

**WEST VIRGINIA STATE UNIVERSITY RESEARCH
AND DEVELOPMENT CORPORATION**

UNIFORM GUIDANCE REPORT

YEAR ENDED JUNE 30, 2024



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**WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL
YEAR ENDED JUNE 30, 2024**

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| 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 | 1 |
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 5 |
| NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 9 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 10 |



**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**

Board of Trustees
West Virginia State University Research and Development Corporation
Institute, West Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited West Virginia State University Research Corporations, a component unit of West Virginia State University, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of West Virginia State University Research and Development Corporation's major federal programs for the year ended June 30, 2024. West Virginia State University Research and Development Corporation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, West Virginia State University Research and Development Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the business type activities, of West Virginia State University Research and Development Corporation as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise West Virginia State University Research and Development Corporation's basic financial statements. We have issued our report thereon, dated October 3, 2024, which contained an unmodified opinion on those financial statements. 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 basic 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.

Board of Trustees
West Virginia State University Research and Development Corporation

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.

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

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
January 27, 2025

WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

| Program or Cluster Title/Federal Grantor | Assistance Listing Number | Pass-Through Entity | Pass-Through Entity Identifying Number | Federal Expenditures | Pass through to Subrecipients | Federal Expenditures with Pass-Through |
|---|---------------------------------|-----------------------|--|-------------------------|----------------------------------|---|
| RESEARCH AND DEVELOPMENT CLUSTER: | | | | | | |
| U.S. Department of Agriculture | | | | | | |
| Cooperative State Research Education and Cooperative Research (Evans Allen — Section 1445) 1890 | 10.205 | N/A | N/A | \$ 1,758,565 | \$ - | \$ 1,758,565 |
| | 10.205 Subtotal | | | 1,758,565 | - | 1,758,565 |
| Capacity Building Grant — CHARACTERIZATION OF PHENOTYPIC | 10.216 | N/A | N/A | 53,367 | 17,250 | 70,617 |
| Capacity Building Grant — KSU | 10.216 | KENTUCKY STATE | 20193882129032 | - | 8,691 | 8,691 |
| Capacity Building Grant — BREEDING HIGH VALUE SQUASH | 10.216 | N/A | N/A | 10,575 | 4,432 | 15,007 |
| Capacity Building Grant — CAPSICUM CHINESES PEPPERS | 10.216 | N/A | N/A | 128,039 | 21,791 | 149,830 |
| Capacity Building Grant — COMPARATIVE TRANS GENOMICS | 10.216 | N/A | N/A | 1,070 | | 1,070 |
| Capacity Building Grant — DEVELOPING CLIMATE- -RESILIENT OILSEED CROP | 10.216 | N/A | N/A | 3,287 | 233 | 3,520 |
| Capacity Building Grant — OILSEED PLANTS | 10.216 | N/A | N/A | - | 6,879 | 6,879 |
| Capacity Building Grant — EMPOWER NEXT GEN GENE | 10.216 | N/A | N/A | 94,678 | 36,102 | 130,780 |
| Capacity Building Grant — EST. PLANT AND SOIL SCIENC CURR. | 10.216 | N/A | N/A | 57,400 | 17,999 | 75,399 |
| Capacity Building Grant — EXPLORING WILD GERMPLASM | 10.216 | N/A | N/A | 172,236 | 39,836 | 212,072 |
| Capacity Building Grant — GENETRIC IMPROVEMENT PHOTO | 10.216 | N/A | N/A | 20,785 | 2,748 | 23,533 |
| Capacity Building Grant — HEALTHY RIVERS | 10.216 | N/A | N/A | 62,297 | 4,531 | 66,828 |
| Capacity Building Grant — IMPACT OF WATER QUALITY | 10.216 | N/A | N/A | 92,053 | 31,243 | 123,295 |
| Capacity Building Grant — INFRASTRUCTURE FOR TEACHIN | 10.216 | N/A | N/A | 17,837 | 3,791 | 21,628 |
| Capacity Building Grant — PERFECT STORM | 10.216 | N/A | N/A | 50,924 | 8,427 | 59,351 |
| Capacity Building Grant — SAFER MICROGREENS PRODUCTION | 10.216 | N/A | N/A | 400 | | 400 |
| Capacity Building Grant — SOLAR RADIATION | 10.216 | N/A | N/A | 21,317 | 6,880 | 28,196 |
| Capacity Building Grant — SELENIUM IN WATERMELONS | 10.216 | N/A | N/A | 708 | 67 | 774 |
| Capacity Building Grant — STRENGTHING BIOENERGY | 10.216 | N/A | N/A | 123,525 | 56,624 | 180,148 |
| Capacity Building Grant — TRANSLATIONAL GENOMICS | 10.216 | N/A | N/A | 133,010 | 55,560 | 188,569 |
| | 10.216 Subtotal | | | 1,043,506 | 323,083 | 1,366,589 |
| Sustainable Agriculture (SARE) HELPING FARMER | 10.215 | University of Vermont | SNE21-015-WV-35383 | 7,028 | 625 | 7,653 |
| | 10.215 Subtotal | | | 7,028 | 625 | 7,653 |
| AFRI-ENHANCING CROP YEILD | 10.310 | N/A | N/A | 49,642 | 13,503 | 63,145 |
| Capacity Building Grant — GUMMY STEM BLIGHT | 10.310 | N/A | N/A | 123,021 | 58,921 | 181,942 |
| MID-ATLANTIC SUSTAINABLE BIOMASS | 10.310 | WVU | 20-182-WVSU | 5,125 | 8,169 | 13,294 |
| | 10.310 Subtotal | | | 177,789 | 80,593 | 258,381 |

