to Institutions of Higher Education		Institute of International Education	0054-PDX-7-TECH-280-PO7	199,074	124,887

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
	12.560	Air Force Research Laboratory - DOD, NDEP, DOTC-STEM Education Outreach Implementation				65,331	-
	12.800	US Air Force - Air Force Defense Research Sciences Program				150,405	-
	12.910	Defense Advanced Research Projects Agency - Research and Technology Development		The University of Texas at Austin	UTA16-001395	76,005	-
	12.XXX	Other Department of Defense Programs		The University of Texas at Austin	UTA17-000001	78,531	-
		W912HQ-18-C-0007				234,579	110,094
		W912HZ-17-2-0005				104,760	59,631
		18-130P				83,495	-
		W912HZ-18-2-0009				75,636	-
		W9127N18P0095				73,145	-
		W912HZ-17-2-0025				72,176	-
		W912HZ-15-2-0008				39,895	-
		W9127N19C0013				12,279	-
				The Charles Stark Draper Laboratory, Inc.	SC001-0000001191	180,106	-
				Battelle Pacific Northwest Division	437404	93,122	-
				Metron, Inc.	6F95-003	70,031	-
				Galois Inc	2017-004	64,284	-
				The Charles Stark Draper Laboratory, Inc.	SC001-0000001191	18,906	-
				Metron, Inc.	6F95-003	14,751	-
				Pacific States Marine Fisheries Commission	19-113P	729	-
				Stanford University	61543292-116140	(2,688)	-
Department of the Interior							
	15.159	Bureau of Indian Affairs - Cultural Resources Management				18,699	-
	15.231	Bureau of Land Management - Fish, Wildlife and Plant Conservation Resource Management				42,802	-
	15.238	Bureau of Land Management - Challenge Cost Share				19,070	-
	15.560	US Bureau of Reclamation - SECURE Water Act - Research Agreements				88,058	-
	15.608	US Fish & Wildlife Service - Fish and Wildlife Management Assistance				6,195	-
	15.615	US Fish & Wildlife Service - Cooperative Endangered Species Conservation Fund		Oregon Department of Fish and Wildlife	115-18	57,141	-
				Oregon Department of Fish and Wildlife	074-19	7,501	-
	15.652	US Fish & Wildlife Service - Invasive Species				46,335	-
	15.657	US Fish & Wildlife Service - Endangered Species Conservation - Recovery Implementation Funds				2,920	-
	15.678	US Fish & Wildlife Service - Cooperative Ecosystem Studies Units				34,259	-
	15.808	US Geological Survey - U.S. Geological Survey Research and Data Collection				625,888	-
	15.810	US Geological Survey - National Cooperative Geologic Mapping				9,992	-
	15.945	National Park Service - Cooperative Research and Training Programs - Resources of the National Park System				646,559	-
	15.XXX	Other Department of the Interior Programs		University of California	104713991	17,000	-
Department of Justice							
	16.026	US Department of Justice - OVW Research and Evaluation Program				132,681	20,510
	16.203	US Department of Justice - Promoting Evidence Integration in Sex Offender Management Discretionary Grant Program				272,119	98,672
	16.560	US Department of Justice - National Institute of Justice Research, Evaluation, and Development Project Grants				93,279	-
	16.566	US Department of Justice - National Institute of Justice W.E.B. DuBois Fellowship Program				166,811	-

