

University Corporation at Monterey Bay

Federal Awards

Reports and Schedule

Year Ended June 30, 2020

University Corporation at Monterey Bay
Federal Awards
Reports & Schedule
Year Ended June 30, 2020

Table of Contents

	<u>Page</u>
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 <i>Government Auditing Standards</i>	3-4
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	5-7
Schedule of Expenditures of Federal Awards	8-12
Notes to Schedule of Expenditures of Federal Awards	13
Schedule of Findings and Questioned Costs	14-15
Status of Prior Year Findings and Questioned Costs – June 30, 2019	16



**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 Directors
University Corporation at Monterey Bay
Seaside, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statements of net position and related statements of revenues, expenses and changes in net position and cash flows of University Corporation at Monterey Bay (the Corporation), a component unit of California State University, Monterey Bay, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated September 11, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Corporation'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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.

Board of Directors
University Corporation at Monterey Bay
Seaside, California
Page 2

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 Corporation’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 results 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 purposes.



Glenn Burdette Attest Corporation
San Luis Obispo, California

September 11, 2020



**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Board of Directors
University Corporation at Monterey Bay
Seaside, California

Report on Compliance for Each Major Federal Program

We have audited University Corporation at Monterey Bay's (the Corporation), a component unit of California State University, Monterey Bay, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended June 30, 2020. The Corporation's major federal programs are 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 each of the Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Corporation 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 Corporation'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 Corporation'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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

University Corporation at Monterey Bay
Board of Directors
Seaside, California
Page 3

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 the Corporation as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation’s basic financial statements. We issued our report thereon dated September 11, 2020, which contained unmodified opinions on the financial statements. Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation’s 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.

Glenn Burdette Attest Corporation

Glenn Burdette Attest Corporation
San Luis Obispo, California

September 11, 2020

**University Corporation at Monterey Bay
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Program or Cluster Title/ Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
RESEARCH AND DEVELOPMENT (CLUSTER)				
Department of Agriculture:				
Agricultural Research Basic and Applied Research				
Remote Sensing Support for Precision Fumigation in Strawberry Production	10.001		\$ 18,661	\$
Site-specific Soil Pest Management in Strawberry & Vegetable Cropping				
Systems - Remote Sensing	10.001		<u>27,667</u>	
Subtotal			<u>46,328</u>	<u>-</u>
Specialty Crop Block Grant Program - Farm Bill				
Addressing Improvements in Water Use Efficiency of High-Value Salinas Valley				
Specialty Crops				
Pass through from CA Dept. of Food & Agriculture	10.170	17-0275-033-SC	134,082	23,130
Improving Water Use Efficiency of Cool Season Vegetable Crops				
Pass through from Regents of the University of California	10.170	SA19-4837-01	<u>1,430</u>	
Subtotal			<u>135,512</u>	<u>23,130</u>
Specialty Crop Research Initiative				
Integrating anaerobic soil disinfestation, crop rotation and variety of disease management in strawberry production				
Pass through from University of California, Santa Cruz	10.309	A18-0425-S001-P0664	52,279	
Capacity Building Grants for Non-Land Grant Colleges of Agriculture	10.326		(1,106)	
Subtotal Department of Agriculture			<u>233,013</u>	<u>23,130</u>
Department of Commerce:				
Educational Partnership Program				
NOAA Center for Coastal and Marine Ecosystems				
Pass through from Florida A&M University	11.481	C-4949	28,309	
NOAA Center for Coastal and Marine Ecosystems				
Pass through from Florida A&M University	11.481	C-5007	61,723	
NOAA Center for Coastal and Marine Ecosystems				
Pass through from Florida A&M University	11.481	C-5045	162,567	
Subtotal Department of Commerce			<u>252,599</u>	<u>-</u>
Department of Defense				
Basic and Applied Scientific Research				
SCI Deep Water Monitoring	12.300		110,488	
Subtotal Department of Defense			<u>110,488</u>	<u>-</u>
Department of the Interior				
Endangered Species Conservation Recovery Implementation Funds				
Evaluation of Monterey Gilia Management, Current Extent and Restoration	15.657		11,669	
Subtotal Department of the Interior			<u>11,669</u>	<u>-</u>
National Aeronautics and Space Administration:				
Science Programs				
Science Mission Operations by NSERC and Related Educational Activities				
Pass through from Bay Area Environmental Research (BAER) Institute	43.001	NNX12AD05A-CSUM	1,640,229	86,205
Floating Forests (Year 2)				
Pass through from University of Massachusetts Boston	43.001	8000768570	(186)	
Subtotal National Aeronautics and Space Administration			<u>1,640,043</u>	<u>86,205</u>

See accompanying notes to schedule of expenditures of federal awards.