See accompanying Notes to Schedule of Expenditures of Federal Awards

WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

| Program or Cluster Title/Federal Grantor | Assistance Listing Number | Pass-Through Entity | Pass-Through Entity | Federal Expenditures | Pass through to Subrecipients | Federal Expenditures with Pass-Through |
|---|---------------------------------|------------------------|---------------------|-------------------------|----------------------------------|---|
| National Institutes of Health (NIH) | | | | | | |
| WV-INBRE-CNPR | 93.859 | WVU | 01-054B-WVSU-5 | \$ 19,962 | \$ 6,924 | \$ 26,886 |
| | 93.859 Subtotal | | | 19,962 | 6,924 | 26,886 |
| National Science Foundation (NSF) | | | | | | |
| LSAMP 3 | 47.076 | UNIVERSITY OF KENTUCKY | 32000002015-19-047 | 2,000 | 702 | 2,702 |
| EPSCOR — 15-20 | 47.079 | WVRO HEPC | OIA-1458952 | 4,138 | | 4,138 |
| EPSCOR RII TRACK | 47.079 | WVRO HEPC | NSF 22-599 | 181,963 | 21,791 | 203,754 |
| RII TRACK-2FEC | 47.083 | WVU | 19-473-WVSU | 27,174 | 8,732 | 35,905 |
| RAMP | 47.740 | WVU | 23-609-WVSU | 5,573 | | 5,573 |
| | 47.076 Subtotal | | | 220,847 | 31,224 | 252,071 |
| Total research and development cluster | | | | 3,227,697 | 442,449 | 3,670,146 |
| US Department of Agriculture | | | | | | |
| MCINTIRE STENNIS 22 | 10.202 | N/A | N/A | 58,405 | - | 58,405 |
| MCINTIRE STENNIS 23 | 10.202 | N/A | N/A | 83,669 | - | 83,669 |
| MCINTIRE STENNIS 24 | 10.202 | N/A | N/A | 1,932 | - | 1,932 |
| | 10.202 Subtotal | | | 144,006 | - | 144,006 |
| WV EXTENSION IMPLEMENTATION | 10.329 | WVU | 14-930-WVSURDC-2 | 1,378 | - | 1,378 |
| | 10.329 Subtotal | | | 1,378 | - | 1,378 |
| Cooperative State Research Education and Extension Service | | | | | | |
| Cooperative Extension Service (Smith Lever — Section 1444) | 10.512 | N/A | N/A | 1,689,356 | - | 1,689,356 |
| | 10.512 Subtotal | | | 1,689,356 | - | 1,689,356 |
| 1890 Scholarship Program | 10.524 | N/A | N/A | 702,157 | - | 702,157 |
| | 10.524 Subtotal | | | 702,157 | - | 702,157 |
| 1890 Facilities Grant Extension Service | 10.500 | N/A | N/A | 72,990 | - | 72,990 |
| | 10.500 Subtotal | | | 72,990 | - | 72,990 |
| Renewable Resources Extension Act | | | | | | |
| Renewable Resources Extension Act — RREA 23 | 10.515 | N/A | N/A | 6,321 | - | 6,321 |
| | 10.515 Subtotal | | | 6,321 | - | 6,321 |
| Expanded Food and Nutrition Education | | | | | | |
| Program — EFNEP 20 | 10.514 | N/A | N/A | 3,227 | - | 3,227 |
| Program — EFNEP 21 | 10.514 | N/A | N/A | 63,040 | - | 63,040 |
| Program — EFNEP 22 | 10.514 | N/A | N/A | 4,270 | - | 4,270 |
| Program — EFNEP 23 | 10.514 | N/A | N/A | 20,853 | - | 20,853 |
| | 10.514 Subtotal | | | 91,391 | - | 91,391 |