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
	16.751	Bureau of Justice Assistance - Edward Byrne Memorial Competitive Grant Program		City of Portland	30004383	53,116	-
	16.XXX	Other Department of Justice Programs		American Institutes for Research	01064-03260 PO:13RRG10008	(191)	-
Department of Justice							
	17.XXX	Other Department of Labor Programs		JBS International Inc	S53511-PSU	33	-
Department of Transportation							
	20.200	Federal Highway Administration - Highway Research and Development Program		National Academy of Sciences	SUB0001267/HR 20-07(420)	47,716	18,073
				Oregon Department of Transportation	IGA NO. 31726	30,437	-
				University of Delaware	42119	14,115	-
				Lehigh University	543662-78001	1,810	-
	20.205	US Department of Transportation - Highway Planning and Construction		Oregon Department of Transportation	30391	39,919	-
				Oregon Department of Transportation	WO#9/MASTER AGREEMENT 27085	976	-
	20.215	US Department of Transportation - Highway Training and Education				91,142	-
	20.514	US Department of Transportation - Public Transportation Research, Technical Assistance, and Training				142,559	78,577
	20.701	US Department of Transportation - University Transportation Centers Program				3,556,413	1,515,807
	20.XXX	Other Department of Transportation Programs		Florida Atlantic University	PR-K68	91,125	-
		W912HZ-18-2-0005				113,640	-
				Oregon Department of Transportation	WO#8/MASTER AGREEMENT 27085	56,799	-
				SW Washington Regional Transportation Council	PSU#001624	45,885	-
				ICF Incorporated	TO 1	16,850	-
National Aeronautics and Space Administration							
	43.001	National Aeronautics & Space Administration - Science				1,071,900	-
				University of Wisconsin System	775K821	53,719	-
				California Inst of Technology	S427588	32,119	-
				California Inst of Technology	1609794	24,843	-
				Stone Aerospace, Inc.	PSU001881	1,670	-
	43.007	National Aeronautics & Space Administration - Space Operations				231,263	-
	43.008	National Aeronautics & Space Administration - Education		Oregon State University	NS265D-T	7,722	-
				Oregon State University	NS265D-Q	7,404	-
				Oregon State University	NS265D-R	6,579	-
				Oregon State University	NS265D-W	4,157	-
				Oregon State University	NS265D-M	(72)	-
	43.012	National Aeronautics & Space Administration - Space Technology				51,364	-
	43.XXX	Other Department of Aeronautics & Space Administration Programs				3,240	-
		80NSSC18P0033				48,306	-
				California Inst of Technology	1593127		-
National Science Foundation							
	47.041	National Science Foundation - Engineering Grants				829,776	-
				Imagars LLC	160151	96,274	-
				Tangitek, LLC	PSU #001476	13,338	-
				Diatomix Inc	180115	13,252	-
				Washington State University	120456-G003883	10,887	-
				University of Illinois	093828-17240	430	-
	47.049	National Science Foundation - Mathematical and Physical Sciences				746,042	-

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
	47.050	National Science Foundation - Geosciences				1,337,383	65,837
	47.070	National Science Foundation - Computer and Information Science and Engineering				736,092	129,760
				University of Alabama	A18-0170-S001	33,377	-
				Case Western Reserve Univ	RES512453	31,930	-
	47.074	National Science Foundation - Biological Sciences				1,045,989	(166)
				Michigan State University	RC103094PSU	8,614	-
	47.075	National Science Foundation - Social, Behavioral, and Economic Sciences				122,995	37,680
				Arizona State University	16-820	98,722	-
				Pennsylvania State Univ	5461-PSU-NSF-7396	29,785	-
				University of Kentucky	3200000579-16-235	19,194	-
				University of Oregon	2003D0A	6,572	-
	47.076	National Science Foundation - Education and Human Resources				842,278	11,658
				Mathematical Assn of America	3-8-710-954/DUE-1430540	160,447	-
				University of Washington	UWSC7970 PO# BPO22320	105,649	-
				Texas State University - San Marcos	19005-83094-2	54,721	-
				American Mathematical Assn of Two-Year Colleges dba AMATYC	PS-3	14,234	-
				Chemeketa Community College	10285500	3,249	-
Environmental Protection Agency							
	66.034	Environmental Protection Agency - Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		Oregon Department of Environmental Quality	024-19	90,603	5,315
	66.XXX	Other Environmental Protection Agency Programs FP-91782201-0				10,727	-
Department of Energy							
	81.087	US Department of Energy - Renewable Energy Research and Development				996,194	377,511
				Electronic Power Research Institute	10006242	84,475	-
	81.999	US Department of Energy - Department of Energy Miscellaneous Grants				236	-
				Pacific States Marine Fisheries Commission	19-94G		
	81.XXX	Other Department of Energy Programs				46,850	-
				Pacific States Marine Fisheries Commission	18-91G		
				Battelle Pacific Northwest Division	387339	30,100	-
Department of Education							
	84.325	US Department of Education - Special Education - Personnel Development to Improve Services and Results for Children with Disabilities				514,131	-
	84.335	US Department of Education - Child Care Access Means Parents in School				82,435	-
	84.235E	US Department of Education - Braille Training Program				127,814	-
	84.305A	US Department of Education - Institute of Education Sciences Education Research Grants Program				364,543	-
				Yale University	GR103268(CON-80001286)	17,971	-
	84.324A	US Department of Education - Special Education - Research Innovation to Improve Services and Results for Children with Disabilities		University of Kansas	FY2019-074	3,064	-
	84.325H	US Department of Education - Leadership Consortia in Sensory Disabilities and Disabilities Associated with Intensive Service Needs		Salus University	PDX 88404 FALL 2018	11,324	-
	84.325H	US Department of Education - Leadership Consortia in Sensory Disabilities and Disabilities Associated with Intensive Service Needs		Salus University	PDX 88404 FALL 2018	22,647	-
	84.326M	US Department of Education - Model Demonstration Projects to Improve Literacy Outcomes for English Learners with Disabilities in Grades Three through Five or Three through Six				315,610	39,377