**University Corporation at Monterey Bay
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020
Page 2**

Program or Cluster Title/ Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
National Science Foundation:				
Mathematical and Physical Sciences				
RUI: Molecular Design Redox Active Deep Eutectic Solvents	47.049		\$ 46,777	\$ -
Geosciences				
The Geo Futures Program: A Workshop for Undergraduates	47.050		93,143	
ASPIRE	47.050		18,004	
Collaborative Research: Decomping the effects of diversity on the abundance of marine parasites	47.050		8,056	
Polar Data	47.050		(10,317)	
Subtotal			<u>108,886</u>	<u>-</u>
Biological Sciences				
Agricultural Microbiomes Research Coordination Network				
Pass through from Regents of the University of Minnesota	47.074	H006143901	17,235	
Multiple Stressor Effects	47.074		10,402	
REU: From the Intertidal to the Deep Ocean	47.074		112,642	
Subtotal			<u>140,279</u>	<u>-</u>
Education and Human Resources				
CSIT-in-3	47.076		14,322	
California Coast Noyce Scholars (CCNS) Partnership Track 1				
Pass through from California State University, Channel Islands	47.076	1617.0009	73,815	
NSF-CSU LSAMP Louis Stokes STEM Pathways and Research Alliance 2019-20				
Pass through from University Enterprises Inc	47.076	532942	3,394	
Replication of a Cohort-Based Computer Science Bachelor's Degree Model	47.076		733,962	642,948
Rural Integrated STEM Education: Middle and High School Teacher Pathways Developed Through a Regional Alliance	47.076		101,017	25,411
Subtotal			<u>926,510</u>	<u>668,359</u>
Subtotal National Science Foundation			<u>1,222,452</u>	<u>668,359</u>
US Environmental Protection Agency				
Water Quality Management Planning				
Dry Stream Assessment Phase III				
Pass through from Southern California Coastal Water Research Project Authority	66.454	SWRCB0000000000D	16,777	
Lake Champlain Basin Program				
Developing and Validating Assessment Tools for Ephemeral Streams				
Pass through from Southern California Water Research Project Authority	66.481	10280	39,554	
Development of a Flow Duration Assessment Method for the Arid Southwest (ASW) and Western Mountains (WM)				
Pass through from Southern California Water Research Project Authority	66.481	16686	65,092	
Subtotal US Environmental Protection Agency			<u>121,423</u>	<u>-</u>
National Institute of Health				
Trans-NIH Research Support				
BD2K Innovative Research Education	93.310		160,250	
Subtotal National Institute of Health			<u>160,250</u>	<u>-</u>
Total Research and Development Cluster			<u>3,751,937</u>	<u>777,694</u>

See accompanying notes to schedule of expenditures of federal awards.

**University Corporation at Monterey Bay
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020
Page 3**

Program or Cluster Title/ Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF AGRICULTURE				
Higher Education - Institution Challenge Grants Program:				
Agricultural Science Pathway 2+2 HEC Project	10.217		\$ 33,203	\$ 15,290
Hispanic Serving Institutions Education Grants				
No More Silos: Multi-disciplinary and data intensive training for careers in agricultural and natural resource industries and agencies				
Pass through from Cal Poly Pomona Foundation, Inc.	10.223	S20-008830-MB	5,852	
Agriculture and Food Research Initiative				
Advancing Nutrition Development through Alliances for Leadership Education (ANDALE) Scholars Program				
Pass through from CSU Long Beach Research Foundation	10.310	5202217100UCMB	35,724	
Summer Food Service Program for Children				
Upward Bound Summer Food Program 2019				
Pass through from California Department of Education	10.559	N/A	9,852	
Subtotal Department of Agriculture			84,631	15,290
DEPARTMENT OF COMMERCE				
Economic Adjustment Assistance				
Startup Monterey Bay Launchpad	11.307		113,169	
Cooperative Science and Education Program				
CSU COAST Summer Internships NOAA-NMFS 2019-2022	11.455		5,000	
Subtotal Department of Commerce			118,169	-
DEPARTMENT OF THE INTERIOR				
Yakima River Basin Water Enhancement (YRBWE)				
Native Plant Materials Fort Ord National Monument Restoration	15.231		31,904	
Threatened and Endangered Species				
California Cooperative Ecosystems Studies Unit Return of the Natives Fort Ord	15.246		55,196	
Coastal				
Monterey State Beach Dune Restoration	15.630		(7)	
Subtotal Department of the Interior			87,093	-
NATIONAL ENDOWMENT FOR THE HUMANITIES				
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development				
Improving Learning and Achievement with Reading/Writing-Enriched Curriculum in the Disciplines	45.162		9,024	
Promotion of the Humanities Public Programs				
Tektite Revisited: NASA's Forgotten Underwater Mission	45.164		21,055	
Subtotal National Endowment for the Humanities			30,079	-

See accompanying notes to schedule of expenditures of federal awards.