See accompanying Notes to Schedule of Expenditures of Federal Awards

WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

| Program or Cluster Title/Federal Grantor | Assistance Listing Number | Pass-Through Entity | Pass-Through Entity | Federal Expenditures | Pass through to Subrecipients | Federal Expenditures with Pass-Through |
|--|---------------------------|---------------------|---------------------|----------------------|-------------------------------|--|
| MONITORING EMERGINIG PLANT DISEASES | 10.523 | UMES | 23-127HEH | \$ 14,256 | \$ 533 | \$ 14,790 |
| YOGUART FORTIFICATION | 10.523 | 1890 FOUNDATION | WVSU-13-01-VSU | 4,544 | - | 4,544 |
| CISFRL COE THRUST | 10.523 | 1890 FOUNDATION | CISFRL | 433 | - | 433 |
| CISFRL THRUST | 10.523 | 1890 FOUNDATION | 2021-CFSPES-WVSU | 80,234 | 17,652 | 97,886 |
| 10.523 Subtotal | | | | 99,467 | 18,185 | 117,653 |
| Capacity Building Grant — SOWING YOUNG SPROUTS | 10.216 | N/A | N/A | 2,797 | 1,794 | 4,591 |
| Capacity Building Grant — WV TREE MINDER | 10.216 | N/A | N/A | 29,939 | 9,368 | 39,307 |
| 10.216 Subtotal | | | | 32,736 | 11,162 | 43,898 |
| CUCCAP | 10.309 | MICHIGAN STATE | RC111377J | 60,326 | 5,570 | 65,896 |
| 10.309 Subtotal | | | | 60,326 | 5,570 | 65,896 |
| USDA | | | | | | |
| EVALUTING USDA AMS | 10.164 | N/A | N/A | 5,024 | - | 5,024 |
| 10.164 Subtotal | | | | 5,024 | - | 5,024 |
| EXCITE 3 | | 1890 FOUNDATION | EXC3-2023-2434 | 9,076 | 3,536 | 12,612 |
| Subtotal | | | | 9,076 | 3,536 | 12,612 |
| U.S. Department of Education (D of Ed) | | | | | | |
| Title III-B-2019 Strengthening Historically Black Colleges | 84.031 | N/A | N/A | | | |
| Title III-B-2022 Strengthening Historically Black Colleges | 84.031 | N/A | N/A | 3,319 | - | 3,319 |
| Title III-B-2023 Strengthening Historically Black Colleges | 84.031 | N/A | N/A | 876,047 | - | 876,047 |
| Title III-B-2024 Strengthening Historically Black Colleges | 84.031 | N/A | N/A | 1,481,314 | - | 1,481,314 |
| FUTURE ACT-2023 | 84.031 B | N/A | N/A | 77,097 | - | 77,097 |
| FUTURE ACT-2024 | 84.031 B | N/A | N/A | 379,482 | - | 379,482 |
| 84.031 Subtotal | | | | 2,817,260 | - | 2,817,260 |
| Title VII Master 2021 | 84.382 G | N/A | N/A | 4,223 | - | 4,223 |
| Title VII Master 2022 | 84.382 G | N/A | N/A | 13,781 | - | 13,781 |
| Title VII Master 2023 | 84.382 G | N/A | N/A | 362,079 | - | 362,079 |
| Title VII Master 2024 | 84.382 G | N/A | N/A | 398,705 | - | 398,705 |
| 84.382 G Subtotal | | | | 778,788 | - | 778,788 |
| UPWARD BOUND | 84.047A | WVDOE | Not Available | 321,602 | 12,778 | 334,380 |
| 84.047A Subtotal | | | | 321,602 | 12,778 | 334,380 |
| RESIDENCY 2 STIPENDS | 84.334S | WVDOE | ARPA ESSER | 32,000 | - | 32,000 |
| 84.334S Subtotal | | | | 32,000 | - | 32,000 |