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
Department of Health and Human Services							
	93.077	National Institutes of Health - Family Smoking Prevention and Tobacco Control Act Regulatory Research		University of California Regents of UC - Riverside	S-001085 S-000752	660,939 52,905 160,637	45,309 - -
	93.087	Administration for Children and Families - Enhance Safety of Children Affected by Substance Abuse		Volunteers of America Oregon Inc	140132	91,284	-
	93.113	National Institutes of Health - Environmental Health				76,789	-
	93.121	National Institutes of Health - Oral Diseases and Disorders Research				47,004	-
				Oregon Health & Science University Oregon Health & Science University	1013567_PSU 1008356_PSU	12,312 14,527	- -
	93.135	Centers for Disease Control & Prevention - Centers for Research and Demonstration for Health Promotion and Disease Prevention		Oregon Health & Science University	1004402-002_PSU	31,445	-
	93.172	National Institutes of Health - Human Genome Research				18,939	-
	93.173	National Institutes of Health - Research Related to Deafness and Communication Disorders				383,973	57,300
				Oregon Health & Science University Oregon Health & Science University Oregon Health & Science University Oregon Health & Science University	1011745_PSU 1009985_PSU 1008367 1013200_PSU	114,760 56,279 8,526 28,810	- - - -
	93.226	Agency for Healthcare Research & Quality - Research on Healthcare Costs, Quality and Outcomes				393,193	124,343
	93.242	National Institutes of Health - Mental Health Research Grants				103,651	-
	93.262	Centers for Disease Control & Prevention - Occupational Safety and Health Program				42,295	-
				Oregon Health & Science University Oregon Health & Science University	1008844_PSU 1008659_PSU/1R01EB0213562-	8,521 4,707	- -
	93.307	National Institutes of Health - Minority Health and Health Disparities Research		dfusion	R21MH112038	28,625	-
	93.310	National Institutes of Health - Trans-NIH Research Support				6,714,766	2,267,633
	93.361	National Institutes of Health - Nursing Research		University of Pittsburgh	0043908 (126061-8)	42,696	-
	93.433	Administration for Community Living - ACL National Institute on Disability, Independent Living, and Rehabilitation Research				1,073,758	75,524
				Temple University of Commonwealth System of Higher Education	300104-PSU	35,565	-
	93.508	Administration for Children and Families - Affordable Care Act (ACA) Tribal Maternal, Infant, and Early Childhood Home Visiting Program		Conferated Tribes of Siletz Indians	2013-14/90-TH0024-01-00	17,603	-
	93.670	Administration for Children and Families - Child Abuse and Neglect Discretionary Activities		Boston Children's Hospital	GENFD0001582353	28,234	-
	93.837	National Institutes of Health - Cardiovascular Diseases Research		Oregon Health & Science University Elex Biotech LLC	1011625_PSU 140322	69,900 4,980	- -
	93.837	National Institutes of Health - Lung Diseases Research		Oregon Health & Science University Oregon Health & Science University	1011201_PSU 1008628_PSU/1R56HL130130-01	37,125 523	- -
	93.847	National Institutes of Health - Diabetes, Digestive, and Kidney Diseases Extramural Research		Oregon Health & Science University Oregon Health & Science University	1013560_PSU 1005387_PSU	15,427 34,674	- -
	93.855	National Institutes of Health - Allergy and Infectious Diseases Research				274,836	-
				DesignMedix Inc The University of Montana StoneStable	130356 PG17-64595-01 87007597.2	66,615 36,586 6,707	- - -
	93.859	National Institutes of Health - Biomedical Research and Research Training				330,048	-
				San Diego State University Research Foundation University of Florida Oregon Health & Science University	SA0000497 UFDSP00010949 1013117_PSU	156,896 83,958 16,129	- - -

