

Western Michigan University

**Federal Awards
Supplemental Information
June 30, 2007**

Western Michigan University

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Independent Auditor's Report

To the Board of Trustees
Western Michigan University

We have audited the basic financial statements of Western Michigan University for the year ended June 30, 2007 and have issued our report thereon dated August 30, 2007. Those basic financial statements are the responsibility of the management of Western Michigan University. Our responsibility was to express an opinion on those basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Western Michigan University taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

August 30, 2007

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*

To the Board of Trustees
Western Michigan University

We have audited the financial statements of Western Michigan University as of and for the year ended June 30, 2007 and have issued our report thereon dated August 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Western Michigan University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Western Michigan University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Western Michigan University's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal controls. We consider the control deficiency described in the accompanying schedule of findings and questioned costs as item 2007-A to be a significant deficiency in internal control over financial reporting.

To the Board of Trustees
Western Michigan University

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe the significant deficiency described above is not a material weakness

Compliance and Other Matters

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

Western Michigan University's response to the significant deficiency and findings relating to compliance and other matters identified in our audit and described in the accompanying schedule of findings and questioned costs has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

Plante & Moran, PLLC

August 30, 2007

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Trustees
Western Michigan University

Compliance

We have audited the compliance of Western Michigan University with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. The major federal programs of Western Michigan University are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Western Michigan University's management. Our responsibility is to express an opinion on Western Michigan University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Western Michigan University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Western Michigan University's compliance with those requirements.

In our opinion, Western Michigan University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2007-1 and 2007-2.

To the Board of Trustees
Western Michigan University

Internal Control Over Compliance

The management of Western Michigan University is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Western Michigan University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over compliance and its operation that we consider to be significant deficiencies.

A control deficiency 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 noncompliance with a type of compliance requirement for a major program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal controls. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2007-1 and 2007-2 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider either of the deficiencies in the accompanying schedule of findings and questioned costs to be a material weakness.

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

Western Michigan University's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Western Michigan University's response and, accordingly, we express no opinion on it.

To the Board of Trustees
Western Michigan University

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

Plante & Moran, PLLC

November 15, 2007

Western Michigan University

Schedule of Expenditures of Federal Awards Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity/Project/Grant Number	Award Amount	Federal Expenditures
Clusters:				
Student Financial Aid Cluster - Direct Program -				
U.S. Department of Education:				
Federal Perkins Loan Program (Note 2)	84.038	P038A042105	\$ -	\$ 2,037,345
Federal Work Study Program (Note 4)	84.033	P033A062105	881,169	728,166
Federal Supplemental Educational Opportunity Grant (Note 4)	84.007	P007A062105	789,943	877,836
Federal Pell Grant Program	84.063	P063P060246	10,319,165	10,319,165
Academic Competitiveness Grant	84.375	P375A060246	237,432	237,432
Science and Mathematics Access to Retain Talent Grant	84.376	P3756S060246	380,747	380,747
Federal Direct Loan Program:				
Federal Subsidized Stafford Loans	84.268	N/A	N/A	43,324,062
Federal Unsubsidized Stafford Loans	84.268	N/A	N/A	38,030,603
Federal Plus Loans	84.268	N/A	N/A	30,423,663
Federal Grad Plus Loans	84.268	N/A	N/A	425,640
Total Federal Direct Loan Program				112,203,968
Total Student Financial Aid Cluster				126,784,659
Research and Development Cluster:				
U.S. Department of Agriculture:				
Cooperative State Research, Education, and Extension Service - Integrated Programs - Passed through Michigan State University - Managing Late Blight of Potato	10.303	61-4351A	28,567	13,681
Food and Nutrition Service - Special Supplemental Nutrition Program for Women, Infants, and Children - Passed through Michigan Department of Community Health:				
Healthy Child Eating 06/07	10.557	20070549	129,000	85,394
Healthy Child Eating Ed	10.557	20060550	90,000	33,256
Food and Nutrition Service - Special Supplemental Nutrition Program for Women, Infants, and Children - Passed through Washington State Department of Health - Washington WIC 05-06	10.557	NI4381	33,500	19,541
Food and Nutrition Service - WIC Grants to States (WGS) - Passed through Michigan Department of Community Health:				
WIC USDA Project Yr. 2	10.578	20060717	151,832	47,063
WIC USDA Project Yr. 3	10.578	20070550	156,974	121,644
Forest Service - Forestry Research - Simulations of Flexible Fiber	10.652	04-CA-11111123-105	5,000	4,990
Foreign Agricultural Service - Scientific Cooperation and Research - Transgenic crops	10.961	58-3148-4-025	388,326	72,171
Total U.S. Department of Agriculture				397,740