See accompanying Notes to Schedule of Expenditures of Federal Awards

WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

| Program or Cluster Title/Federal Grantor | Assistance Listing Number | Pass-Through Entity | Pass-Through Entity | Federal Expenditures | Pass through to Subrecipients | Federal Expenditures with Pass-Through |
|--|---------------------------------|------------------------------|---------------------|-------------------------|----------------------------------|---|
| SPECIALTY CROP IMPROVING VINTAGE TOMATO | 10.170 | WVDA | SC20 06 | \$ 9,422 | \$ - | \$ 9,422 |
| WONDERVALLEY | 10.170 | WONDERVALLEY FARMS | WVSTIMULUS H.R.133 | 6,979 | - | 6,979 |
| | 10.170 Subtotal | | | <u>16,401</u> | <u>-</u> | <u>16,401</u> |
| DEVELOPMENT OF WALNUT SAP SPOUT | 10.174 | FUTURE GENERATIONS | 552-WVSU-01 | 1,101 | - | 1,101 |
| ACER ACCESS DEVELOPMENT PROGRAM | 10.174 | FUTURE GENERATIONS | 568-WVSU-01 | 18,827 | 3,571 | 22,398 |
| | 10.174 Subtotal | | | <u>19,928</u> | <u>3,571</u> | <u>23,499</u> |
| NEXT GEN WV AGRICULTURE PROFESSIONALS | 10.237 | N/A | N/A | 152,185 | 26,070 | 178,255 |
| | 10.237 Subtotal | | | <u>152,185</u> | <u>26,070</u> | <u>178,255</u> |
| OASIS IN THE DESERT | 10.902 | N/A | N/A | 31,761 | 3,252 | 35,013 |
| | 10.902 Subtotal | | | <u>31,761</u> | <u>3,252</u> | <u>35,013</u> |
| HEIRS PROPERTY | 10.147 | ALCORN STATE | ASU330292-16 | 22,058 | - | 22,058 |
| | 10.147 Subtotal | | | <u>22,058</u> | <u>-</u> | <u>22,058</u> |
| NASA | | | | | | |
| WVSU CASTEM ECLIPSE | 43.008 | WV SPACE CONSORTIUM | EPO ECLIPSE | 4,705 | - | 4,705 |
| NASA-YJ | | WV SPACE CONSORTIUM | 80NSSC20M0055 | 441 | - | 441 |
| | 43.008 Subtotal | | | <u>5,145</u> | <u>-</u> | <u>5,145</u> |
| U.S. Department of Transportation (DOT) | | | | | | |
| STI | 20.205 | WV DOT | WV DOT-22NSTI | 15,664 | 4,994 | 20,658 |
| | 20.205 Subtotal | | | <u>15,664</u> | <u>4,994</u> | <u>20,658</u> |
| DEPT OF HEALTH AND HUMAN | | | | | | |
| HGP-DHHR | 93.994 | WVDHHR | WVDHHR-G240144 | 71,862 | 6,814 | 78,675 |
| FDA PRODUCE SAFETY | 93.994 | WVDA | WVDA- PSI F CO | 16,363 | - | 16,363 |
| | 93.994 Subtotal | | | <u>88,225</u> | <u>6,814</u> | <u>95,039</u> |
| DEPT OF ENERGY | | | | | | |
| ROLE OF DUCKWEED | 81.049 | N/A | N/A | 24,611 | 7,938 | 32,549 |
| | 81.049 Subtotal | | | <u>24,611</u> | <u>7,938</u> | <u>32,549</u> |
| EPA | | | | | | |
| EPA REGION 3 | 66.309 | NATIONAL WILDLIFE FEDERATION | 95314201-0-XJ | 9,017 | - | 9,017 |
| | 66.309 Subtotal | | | <u>9,017</u> | <u>-</u> | <u>9,017</u> |
| NURSING EXPANSION | 21.019 | N/A | N/A | 13,673 | - | 13,673 |
| | 21.019 Subtotal | | | <u>13,673</u> | <u>-</u> | <u>13,673</u> |
| AEOP HIGH SCHOOL APPRENTICESHIP | 12.63 | N/A | N/A | 23,560 | - | 23,560 |
| | 12.63 Subtotal | | | <u>23,560</u> | <u>-</u> | <u>23,560</u> |
| TOTAL FEDERAL AWARDS | | | | <u>\$ 10,513,803</u> | <u>\$ 546,319</u> | <u>\$ 11,060,122</u> |