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
	93.865	National Institutes of Health - Child Health and Human Development Extramural Research		University of Oregon	215730A	580,215	273,191
				Regents of University of Colorado	FY19.965.002	57,355	-
				Seattle Children's Hospital	11323SUB	43,872	-
	93.866	National Institutes of Health - Aging Research		Brown University	00001191	35,852	-
				Oregon Health & Science University	1005142_PSU_JEDNYAK	144,854	-
				Oregon Health & Science University	1011170_PSU	61,569	-
				Oregon Health & Science University	1005142_PSU	48,026	-
				University of Wisconsin System	849K800	14,824	-
	93.867	National Institutes of Health - Vision Research		Johns Hopkins University	2002969753	9,898	-
	93.994	Health Resources Services Administration - Maternal and Child Health federal Consolidated Program		Oregon Health & Science University	1010448_PSU	26,013	-
	93.XXX	Other Department of Health and Human Services Programs				54,257	-
				Oregon Health Authority	146490 WORK ORDER 2	27,325	-
				Yellowhawk Tribal Health Center	PO# 65597	22,909	-
				Research Triangle Institute	17-312-0213405-52174L	(12)	-
Total Research and Development Cluster						33,524,026	5,536,522
Student Financial Aid							
Department of Education							
	84.007	Office of Federal Student Aid - Federal Supplemental Educational Opportunity Grants				1,004,013	-
	84.033	Office of Federal Student Aid - Federal Work-Study Program				1,259,087	-
	84.038	Office of Federal Student Aid - Federal Perkins Loan				56,247	-
	84.063	Office of Federal Student Aid - Federal Pell Grant Program				37,401,486	-
	84.268	Office of Federal Student Aid - Federal Direct Student Loans				114,661,635	-
	84.379	Office of Federal Student Aid - Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)				612,258	-
Total Student Financial Aid - Cluster						154,994,726	-
TRIO Cluster							
Department of Education							
	84.042	Office of Postsecondary Education - TRIO Student Support Services				403,026	-
	84.044	Office of Postsecondary Education - TRIO Talent Search				330,971	-
	84.047	Office of Postsecondary Education - TRIO Upward Bound				498,224	-
	84.217	Office of Postsecondary Education - TRIO McNair Post-Baccalaureate Achievement				248,433	-
Total TRIO Cluster						1,480,653	-
CCDF Cluster							
Department of Health and Human Services							
	93.596	Administration for Children and Families - Child Care and Development Fund			11173	2,969,382	-
Total CCDF Cluster						2,969,382	-
Child Nutrition Cluster							
Department of Agriculture							
	10.558					715	-
	10.559	Food and Nutrition Service - Summer Food Service Program for Children		Oregon Department of Education	2608003	59,859	-
					26 16018	6,071	-
Total Child Nutrition Cluster						66,645	-