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Commerce:				
National Oceanic and Atmospheric Administration - Coastal Zone Management Administration Awards - Passed through Michigan Department of Environmental Quality - Huron Coastal Heritage Water	11.419	05D-7.01	\$ 24,000	\$ 12,673
National Oceanic and Atmospheric Administration - Special Oceanic and Atmospheric Projects - Watershed Water Quality Model	11.460	NA06OAR4600220	47,678	25,046
National Oceanic and Atmospheric Administration - Hydrologic Research - Passed through State University of New York - Monitoring Cyanobacteria	11.462	1028625/26880	187,893	78,943
National Oceanic and Atmospheric Administration - Center for Sponsored Coastal Ocean Research - Coastal Ocean Program - Passed through University of Michigan - Ecological Forecasting Lake Erie	11.478	3000635480	45,500	23,657
National Institute for Standards and Technology - Advanced Technology Program - Optical Instrument Development	11.612	SBI34106W0621	207,078	<u>73,789</u>
Total U.S. Department of Commerce				214,108
U.S. Department of Defense:				
Department of the Army, Office of the Chief of Engineers - Beach Erosion Control Projects - Monitoring Allegan Shore 2006	12.101	W911XK-06-T-0050	80,000	80,000
Basic and Applied Scientific Research:				
Life Model for Spectrum Loading	12.300	N00014-05-1-0872	153,990	82,083
Load Sequence Effects 04/07	12.300	N00014-04-1-0718	190,000	77,476
Rough Wall Layer Modeling	12.300	N00014-05-1-0307	199,000	72,911
Department of Navy, Office of the Chief of Naval Research - Basic and Applied Scientific Research - Passed through Portland State University - Threatened and Endangered Bats	12.300	206ZIN014	14,454	14,454
U.S. Army Medical Command - Military Medical Research and Development - Prostate Cancer Research	12.420	W81XWH-04-1-0250	102,451	20,785
U.S. Army Material Command - Basic Scientific Research:				
Army Equipment	12.431	W911NF-06-1-0140	190,200	57,536
Chemical Warfare Agents	12.431	W911QY-07-1-0003	1,200,000	20,679

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Defense (Continued):				
Office of the Secretary of Defense - Basic, Applied, and Advanced Research in Science and Engineering - Fatigue System Enhancing Research	12.630	N00014-05-1-0441	\$ 315,000	\$ 136,144
Department of the Air Force, Material Command - Air Force Defense Research Sciences Program - Airfoil Wing Flow Control	12.800	FA9550-06-1-0187	212,394	158,149
Other Programs - CFDA Not Identified - Passed through Third Wave Systems, Inc. - Ductile Mode Machining	12.999	TDM399	150,000	49,659
Total U.S. Department of Defense				769,876
U.S. Department of Interior - Geological Survey - National Cooperative Geologic Mapping Program - Geological Mapping of Quadrangles	15.810	06HQAG0110	10,993	<u>10,250</u>
Total U.S. Department of Interior				10,250
U.S. Department of Justice:				
Office of Juvenile Justice and Delinquency Prevention - Juvenile Justice and Delinquency Prevention - Allocation to States - Passed through County of Kalamazoo - Co-Occurring Disorders 05/06	16.540	5516	14,255	14,255
Drug Court Program Office - Drug Court Discretionary Grant Program - Passed through County of Kalamazoo - Men and Juvenile Drug Court 06/07	16.585	5814	23,636	<u>2,462</u>
Total U.S. Department of Justice				16,717
U.S. Department of State - Bureau of Educational and Cultural Affairs - Professional Exchanges - Annual Open Grant - Hydrogeology Coalition	19.415	S-ECAPE-02-GR-126CS	221,116	<u>(19)</u>
Total U.S. Department of State				(19)
U.S. Department of Transportation:				
Federal Transit Administration - Federal Transit Technical Assistance - Passed through T-Concepts - SE Michigan Freeway Simulation Model	20.512	2005-0458	60,745	31,171
Federal Transit Administration - State Planning and Research - Passed through Michigan Department of Transportation - Rapid Bridge Replacement	20.515	2004-0090 85097	224,522	26,717
Research and Special Programs Administration - University Transportation Centers Program - Passed through National Transportation Research Center - Heavy Truck Rollover Phase III	20.701	DTRT06G0043U020801	49,316	2,358

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Transportation (Continued):				
Office of The Secretary - Transportation Planning, Research				
Office of The Secretary - Transportation Planning, Research				
and Education - Passed through Michigan Department of				
Transportation:				
Box Beam Bridge Deck	20.931	85098	\$ 193,822	\$ 6,089
Link Slab Deck Design	20.931	85104	123,070	4,289
Other Programs - CFDA Not Identified - Passed through				
Texas A&M Research Foundation - Pedestrian and				
Bike Engineering				
	20.999	S060061	5,714	<u>5,431</u>
Total U.S. Department of Transportation				76,055
National Aeronautics and Space Administration:				
Aerospace Education Services Program:				
Astrophysical Plasmas I	43.001	NNG04GB58G	435,000	107,731
Astrophysical Plasmas 2	43.001	NNX07AH01G	60,000	55,321
Calculations of High Temp	43.001	NNG05GD41G	461,693	166,193
Aerospace Education Services Program - Passed through				
Michigan Space Grant Consortium:				
MSGC Fellowships	43.001	5312	17,500	800
MSGC Operations	43.001	1897	5,800	2,432
Nature of Science	43.001	3123	4,589	2,627
Reforming HS Science Teaching	43.001	5474	5,000	5,000
Technology Transfer - Mars Public Engagement	43.002	1289932	476,417	80,933
Technology Transfer - Passed through National Institute of				
Aerospace - Photogram Matlab Functions				
	43.002	T06-6081-WMU	79,085	79,085
Technology Transfer - Passed through Space Telescope				
Science Instituted - AGN Intrinsic Absorbers				
	43.002	HST-AR-09536-03-A	64,229	<u>12,732</u>
Total National Aeronautics and Space Administration				512,854
National Endowment for the Arts and the Humanities:				
National Endowment for the Humanities - Promotion of the				
Humanities - Research:				
Pembroke Digital Edition	45.161	RQ-50227-06	99,930	92,764
Wake of Exploration	45.161	RQ-50197-06	99,986	84,662
National Endowment for the Humanities - Promotion of the				
Humanities - Seminars and Institutes:				
Holy Men of Anglo-Saxon	45.163	FS-50065-05	148,990	42,228
The Cathedral and Culture	45.163	EH-50077-06	175,535	<u>161,651</u>
Total National Endowment for the Arts and the Humanities				381,305