See accompanying Notes to Schedule of Expenditures of Federal Awards

WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The purpose of the schedule of expenditures of federal awards (the Schedule) is to present a summary of those activities of West Virginia State University Research and Development Corporation that have been financed by the U.S. government (federal awards). Federal awards received directly from federal agencies are included in the Schedule, as are federal guaranteed loans disbursed by other sources. Additionally, all federal awards passed through from other entities have been included in the Schedule. The Corporation is required to match certain grant agreements, as defined in the grants, and these matching amounts are not included in the Schedule.

The information in the Schedule is presented in accordance with requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not present the financial position, changes in net position, or cash flows of West Virginia State University Research and Development Corporation.

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.

The Corporation has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. The Corporation has predetermined Facilities and Administrative (F&A) rates for fiscal year 2024. The base rates for other F&A cost recoveries range from 26% to 50% for fiscal year 2024.

**WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

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 x no
 - Significant deficiency(ies) identified? x yes _____ none reported
3. Noncompliance material to financial Statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on: compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Numbers

Name of Federal Program or Cluster

| | |
|--|--|
| 84.031 | Higher Education Institutional Aid |
| 10.512 | Extension Services at 1890 Colleges and Tuskegee University, West Virginia State College, and Central State University |
| 84.382 | Strengthening Minority Serving Institutions |
| Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| Auditee qualified as low-risk auditee? | _____ yes <u> x </u> no |

**WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

2024 – 001 – Audit Adjustment

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: During the audit, we identified \$252,325 related to incorrectly recording federal grant revenues on a cash basis.

Criteria or specific requirement: Management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of the financial statements, including the notes to the financial statements, in conformity with accounting principles generally accepted in the United States of America. Their responsibilities include recording significant financial reporting processes, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; record recurring and nonrecurring adjustments to the financial statements and safeguarding the Corporation's assets.

Effect: The lack of controls in place over the recording of financial activities, presentation of the financial statements, and the safeguarding of assets resulted in an audit adjustment of \$252,325 to decrease revenues and increase deferred revenues.

Cause: The Corporation received grants for which cash was received in advanced of performing the services. During our preparation of the schedule of expenditures of federal awards for the year ended June 30, 2024, we noted that Federal grant revenues of approximately \$254,161 had been recorded in advance of the expenditure of the funds. Upon further review and discussion with management, the Corporation was recording grant revenue on a cash basis rather than when the eligibility requirement of expending the funds for their intended purpose was met.

Repeat Finding: Yes, 2023-001

Recommendation: The Corporation should evaluate their financial reporting processes and controls, accounting and recording of grant revenues to ensure they are recorded in the correct fiscal year.

Views of responsible officials and planned corrective actions: Management will implement a review process to ensure that when cash advancement grants are received that revenue is recorded only when the eligible expenses are incurred.

Section III – Findings and Questioned Costs – Major Federal Programs

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