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
Non Cluster Programs							
Department of Defense							
	12.550	Office of the Secretary of Defense - The Language Flagship Grants to Institutions of Higher Education		Institute of International Education	0054-PDX-7-LINK-280-PO6	234,717	-
				Institute of International Education	0054-PDX-7-SSR-280-PO8	362,600	-
				Institute of International Education	NSEP-U631073-PDX-RUS	(6)	-
	12.903	National Security Agency - GenCyber Grants Program				97,116	-
Department of Housing and Urban Development							
	14.218	Office of Community Planning and Development - Community Development Block Grants/Entitlement Grants		Portland Development Commission of The City of Portland dba Prosper Portland	3760-07	186,798	-
Department of the Interior							
	15.654	US Fish & Wildlife Service - National Wildlife Refuge System Enhancements				29,876	-
Department of Justice							
	16.575	US Department of Justice - Crime Victim Assistance		Oregon Department of Justice	VOCA-FI-2018-PSU-00059	90,213	-
	16.585	US Department of Justice - Drug Court Discretionary Grant Program		American University	SPA-31408-02	90,918	-
Department of State							
	19.400	US Department of State - Academic Exchange Programs - Graduate Students Fullbright Student		Institute of International Education	FST1901_PSU_2019	14,489	-
	19.432	US Department of State - Overseas Programs - Group Projects Abroad		Institute of International Education	FST1801_PSU_5.1.18	109,963	-
	19.600	US Department of State - Bureau of Near Eastern Affairs		Georgetown University	PSU-GR205768 PSU-20190310	230,559	-
Department of Transportation							
	20.215	US Department of Transportation - Highway Training and Education		Oregon Department of Transportation	PSU 001882	5,719	-
Office of Personnel Management							
	27.011	National Science Foundation - Intergovernmental Personnel Act (IPA) Mobility Program				231,665	-
Department of Energy							
	81.XXX	Other Department of Energy Programs				823,517	-
			76072	Desert Research Institute	GR05893	60,718	-
				Desert Research Institute	GR05923	46,649	-
		Subtotal 81.XXX				930,884	-
Department of Education							
	84.129B	Office of Special Education and Rehabilitative Services - Clinical Rehabilitation Counseling (CLRC) Program				211,522	-
	84.299	Office of Elementary and Secondary Education - Indian Education - Special Programs for Indian Children				31,273	-
	84.299B	Office of Elementary and Secondary Education - Indian Education Professional Development Grants				471,399	-
		Subtotal 84.299				502,672	-
	84.323A	Special Education - State Personnel Development		Oregon Department of Education	IGA NO. 11355	59,957	-
	84.325	Office of Special Education and Rehabilitative Services - Personnel Development to Improve Services and Results for Children with Disabilities				333,210	-
	84.326	Office of Special Education and Rehabilitative Services - Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities		University of Kansas	FY2019-086	5,886	-
	84.335A	Office of Postsecondary Education - Child Care Access Means Parents in School				282,821	-
	84.367B	Office of Elementary and Secondary Education - Supporting Effective Instruction State Grants		Western Oregon University	TRSUB18.03	9,115	-
	84.407A	Office of Postsecondary Education - Transition Programs for Students with Intellectual Disabilities into Higher Education				447,201	-
Department of Health and Human Services							
	93.136	Centers for Disease Control & Prevention - Injury Prevention and Control Research and State and Community Based Programs		Oregon Health Authority	150363	128,892	-
	93.157	Health Resources Services Administration - Centers of Excellence		Oregon Health & Science University	1011045_PSU	21,925	-

**PORTLAND STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Program Cluster	Federal CFDA #	Federal Funding Agency/Major Subdivision - Program Title	Federal Award Id	PASS THROUGH ENTITY	Pass Through Identifying #	Total Expenditures	Pass through to Subrecipients
	93.243	Substance Abuse & Mental Health Services Administration - Substance Abuse and Mental Health Services Projects of Regional and National Significance				2,780	-
				Oregon Health Authority	158687	198,106	-
				Oregon Health Authority	147636	95,908	-
				University of Washington	UWSC10660	35,748	-
				Outside In	140408	19,062	-
				Native American Rehabilitation Association	PSU 001212	15,882	-
				Quartz Valley Indian Reservation	CONTRACT #405/2015-010-COC	4,486	-
		Subtotal 93.243				371,972	
	93.434	Administration for Children and Families - Every Student Succeeds Act/Preschool Development Grants		Oregon Department of Education	12230	45,402	-
	93.648	Administration for Children and Families - Child Welfare Research Training or Demonstration		The Research Foundation of State University of New York	18-5-79280	130,207	-
	93.732	Health Resources Services Administration - Mental and Behavioral Health Education and Training Grants				448,135	-
	93.829	Centers for Medicare and Medicaid Services - Section 223 Demonstration Programs to Improve Community Mental Health Services		Deschutes County	PSU001811	43,694	-
				Options for Southern Oregon	PSU001821	77,906	-
		Subtotal 93.829				121,600	
	93.944	Centers for Disease Control & Prevention - Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		Oregon Health Authority	150865	388,304	-
	93.XXX	Other Department of Health and Human Services Programs		University of Maryland	1600258A	265,051	68,271
Total Non Cluster Programs						6,389,383	68,271
Total Federal Awards Expended						199,424,815	5,604,793

**PORTLAND STATE UNIVERSITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Portland State University under programs of the federal government of the year ended June 30, 2019. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Portland State University, it is not intended to and does not present the financial position, changes in net position, or cash flows of Portland State University.