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
National Science Foundation:				
Engineering Grants:				
Center for Barrier Pkg Research	47.041	EEC-0556312	\$ 10,000	\$ 6,527
REU in CMD	47.041	EEC-0240661	235,140	652
Engineering Grants - Passed through Mound Laser and Photonics Center, Inc. - Laser Ablation for Machining	47.041	PO 2007016	60,000	7,874
Engineering Grants - Passed through Sommer Materials Research, Inc. - Photochemical Chlorination	47.041	5767	1,600	1,599
Engineering Grants - Passed through Touch Graphics, Inc. - Museum Accessibility	47.041	5034	36,500	1,404
Mathematical and Physical Sciences:				
Rationally Assembled Nanoparticles	47.049	CHE-0548074	203,987	49,994
Copper Transfer Proteins	47.049	CHE-0645518	225,000	73,021
Discontinuous Feedback	47.049	DMS-0708019	150,055	13,222
Manufacturing Ceramics	47.049	DMR-0403650	740,028	68,129
Nuclear and Hypernuclear Theory	47.049	PHY-0456943	26,820	7,377
US/France Cooperative Research	47.049	OISE-0440633	27,360	5,169
Mathematical and Physical Sciences - Passed through American Physical Society - The PhysTEC Project	47.049	PHY-0108787	661,811	130,140
Mathematical and Physical Sciences - Passed through Wayne State University - External Evaluation Detroit Public	47.049	DGE-0231883	126,000	13,301
Geosciences:				
Atmospheric Nitrogen Flux	47.050	ATM-0227488	295,712	5,346
Chesapeake Bay Impact Year 1	47.050	EAR-0506726	6,701	2,389
Chesapeake Bay Impact Year 2	47.050	EAR-0606705	14,995	10,286
Organic Aqueous Complexation	47.050	EAR-0545104	77,848	63,741
POE Spectrometer	47.050	EAR-0446565	89,031	1,152
Ridgevolumns I	47.050	EAR-0418076	119,561	22,735
Sediment Heterogeneity	47.050	EAR-0348435	395,209	111,370
Tethys Database	47.050	EAR-0455892	62,350	11,891
Computer and Information Science and Engineering:				
Creating Pathways to IT	47.070	EIA-0306092	749,520	146,037
Imaging/INF Visual/Egmt	47.070	EIA-0215356	243,130	(53)
Large Relational Data	47.070	IIS-0414857	370,000	62,814
Biological Sciences:				
Collaborative Research	47.074	OCE-0433869	129,267	26,325
Expressed Nuclear Genes	47.074	DEB-0344496	223,477	33,628
LTREB Trout Stream Foodwebs	47.074	DEB-0089736	149,996	48,480
Signal Transduction REU	47.074	DBI-0139204	322,682	24,941
Signal Transduction REU2	47.074	DBI0552517	194,641	87,450
UNC 82 Protein Kinase REU Supp	47.074	MCB-0454737	6,500	4,900

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
National Science Foundation (Continued):				
Social, Behavioral, and Economic Sciences:				
Adaptive Risky Choice	47.075	SES-0521888	\$ 109,081	\$ 55,417
Doc Dissertation Research	47.075	SES-0721097	2,000	2,000
Ethical Issues in Nanotechnology	47.075	SES-0620694	134,936	23,550
Facilitating Change in Higher Ed	47.075	SES-0623009	97,011	10,043
Gender Politics I	47.075	BCS-0413431	116,974	5,052
Geologic Database for Egypt	47.075	OISE-0455899	22,769	7,651
Groundwater Flow for Egypt	47.075	OISE-0455890	34,531	1,675
Mesopotamia Database	47.075	OISE-0455896	31,478	10,006
Mongolia Agricultural Land	47.075	BCS-0616763	49,960	28,084
Social, Behavioral, and Economic Sciences - Passed through University of Montana - PACE Evaluation	47.075	PG-5637-01	225,000	41,961
Education and Human Resources:				
Adolescents' TV Identification	47.076	HRD-0624583	498,354	137,786
Assess Knowledge of Science Teach	47.076	DUE-0512596	400,064	62,548
Assess Media Influences	47.076	HRD-0429005	291,010	22,616
ATE 02/05	47.076	REC-0135385	1,766,741	21,149
ATE Survey 07/08	47.076	DUE-0702981	466,882	127,388
Core-Plus Revision	47.076	ESI-0137718	5,099,476	985,340
Dev Public Policy Prg/AEA	47.076	REC-0130605	69,720	8,255
Globalization and Change Latin America	47.076	SES-0353969	190,890	18,867
Middle School Science EX3	47.076	DUE-0202923	899,294	32,774
Science Achievement in 8th Grade	47.076	REC-0437655	1,871,525	411,207
STEM Learning Communities	47.076	DUE-0336581	1,000,303	185,861
Teaching of Elementary Science	47.076	DUE-0536536	199,517	32,171
Education and Human Resources - Passed through Education Development Center, Inc. - Impact Study of Math Workshop	47.076	3194	194,276	28,989
Education and Human Resources - Passed through Michigan State University - MSU Science and Math Evaluation	47.076	612232WMM	172,236	40,201
Education and Human Resources - Passed through Ohio State Univeristy Research Foundation:				
CAUSEweb Evaluation	47.076	RF00976048	40,928	16,345
Ohio Causeway Professional Dev	47.076	RF01033298	103,500	11,773
Outreach for State Educators	47.076	60007824	50,000	2,311
Education and Human Resources - Passed through San Diego State University Foundation - Physics Among Elem Teachers	47.076	52270API623780721ICS	235,264	33,217
Education and Human Resources - Passed through University of Hawaii at Manoa - Tsunami Hazards	47.076	Z765510	92,405	25,548