**University Corporation at Monterey Bay
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020
Page 4**

Program or Cluster Title/ Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF EDUCATION				
Higher Education Institutional Aid				
Ready Set Transfer				
Pass through from Monterey Peninsula College	84.031	PO31S180134-S1	\$ 33,311	\$
Research-based Interventions	84.031C		1,251,236	
The Making Accessible and Effective Systems for Teacher Readiness Outcomes (MAESTROS) Project	84.031S		532,826	202,230
Cabrillo/CSUMB Partnership to Strengthen Transfer Pathways Pass through from Cabrillo Community College District	84.031S	PO B0024828	10,896	
Subtotal			<u>1,828,269</u>	<u>202,230</u>
TRIO Cluster				
TRIO: Student Support Services	84.042A		273,841	
TRIO: SSS-STEM/HS	84.042A		255,935	
Educational Talent Search	84.044A		515,482	
TRIO: Upward Bound Pajaro Valley & North Monterey County HS	84.047A		271,817	
TRIO: Upward Bound Soledad & Watsonville	84.047A		299,491	
TRIO: McNair Postbaccalaureate Achievement Program	84.217A		200,807	
Subtotal			<u>1,817,373</u>	<u>-</u>
Migrant Education College Assistance Migrant Program				
CAMP 2014-2019	84.149A		17,325	
CAMP 2019-2024	84.149A		300,361	
Subtotal			<u>317,686</u>	<u>-</u>
Special Education Personnel Development to Improve Services & Results for Children with Disabilities				
Preparing School Psychologists	84.325K		112,400	
Preparing School Social Workers	84.325K		297,155	
Subtotal			<u>409,555</u>	<u>-</u>
Gaining Early Awareness and Readiness for Undergraduate Programs				
GEAR UP: Seaside/Salinas	84.334A		990,901	
GEAR UP: South County	84.334A		651,212	
Subtotal			<u>1,642,113</u>	<u>-</u>
Teacher Quality Partnership Grants				
El Camino Education Alliance	84.336S		1,863,416	366,857
Project POPPY: Preparing Observational Practitioners through Partnerships Yearlong	84.336S		93,259	
Subtotal			<u>1,956,675</u>	<u>366,857</u>
Improving Teacher Quality State Grants				
MBWLP-NCLB 2019-20				
Pass through from Regents of University of California, Office of President	84.367	NCLB14-CWLP-MON	29,952	
Subtotal Department of Education			<u>8,001,623</u>	<u>569,087</u>

See accompanying notes to schedule of expenditures of federal awards.

**University Corporation at Monterey Bay
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020
Page 5**

Program or Cluster Title/ Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Substance Abuse and Mental Health Services Projects of Regional and National Significance The CSUMB GLS Campus Suicide Prevention Project	93.243		\$ 66,217	\$ -
Foster Care Title IV-E CalSWEC IV-E 2019-20 Pass through from Regents of University of California, Berkeley	93.658	00009913	164,001	
Scholarships for Health Professions Students from Disadvantaged Backgrounds SWIPE in!	93.925		421,540	
Subtotal Department of Health and Human Services			<u>651,758</u>	<u>-</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
AmeriCorps AmeriCorps VIP, 2018-19 Pass through from Napa County Office of Education	94.006	N/A	6,619	
AmeriCorps VIP, 2019-20 Pass through from Napa County Office of Education	94.006	N/A	110,077	
Subtotal Corporation for National and Community Service			<u>116,696</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 12,841,986</u>	<u>\$ 1,362,071</u>

See accompanying notes to schedule of expenditures of federal awards.

University Corporation at Monterey Bay
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the University Corporation at Monterey Bay (the Corporation) under programs of the federal government for the year ended June 30, 2020. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not present the financial positions, changes in net assets, or cash flows of the Corporation.

Note 2: Indirect Cost Rate

The Corporation has not elected to use the ten percent de minimis indirect cost rate as allowed under the Uniform Guidance, but rather the rates established directly with the respective federal agencies.

**University Corporation at Monterey Bay
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

Section I - Summary of Auditors' Results

Financial Statements

- (a) Type of auditors' report issued on financial statements: **Unmodified.**
- (b) Internal control over financial reporting:
- Material weakness(es) identified: **No.**
 - Significant deficiencies identified not considered to be material weaknesses: **None Reported.**
- (c) Noncompliance material to financial statements noted: **No.**

Federal Awards

- (d) Internal control over major programs:
- Material weakness(es) identified: **No.**
 - Significant deficiencies identified not considered to be material weaknesses: **None Reported.**
- (e) Type of auditors' report issued on compliance for major programs: **Unmodified.**
- (f) Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a):
No.
- (g) Dollar threshold used to distinguish between Type A and Type B programs: **\$750,000.**
- (h) Major Programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
84.031	Higher Education Institutional Aid
84.149	College Assistance Migrant Program (CAMP)
93.925	Scholarships for Health Professions Students

- (i) Auditee qualified as low-risk auditee: **Yes.**

University Corporation at Monterey Bay
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020
Page 2

**Section II - Findings Relating to the Financial Statements Which Are Required to be Reported in
Accordance With *Government Auditing Standards***

We noted no findings in the current year.

Section III - Findings and Questioned Costs for Federal Awards

We noted no findings in the current year.

University Corporation at Monterey Bay
Status of Prior Year Findings and Questioned Costs – June 30, 2019
Year Ended June 30, 2020

We noted no findings in the prior year.