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, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Portland State University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 FEDERAL STUDENT LOAN PROGRAMS

The Perkins Federal Student Loan Program listed on the Schedule was previously administered directly by Portland State University. Loans outstanding at the beginning of the year are presented in the Schedule. During the year ended June 30, 2019, the University completed the liquidation of the Perkins Loan Program. All loans were properly assigned and accepted by the Department of Education.

**PORTLAND STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
3. Noncompliance material to financial statements noted? yes no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes 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 2 CFR 200.516(a)? yes no

Identification of Major Federal Programs

CFDA Number(s)

84.SFA

Name of Federal Program or Cluster

Student Financial Aid Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,123,995 / \$280,999

Auditee qualified as low-risk auditee?

yes no

**PORTLAND STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section II – Financial Statement Findings

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

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

2019 – 001

Federal agency: U.S. Department of Education

Federal program title: Student Financial Aid Cluster

CFDA Number:

Federal Direct Student Loans (FDL) – CFDA # 84.268

Federal Pell Grant Program (PELL) – CFDA # 84.063

Award Period: 2018 - 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: The Code of Federal Regulations, 34 CFR 685.309, requires that enrollment status changes for students be reported to the National Student Loan Data System (NSLDS) within 30 days, or within 60 days if the student with the status change will be reported on a scheduled transmission within 60 days of the change in status. Regulations require the status includes an accurate effective date. In addition, regulations require that an institution make necessary corrections and return the records within 10 days for any roster files that don't pass the NSLDS enrollment reporting edits.

Condition: During our testing of a sample of 40 students who had a change in enrollment status during the period under audit, we noted that one student's social security number provided as a part of the submission roster was rejected by the National Student Clearinghouse (NSC), returned to the University in the transmission error report and was not resolved in a timely manner. We also noted two instances in which the student's enrollment status were not reported properly within the required timeframe to the NSLDS.

Questioned costs: None.

Context: Out of a statistically valid sample of 40 students selected for testing for the requirement noted above, we noted three exceptions as described above.

Cause: One of the three errors was not corrected in a timely manner due to the Office of the Registrar not reviewing the specific transmission error report provided by the NSC. Two of the three errors were not reported correctly due to the University not having proper internal controls in place to ensure issues were discovered prior to uploading rosters to the NSC who then submits required information to the NSLDS.

**PORTLAND STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Effect: The NSLDS was not updated with the student's enrollment information, which can cause over-awarding should the student transfer to another institution or the student may not properly enter the repayment period.

Repeat Finding: No.

Recommendation: We recommend that the University enhance its procedures for monitoring and correcting the transmission error files that are returned by the NSC to ensure that corrections are made in a timely manner. We also recommend that the University implement monitoring procedures to ensure student status information is accurately provided to the NSC for the submission to the NSLDS within the required timeframes.

Views of Responsible Officials and Management's Response: The University agrees with the finding.

2019 – 002

Federal agency: U.S. Department of Education

Federal program title: Student Financial Aid Cluster

CFDA Number:

Federal Work Study Program (FWS) – CFDA # 84.033

Federal Pell Grant Program (PELL) – CFDA # 84.063

Federal Direct Student Loans (FDL) – CFDA # 84.268

Award Period: 2017-2018

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: 2 CFR 200.303 requires nonfederal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal statutes, regulations and the terms and conditions of the federal award. Per 2 CFR 668.51 through 668.61, the institution shall require each applicant whose application is selected by ED to verify the information required for the Verification Tracking Group to which the applicant is assigned.

Condition: During our testing over compliance related to verification, we noted that the University did not adhere to verification regulations as follows:

- One student was disbursed aid despite not completing the verification procedures.
- Four students were not required to submit proper documentation for income originally reported.

Questioned costs: \$12,368 of aid was disbursed to the student who did not complete the verification procedures. \$51,865 was disbursed to the four students who were not required to submit proper documentation to support income originally reported.

Context: We tested a statistically valid sample of 40 verifications occurring during the fiscal year. Of the 40 verifications tested, we noted five instances where controls failed to prevent disbursement of aid when the verification process was not complete or in which the student was not required to return the proper documentation by the University.

**PORTLAND STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Cause: The University did not require students to submit proper documentation for income verification relating to non-filing household members. In addition, the University did not have proper controls in place to ensure it met verification compliance requirements.