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
National Science Foundation (Continued):				
Education and Human Resources - Passed through University of Michigan:				
BART Phase II	47.076	F013211	\$ 15,484	\$ 15,262
Michigan Louis Stokes Alliance	47.076	F014264	182,714	53,288
Education and Human Resources - Passed through University of Michigan-Dearborn - Math Curriculum for Preservice	47.076	F009673	26,644	1,733
Education and Human Resources - Passed through University of Missouri - Center for Study of Math Curriculum	47.076	C00001550-2	2,142,080	431,402
Education and Human Resources - Passed through University Project 3	47.076	EHR-0314898-WMU	94,396	22,172
Education and Human Resources - Passed through Wayne State University - Evaluate WSU Technical Support	47.076	3-31902	144,999	17,086
International Science and Engineering (OISE):				
Renewable Groundwater Resource	47.079	OISE-0514307	28,422	10,506
UNC 82 Protein Kinase	47.079	MCB-0454737	162,000	36,823
Total National Science Foundation				4,019,898
Environmental Protection Agency - Office of Research and Development - Environmental Protection Consolidated Research - Environmental Health Risks				
	66.500	R-83023501	3,598,750	191,204
Total Environmental Protection Agency				191,204
U.S. Department of Energy:				
Office of Science Financial Assistance Program:				
Atoms to Clusters	81.049	DE-FG02-03ER46082	400,000	89,894
Energy and Nat Resources Learn	81.049	DE-FG02-06CH11371	577,000	364,902
Excitations-Metal Ammonia Comp2	81.049	DE-FG02-99ER45772	229,315	120,562
Exotic Light Nuclei	81.049	DE-FG02-04ER41320	120,000	20,941
Experimental Research	81.049	4F-02341	76,779	27,067
Inelastic X-ray Scattering	81.049	DE-FG01-02ER45969	5,000,000	278,935
Nanosensors	81.049	DE-FG02-03ER63578	2,845,000	25,879
Probing Complexity Using ALS	81.049	DE-FG02-92ER14299	569,182	194,446
Office of Science Financial Assistance Program - Passed through Altair Nanotechnologies, Inc. - Nanosensors II	81.049	WMU 0806.1	500,000	500,000
Fossil Energy Research and Development - Dolomite Formation Study	81.089	DE-FC26-04NT15513	524,633	80,224
Fossil Energy Research and Development - Passed through Battelle Memorial Institute - Midwest Carbon Seq Phase 2	81.089	202292-001	165,000	101,823
Fossil Energy Research and Development - Passed through University of Michigan - Green House Gases	81.089	F014117	124,509	33,163
National Industrial Competitiveness through Energy, Environment, and Economics - Exotic Light Nuclei	81.105	DE-FG03-04ER41320	224,000	54,476
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance - Passed through Minnesota Department of Commerce - High Capacity Paper Dryer	81.117	A74572	49,858	25,519
Other Programs - CFDA Not Identified - Passed through Petroleum Technology Transfer Council - PTTC Satellite Facility	81.999	DE-AC22-94PC91008	288,940	30,004
Total U.S. Department of Energy				1,947,835

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Education:				
Office of Vocational and Adult Education - Vocational Education - Basic Grants to States - Passed through Michigan Department of Education - CTE Improvement 05/06	84.048	6018-6	\$ 7,000	\$ 3,044
Office of Special Education Rehabilitative Services - National Institute on Disability and Rehabilitation Research - Passed through Sendero Group, LLC - Wayfindings Technologies	84.133	H133A011903	527,018	45,015
Office of Elementary and Secondary Education - Even Start - State Educational Agencies - Passed through Bay-Arenac Intermediate School District - Even Start Program	84.213	5574	10,000	8,974
Charter Schools - Passed through Arizona State University:				
Charter School Teacher Attrition	84.282	020038	37,566	33,266
Charter School Achievement	84.282	07-748	47,293	21,558
Office of Elementary and Secondary Education - Twenty-First Century Community Learning Centers - Passed through Kalamazoo Public Schools - KPS 21st CLC Eval 2	84.287	5133	74,333	19,817
National Institute on Student Achievement, Curriculum, and Assessment - Evaluate Kalamazoo Promise	84.305	R305A070381	348,136	4,267
Office of Elementary and Secondary Education - Parental Intermediate School District - ParentConnect	84.310	5368	47,974	15,174
Education Technology State Grants - Passed through Jackson County Intermediate School District - Tech Assist for Enhancing Education	84.318	5752	7,500	2,927
Institute of Education Sciences - Research in Special Education - Career Connections for Disabled	84.324	H324C030014	899,974	175,450
Institute of Education Sciences - Research in Special Education - Passed through University of Michigan - Project ACSESS	84.324	F007980	37,209	11,081
Office of Special Education and Rehabilitative Services - Special Education - Personnel Development to Improve Services and Results for Children with Disabilities - Intensive Recruitment II	84.325	H325K060336	192,794	1,891
Office of Special Education and Rehabilitative Services - Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities - Passed through University of North Carolina - Secondary Transition Tech	84.326	2975-05-0422-WMU	489,496	214,799
Office of Post Secondary Education - Gaining Early Awareness and Readiness for Undergraduate Programs:				
GEAR UP Learning Centers II	84.334	P334A050257	5,499,200	1,969,515
GEAR UP Partnership 01/05	84.334	P334A000121	19,014,818	2,066,033
Office of Elementary and Secondary Education - Early Reading First	84.359	S359B060050	3,404,136	497,655

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Education (Continued):				
Office of Elementary and Secondary Education - Mathematics and Science Partnerships - Passed through Dickinson-Iron Intermediate School District - Building Bridges - UP Math Part				
	84.366	5427	\$ 122,486	\$ 44,772
Office of Elementary and Secondary Education - Mathematics and Science Partnerships - Passed through Michigan Department of Education:				
Michigan Math Rural Initiative	84.366	062410-MSPF2005	1,000,000	459,731
MMRI Supplement	84.366	052410-MSPF2005	55,000	35,557
Muskegon Middle Math Improvement	84.366	072410-MSPW20	672,887	205,634
Muskegon Middle School Math	84.366	052410-MSPF2004	475,827	137,911
Office of Elementary and Secondary Education - Improving Teacher Quality State Grants - Passed through Michigan Department of Education - Tech Assist for MDE				
	84.367	5518	135,000	37,795
Office of Elementary and Secondary Education - Improving Teacher Quality State Grants - Passed through Spring Arbor University:				
Eval JCISD 5-12th Science Project	84.367	5491	15,000	13,366
Tech Eval JCISD 6-12th Math	84.367	5186	15,000	350
Total U.S. Department of Education				6,025,582
U.S. Department of Health and Human Services:				
Substance Abuse and Mental Health Services Administration - Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) - Passed through Kalamazoo Community Mental Health Services - SAMHSA Child Mental Health				
	93.104	5463	938,580	157,772
National Institutes of Health - Oral Diseases and Disorders Research - Passed through University of Michigan - Genetics Ed in Dentistry				
	93.121	F014717	8,098	8,098
National Institutes of Health - Research Related to Deafness and Communication Disorders:				
Communicative Competence 2	93.173	5 R01 DC003670-05	665,514	339,312
Olfactory Afferent Innervation	93.173	2 R15 DC04262-02	219,000	28,133
Phonetic Perception	93.173	2 R01 DC001661	2,331,908	370,734
National Institutes of Health - Academic Research Enhancement Award:				
ACh Neuroprotection	93.390	R15 EY017314-01A1	222,000	44,504
Copper-Transporting ATPases	93.390	1 R15 GM73634	219,000	5,589
GDNF Expression	93.390	1 R15 AG022908-01A2	264,162	46,448
Modeling and Engineering of PTE	93.390	1 R15 GM074633	219,000	106,376
Phenanthroline Derivatives	93.390	1 R15 GM067670	136,218	6,825

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Research and Development Cluster (Continued):				
U.S. Department of Health and Human Services (Continued):				
Administration for Children and Families - Developmental Disabilities Basic Support and Advocacy Grants - Passed through Michigan Department of Community Health - Kzoo Comm Coord Care Initiative	93.630	20061376	\$ 122,808	\$ 44,688
National Institutes of Health - Microbiology and Infectious Diseases Research - Passed through University of Michigan - Flu Vacs Yr.2	93.856	3000596305	61,878	52,721
National Institutes of Health - Biomedical Research and Research Training:				
Bridges-Bac Degree	93.859	2 R25 GM060181	647,997	7,128
Michigan Bridges Bac Degree	93.859	2 R25 GM60181-05	210,782	66,228
National Institutes of Health - Child Health and Human Development Extramural Research - Passed through San Diego State University Foundation - Mexican Migrants	93.865	53395A P2676 7800 21	53,873	1,129
National Institutes of Health - Vision Research - Blind Pedestrian Access 00/01	93.867	1 R24 EY 12894	4,971,191	544,875
Health Resources and Services Administration - Maternal and Child Health Services Block Grant to the States - Passed through Michigan Department of Community Health:				
FAS Diag Clinic Assessment 2	93.994	20060631	19,100	9,100
Fetal Alcohol Syndrome Center	93.994	20070548	19,100	17,500
Other Programs - CFDA Not Identified - NMDA Modulates	93.999	1 R15 EY014861-01	145,500	9,951
Other Programs - CFDA Not Identified - Passed through Iowa State University - Axon Fascicle Proteins	93.999	430-21-75	155,000	<u>25,592</u>
Total U.S. Department of Health and Human Services				1,892,703
U.S. Agency for International Development:				
USAID Foreign Assistance for Programs Overseas - Pakistan - US S&T	98.001	PGA-7251-07-007	199,986	15,515
Other Programs - CFDA Not Identified - Passed through International Food Policy Research Institute - Functional Biosafety Systems	98.999	EEM-A-00-03-00001-00	4,347,697	1,014,859
Total U.S. Agency for International Development				<u>1,030,374</u>
Total Research and Development Cluster				17,486,482