Effect: The University originated and disbursed grants and loans to students without adhering to verification regulations.

Repeat Finding: Yes, prior year finding 2018-003.

Recommendation: We recommend that the University provide training to staff to ensure that they are in compliance with the various verification requirements and implement automated controls that require verification be completed on all selected students.

Views of Responsible Officials and Management's Response: The University agrees with the finding.

Office of the President

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Section IV – Prior Year Findings

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2018 – 001 – Return of Title IV Funds

Condition: During or testing of return to Title IV, we noted multiple instances where the University had not returned funds within the required 45 days. Further, we noted an instance where the University incorrectly calculated a student's return and returned more funds than necessary to the Department of Education. The University failed to implement adequate controls over timely return of Title IV funds despite findings in the previous three audit periods.

Status: This item was resolved in 2019.

2018 – 002 – Cash Management

Condition: During our testing over compliance related to cash management, we noted that the University's internal control over cash management failed to prevent a cash draw request being improperly prepared by drawing funds from an incorrect program for which they were awarded. This was later discovered and corrected, but internal controls are deemed ineffective due to improper request.

Status: This item was resolved in 2019.

2018 – 003 – Verification

Condition: During our testing over compliance related to verification, we noted that the University's internal control failed to prevent an origination and disbursement of funds to a student selected for verification, despite not completing the verification procedures. Additionally, we noted one instance where the University failed to correctly identify a student as independent during the verification process. The student in question had been previously incarcerated and this would be automatically considered independent at the age of 18.

Status: This item was not resolved. See current year finding 2019-002.

Reason for finding's recurrence: Responsible employees have received additional training and subsequent verifications have been reviewed. Regular training for all staff performing verifications has been implemented and random samples of files will be regularly reviewed as part of our quality assurance plan. Further, Financial Aid will consult with OIT to see if any automated audit reports can be created to help catch errors.

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Department of Health and Human Services

Portland State University respectfully submits the following corrective action plan for the year ended June 30, 2019.

Audit period: July 1, 2018 - June 30, 2019

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

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

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. DEPARTMENT OF EDUCATION

2019-001 Student Financial Aid Cluster

CFDA No. 84.063 - Federal Pell Grant Program (PELL)
CFDA No. 84.268 - Federal Direct Student Loans (FDL)

Recommendation: We recommend that the University enhance its procedures for monitoring and correcting the transmission error files that are returned by the NSC to ensure that corrections are made in a timely manner. We also recommend that the University implement monitoring procedures to ensure student status information is accurately provided to the NSC for the submission to the NSLDS within the required timeframes.

Explanation of disagreement with audit finding:

There is no disagreement with the audit finding.

Action taken in response to finding:

We have reviewed the various Reject Record Error reports that help us identify the records rejected for mis-matched SSNs and will prioritize resolving these records. We reviewed the listing of enrollment statuses for federal financial aid purposes and updated the listing to include Three-Quarter Time for Graduate students. We have identified an error report that allows us to review students in graduated status who do not have a “G – graduated” record listed in the NSC.

Name(s) of the contact person(s) responsible for corrective action:

Nicolle DuPont, Associate Registrar

Planned completion date for corrective action plan:

February 1, 2020

U.S. DEPARTMENT OF EDUCATION

2019-002 Student Financial Aid Cluster

CFDA No. 84.063 - Federal Pell Grant Program (PELL)
CFDA No. 84.268 - Federal Direct Student Loans (FDL)

Recommendation: We recommend that the University provide training to staff to ensure that they are in compliance with the various verification requirements and implement automated controls that require verification be completed on all selected students.

Explanation of disagreement with audit finding:

There is no disagreement with the audit finding.

Action taken in response to finding:

Responsible employees have received additional training and subsequent verifications have been reviewed. Regular training for all staff performing verifications has been implemented and random samples of files will be regularly reviewed as part of our quality assurance plan. Further, Financial Aid will consult with OIT to see if any automated audit reports can be created to help catch errors.

Name(s) of the contact person(s) responsible for corrective action:

Amanda Bierbrauer, Associate Vice President of Enrollment Management & Student Finances

Planned completion date for corrective action plan:

February 1, 2020

If the Department of Health and Human Services has questions regarding this plan, please call Amanda Bierbrauer at 503-725-5458.