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Clusters (Continued):				
Trio Cluster - U.S. Department of Education - Direct Program - Student Support Services - TRIO SSS Program	84.042	P042A050512	\$ 542,148	\$ 265,724
Total Trio Cluster				265,724
Other Federal Awards:				
U.S. Department of Agriculture - Food and Nutrition Service - Child and Adult Care Food Program - Passed through Michigan Department of Education - Child and Adult Food Care	10.558	390000050	10,229	5,936
Total U.S. Department of Agriculture				5,936
U.S. Department of Defense - Department of the Air Force, Material Command - Air Force Defense Research Sciences Program - Icarus JPC Challenge	12.800	FA9550-07-1-0298	7,000	5,873
Total U.S. Department of Defense				5,873
U.S. Department of Justice:				
Office of Juvenile Justice and Delinquency Prevention - Enforcing Underage Drinking Laws Program - Passed through Michigan Department of State Police:				
Youth Alcohol Enforcement	16.727	JJ-06-03	16,833	3,633
Youth Alcohol Enforcement 06-07	16.727	JJ-07-01	25,000	14,662
Office of Justice Programs - Reduction and Prevention of Children's Exposure to Violence - Safe Start I	16.730	2005-JW-BX-K024	419,488	205,566
Total U.S. Department of Justice				223,861
U.S. Department of Transportation:				
Federal Highway Administration - Highway Training and Education - Passed through Michigan Department of State Police - PS Enforcement Grant	20.215	PT-06-13	74,380	34,560
National Highway Traffic Safety Administration - Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons - Passed through Michigan Department of State Police - Enforcement Grant 06-07	20.605	PT-07-02	74,916	34,787
Total U.S. Department of Transportation				69,347
National Aeronautics and Space Administration - Aerospace Education Services Program - Passed through Michigan Space Grant Consortium:				
Everyday Engineering	43.001	5473	5,000	146
MSGC Fellowships Year 3	43.001	5666	8,000	6,481
Total National Aeronautics and Space Administration				6,627

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Other Federal Awards (Continued):				
National Endowment for the Arts and the Humanities:				
Partnership Agreements - Passed through Michigan Council for Arts				
National Endowment for The Arts - Promotion of the Arts - Partnership Agreements - Passed through Michigan Council for Arts and Cultural Affairs:				
Arts Project-Education Outreach	45.025	07PP0003ZZ	\$ 10,500	\$ 616
Inland Seas Poetry 7	45.025	07PP0017ZZ	14,200	863
National Endowment for the Humanities - Promotion of the Humanities - Seminars and Institutes - The American Farm				
	45.163	BH-50173-07	224,867	<u>85,229</u>
Total National Endowment for the Arts and Humanities				86,708
National Science Foundation:				
Engineering Grants:				
Design Center Math and Science	47.041	EEC-0315695	375,000	85,244
Design Center REU	47.041	EEC-0315695	41,144	888
University Foundation -				
State University Foundation - CIPS 2002/2005	47.076	52489A P1623 7804 2	300,419	9,697
Education and Human Resources - Passed through University of Michigan - Michigan AGEP Alliance				
	47.076	PO 3000480136	417,253	56,263
Other Programs - CFDA Not Identified:				
Litynski NSF IPA	47.999	DUE-0503798	906,350	298,235
Thompson NSF IPA	47.999	HRD-0237200	1,055,033	<u>39,650</u>
Total National Science Foundation				489,977
U.S. Department of Energy - Office of Energy and Renewable Energy - State Energy Program - Passed through Michigan Department of Labor and Economic Growth - EEK Project II				
	81.041	PLA-05-33	23,897	<u>8,119</u>
Total U.S. Department of Energy				8,119
U.S. Department of Education:				
Office of Postsecondary Education - Fund for the Improvement of Postsecondary Education - Chem Equip Improv Teach Learn				
	84.116	PI16Z050197	396,800	182,184
Office of Special Education and Rehabilitative Services - Rehabilitation Long-term Training:				
O & M Working-Age Blind	84.129	HI29P030009	399,476	111,073
Rehab Working-Age Blind	84.129	HI29P030011	299,165	63,456
Rehabilitation Counseling	84.129	HI29B040056	448,100	174,384
Office of Post Secondary Education - Business and International Education Projects - South Asia and China Ed Proj				
	84.153	PI53A050097	161,766	70,368
Office of Educational Research and Improvement - Fund for the Improvement of Education - Passed through Alpena-Montmorency-Alcona Educational Service District - Support Social Studies with Tech				
	84.215	5021	131,619	23,745
Office of Educational Research and Improvement - Fund for the Improvement of Education - Passed through Delta-Schoolcraft Intermediate School District - Supporting Social Studies Tech				
	84.215	1944	152,578	46,668

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Other Federal Awards (Continued):				
U.S. Department of Education (Continued):				
Office of Educational Research and Improvement - Fund for the Improvement of Education - Passed through Kalamazoo Regional Educational Service Agency:				
Teach American History 1	84.215	5338	\$ 75,042	\$ 32,541
Teach American History 2	84.215	5841	76,146	61,312
Office of Special Education and Rehabilitative Services - Rehabilitation Training - Experimental and Innovative Training - RC Immersion Training				
	84.263	H263A030016	194,635	19,589
Office of Special Education and Rehabilitative Services - Special Education - Personnel Development to Improve Services and Results for Children with Disabilities:				
IRPR Program	84.325	H325H020024	751,395	111,636
Prepare Adapted Phys Ed Teach	84.325	H325K054242	338,554	161,993
Speech-Language Pathologists Training	84.325	H325H010023	729,209	3,877
TCVI/O&M Certification 2000/01	84.325	H325A000033	1,465,932	26,115
TCVI/OMC 3	84.325	H325A040098	745,828	166,735
Office of Special Education and Rehabilitative Services - Special Education - Personal Development to Improve Services and Results for Children with Disabilities - Passed through Pennsylvania College of Optometry - Leadership in VI Fellowship				
	84.325	H325U040001	30,557	24,871
Office of Post Secondary Education - Gaining Early Awareness and Readiness for Undergraduate Programs - Passed through Michigan Department of Labor and Economic Growth - KCP Gear Up 06/07				
	84.334	5770	81,880	53,628
Office of Post Secondary Education - Child Care Access Means Parents in School - Assistance for Parents in College				
	84.335	P335A050100	235,874	95,755
Office of Innovation and Improvement - School Leadership - Passed through Kalamazoo Regional Educational Service Agency - Southwest Michigan Ed Leadership				
	84.363	5537	26,872	31,071
Other Programs - CFDA Not Identified - Passed through National Writing Project Corporation:				
Language Learners	84.999	94-MI06 Amendment 17	4,000	124
New Teacher Initiative III	84.999	94-MI06 Amendment 16	10,000	1,908
Third Coast Writing 06/07	84.999	94-MI06 Amend. 19	60,000	40,569
Third Coast Writing Project 05	84.999	94-MI06 amend. 17	53,000	8,891
Total U.S. Department of Education				<u>1,512,493</u>

Western Michigan University

Schedule of Expenditures of Federal Awards (Continued) Year Ended June 30, 2007

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
Other Federal Awards (Continued):				
U.S. Department of Health and Human Services:				
Substance Abuse and Mental Health Services Administration -				
Substance Abuse and Mental Health Services - Projects of				
Regional and National Significance:				
Traumatized Children	93.243	5 U79 SM56207-04	\$ 1,559,486	\$ 410,716
WMU Campus Suicide Prevention	93.243	1H79SM057861-01	75,000	42,617
Administration for Children and Families - Developmental				
Disabilities Basic Support and Advocacy Grants - Passed through				
Michigan Department of Community Health - Kzoo Comm				
Coord Care Initiative II	93.630	20070840	92,160	60,885
Health Resources and Services Administration - Specially Selected				
Health Projects - Tele-Allied Health	93.888	1 D1BTH03744-01-00	492,080	<u>96,095</u>
Total U.S. Department of Health and Human Services				610,313
Corporation for National Community Service - Learn and Serve				
America - Higher Education - Service Learning Design Center	94.005	03LHHM1001	226,339	58,839
Total Corporation for National Community Service				<u>58,839</u>
Total Other Federal Awards				<u>3,078,093</u>
Total Expenditures of Federal Awards				<u>\$ 147,614,958</u>

Western Michigan University

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2007

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Western Michigan University and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 - Loans Outstanding

Western Michigan University had the following loan balances outstanding at June 30, 2007. These loan balances are not included in the federal expenditures presented in the schedule of expenditures of federal awards:

Cluster/Program Title	CFDA Number	Amount Outstanding
Federal Perkins Loan Program	84.038	\$9,032,226

Perkins loan expenditures at June 30, 2007 consist of new loans advanced to students. These expenditures were paid from funds available from the repayment of prior loans.

Note 3 - Grant Section Auditor's Report

Management has utilized Form R-7120 in preparing the schedule of expenditures of federal awards. Unreconciled differences, if any, have been disclosed to the auditor.

Note 4 - Adjustments and Transfers

As allowable and in accordance with federal regulations issued by the U.S. Department of Education, Western Michigan University (the "University") carried back and spent \$39,000 of the 2006-2007 Supplemental Education Opportunity Grant Program (84.007) award to the 2005-2006 award year. In addition, the University carried back and spent \$14,300 of the 2006-2007 Federal Work Study Program (84.033) award to the 2005-2006 award year and carried forward \$11,810 of the 2006-2007 award to the 2007-2008 award year. The University also transferred \$126,893 of the 2006-2007 Federal Work Study Program (84.033) award to the Supplemental Education Opportunity Grant Program (84.007).

Western Michigan University

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2007

Note 5 - Subrecipient Awards

Of the federal expenditures presented in the schedule of expenditures of federal awards, federal awards were provided to subrecipients as follows:

Federal Program Title	CFDA Number	Amount Provided to Subrecipients
Research and Development Cluster:		
Pembroke Digital Edition	45.161	\$ 44,135
The Cathedral and Culture	45.163	15,571
Manufacturing Ceramics	47.049	50,931
The PhysTEC Project	47.049	115,893
Creating Pathways to IT	47.070	4,000
Ethical Issues in Nanotechnology	47.075	6,500
ATE 02/05	47.076	13,925
Core-Plus Revision	47.076	476,224
Science Achievement in 8th Grade	47.076	150,006
Adolescents' TV Identification	47.076	27,585
Environmental Health Risks	66.500	100,979
GEAR UP Partnership 01/05	84.334	1,168,787
GEAR UP Learning Centers II	84.334	1,476,690
Michigan Math Rural Initiative	84.366	41,233
Muskegon Middle School Math	84.366	48,834
Muskegon Middle Math Improvement	84.366	25,950
Communicative Competence 2	93.173	166,079
Kzoo Comm Coord Care Initiative	93.630	4,478
Bridges-Bac Degree	93.859	11,696
Blind Pedestrian Access 00/01	93.867	361,217
Functional Biosafety Systems	98.999	692,497
Other Federal Awards:		
Safe Start I	16.730	21,773
Kzoo Comm Coord Care Initiative II	93.630	11,656
Tele-Allied Health	93.888	1,125
Total		<u>\$ 5,037,764</u>

Western Michigan University

Schedule of Findings and Questioned Costs Year Ended June 30, 2007

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X Yes ___ None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major program(s):

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X Yes ___ None reported

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? X Yes ___ No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.375, and 84.376	Student Financial Aid Cluster
Various	Research and Development Cluster

Dollar threshold used to distinguish between type A and type B programs: \$1,062,000

Auditee qualified as low-risk auditee? X Yes ___ No

Western Michigan University

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2007

Section II - Financial Statement Audit Findings

Reference Number	Findings
2007-A	<p>Finding Type - Significant deficiency</p> <p>Criteria - The University should have controls in place to ensure all liabilities are accurately recorded.</p> <p>Condition - The University did not have controls in place to determine, in a timely manner, that an accrual should have been recorded.</p> <p>Context - The University had a liability for certain academic administrators related to severance payments, which began being paid out during 2007, totaling approximately \$2.5 million, which was not recorded.</p> <p>Effect - The lack of proper controls may lead to the inability to record and summarize financial information accurately.</p> <p>Cause - There was a lack of communication between departments to ensure the liability was properly recorded.</p> <p>Recommendation - We recommend that controls be implemented to reduce the risk of agreements being put in place without the knowledge of the accounting services department.</p> <p>Views of Responsible Officials and Planned Corrective Actions - Management agrees with the recommendation. The accounting services department will establish additional year-end processes and communication requirements for departments.</p>

Western Michigan University

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2007

Section III - Federal Program Audit Findings

Reference Number	Findings
2007-1	<p>Program Name - Student Financial Aid Cluster</p> <p>CFDA Numbers - 84.007, 84.033, 84.038, 84.063, 84.268, 84.375, and 84.376</p> <p>Finding Type - Significant deficiency and noncompliance</p> <p>Criteria - The University is required to deposit or transfer funds related to the Return of Title IV within 45 days after it is determined that a student withdrew (34 CFR section 668.173(b)).</p> <p>Condition - The University does not have adequate controls in place to ensure that refund calculations and disbursements are completed within a timely manner.</p> <p>Questioned Costs - None</p> <p>Context - Of the 16 students tested that had refunds due, two were not deposited or transferred in a timely manner.</p> <p>Cause and Effect - The University does not have adequate controls in place to ensure that refund disbursements are completed in a timely manner resulting in multiple late payments.</p> <p>Recommendation - The University should implement a process to ensure that students who withdraw and for whom a refund is due have calculations performed and funds disbursed in a timely manner.</p> <p>Views of Responsible Officials and Planned Corrective Actions - Management agrees with the recommendation. Procedures and programs have been implemented to ensure that requirements with refund calculations are performed and funds are disbursed in a timely manner.</p>

Western Michigan University

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2007

Section III - Federal Program Audit Findings (Continued)

Reference Number	Findings
2007-2	<p>Program Name - Student Financial Aid Cluster</p> <p>CFDA Numbers - 84.007, 84.033, 84.038, 84.063, 84.268, 84.375, and 84.376</p> <p>Finding Type - Significant deficiency and noncompliance</p> <p>Criteria - The University is required to reconcile statements received from the Common Origination and Disbursement (COD) to their own financial records on a monthly basis (34 CFR sections 685.102(b), 685.301, and 303).</p> <p>Condition - The University does not have procedures in place to ensure that these reconciliations are being completed on a monthly basis and adequate support is kept when reconciliations are completed.</p> <p>Questioned Costs - None</p> <p>Context - The University did not have support for any reconciliations that were completed during the year. While the amounts were reasonably correct at year end, there was no documentation to verify that reconciliations were being completed.</p> <p>Cause and Effect - The University does not have adequate controls in place to ensure that reconciliations are completed in a timely manner, which may result in inaccurate financial information.</p> <p>Recommendation - The University should implement a process to ensure that reconciliations are being completed on a monthly basis as well as keeping adequate supporting documentation.</p> <p>Views of Responsible Officials and Planned Corrective Actions - Management agrees with the recommendation. Monthly reconciliations will be completed and supporting documentation will be maintained as required.</p>

Western Michigan University

Summary Schedule of Prior Year Findings Year Ended June 30, 2007

Reference Number	Findings
2006-1	<p>Program Name - Research and development cluster - Various CFDA</p> <p>Finding Type - Noncompliance</p> <p>Condition - The project director is typically responsible for ensuring that technical and financial reports are submitted on a timely basis. One technical report of five tested was not completed and submitted to the awarding agency as required.</p> <p>Status - Corrective action has been taken.</p>
2006-2	<p>Program Name - Research and development cluster - Various CFDA</p> <p>Finding Type - Noncompliance</p> <p>Condition - The University did not review any suspension or debarment information for any vendor as required.</p> <p>Status - Corrective action has been taken.</p>

Western Michigan University

Corrective Action Plan Year Ended June 30, 2007

Reference Number	Findings
2007-1	<p>Contact Person - Assistant Director of Financial Aid - Client Services, Associate Director of Financial Aid - Compliance, Director of Financial Aid</p> <p>Corrective Action Planned - Procedures and programs have been put in place to ensure that students will be identified and Return of Title IV will be determined within 45 days after student withdrawal. We will continue to monitor compliance with the requirements that calculations are performed and funds are disbursed in a timely manner.</p> <p>Anticipated Completion Date - The situation existed during the first year of operating within the Banner System. The situation was identified during the year and action has already been taken to ensure compliance. Controls were put into place prior to the 2007-2008 year and are currently operating effectively.</p>
2007-2	<p>Contact Person - Director of Accounting Services, Associate Director of Financial Aid - Systems and Processing, Directory of Financial Aid</p> <p>Corrective Action Planned - The Financial Aid Office (FAO) will continue to reconcile disbursements with COD on at least a monthly basis. The FAO will work more closely with accounting services to assure that the general ledger accurately reflects payments made to students. We will retain documentation supporting that reconciliation is occurring as required.</p> <p>Anticipated Completion Date - Fiscal year ending June 30, 2008</p>