

CAL POLY POMONA FOUNDATION, INC.

Single Audit Reports

For the Year Ended June 30, 2011

(With Independent Auditor's Report Thereon)

CAL POLY POMONA FOUNDATION, INC.

Single Audit Reports

For the Year Ended June 30, 2011

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**INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Cal Poly Pomona Foundation, Inc.
3801 W. Temple Avenue
Pomona, CA 91768

We have audited the financial statements of Cal Poly Pomona Foundation, Inc. (a California State University Auxiliary Organization) (the Foundation) as of and for the year ended June 30, 2011 and have issued our report thereon dated September 21, 2011. 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 the Foundation'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 the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

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 financial statements will not be prevented or detected and corrected on a timely basis.

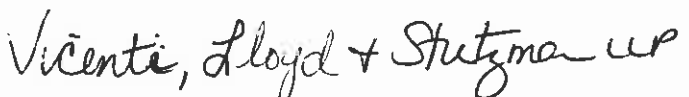
**INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation'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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Audit Committee, the Foundation's Board of Directors, the University, management, and 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.


VICENTI, LLOYD & STUTZMAN LLP

September 21, 2011



**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM, ON
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Directors
Cal Poly Foundation, Inc.
3801 W. Temple Avenue
Pomona, CA 91768

Compliance

We have audited the compliance of Cal Poly Pomona Foundation, Inc. (a California State University Auxiliary Organization) (the Foundation) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The Foundation's major federal programs 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 the Foundation's management. Our responsibility is to express an opinion on the Foundation'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 the Foundation'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 of Foundation's compliance with those requirements.

In our opinion, the Foundation complied, in all material respects, with the 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, 2011.

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM, ON
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Internal Control Over Compliance

The management of the Foundation 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 the Foundation'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, 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 Foundation'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 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.

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 deficiencies, 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Foundation, as of and for the year ended June 30, 2011, and have issued our report thereon, dated September 21, 2011 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM, ON
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

This report is intended solely for the information of the Audit Committee, the Foundation's Board of Directors, the University, management, and 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.

Vicenti, Lloyd & Stutzman LLP
VICENTI, LLOYD & STUTZMAN LLP

September 21, 2011

CAL POLY POMONA FOUNDATION, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal grantor/program title	Federal CFDA number	Pass-through grantor	Pass-thru #	Total Federal expenditures
U.S. Department of Education				
Teaching American History	84.215X	Riverside Unified School District	U215X080119	\$ 52,151
San Gabriel Valley Mathematics	84.367	University of California, Office of the President	CN100261	96,757
Teacher Pathways Reaching Excellence Through Partnership	84.336B			297,513
Mentoring and Professional Development Equity Project	84.083A			14,456
Pasadena Pipeline Math and Science Project	84.366	Pasadena Unified School District	14512	6,630
Great Leaders for Great Schools	84.363A			396,345
Extending Frontiers: Becoming Americans	84.215	Hacienda La Puente Unified School District		143,220
CCRAA: Riverside Community College	84.031C	Riverside Community College District	P031C080046	16,564
Applied Mathematics	84.011	Riverside County Superintendent of Schools	09-14326-1033-00	25,000
Applied Mathematics	84.011	Bakersfield City Elementary School District	09-14326-6332-00	35,485
Applied Mathematics	84.011	Santa Clara County Office of Education	09-14326-1043-00	35,595
Applied Mathematics	84.011	Los Angeles County Office of Education	09-14326-1019-00	25,000
College Awareness Program-Engineering	84.011	Fresno County Superintendent of Schools		40,785
CCAMPIS	84.335A			90,974
Cal Poly Pomona STEM Pipeline Project	84.031C			1,254,106
Strengthening Library-Based Learning	84.031S			230,750
Total Department of Education				<u>\$ 2,761,331</u>
TRIO Cluster:				
ARCHES-Student Support Services	84.042A			\$ 273,205
College Reading Skills - Student Support Services	84.042A			362,855
Upward Bound - North	84.047A			371,177
Upward Bound - South	84.047A			302,367
Upward Bound Math & Science Competition	84.047M			491,238
McNair Scholars Program	84.217A			261,248
Total TRIO Cluster				<u>\$ 2,062,090</u>
National Science Foundation:				
MRI: Acquisition of a 400 MHz NMR Spectrometer	47.049			\$ 304,178
The Path to Leadership: Collaborative Institutional Change	47.076			952,492
Teaching Fellow and Master Teaching Fellow Project	47.076			18,251
CSU LSAMP Student Scholar Project	47.076	University Enterprises, Inc.	HRD-0802628	50,881
Scholarship Programs for Math, Biology, and Computer Science Majors	47.076			166,697
Logistics Technicians: Goods to Go	47.076	Riverside Community College District	DUE-0802358	126,868
Robert Noyce Scholarship Program	47.076			12,857
ARRA: Robert Noyce Teacher Scholarship Program	47.082			71,451
MESA CSEMS Scholarship Program	47.076	University of California, Office of the President	DUE-0324218	12,500
Three Strategies to Improve STEM Graduation Rates	47.076			245,346
Total National Science Foundation				<u>\$ 1,961,521</u>
Research and Development Cluster				
Department of Health and Human Services				
Herpes Simplex Vaccine Efficacy in Male and Female Mice	93.000	Molecular Express, Inc.	1-R43-AI066621-01A1	\$ 2,312
Genital Herpes Vaccine Discovery	93.855	Molecular Express, Inc.	2R44AI066621-03	29,527
Molecular Physiology of γ -Aminobutyric Acid Transporters	93.859		ISC1GM086344-01	288,945
DNA Microarray Analysis of Clostridium Botulinum	93.859			61,601

See accompanying notes to Schedule of Expenditures of Federal Awards and Report on Compliance with Requirements Applicable to Each Major Program, on Internal Control over Compliance in Accordance with OMB Circular A-133 and on the Supplementary Schedule of Expenditures of Federal Awards.

CAL POLY POMONA FOUNDATION, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal grantor/program title	Federal CFDA number	Pass-through grantor	Pass-thru #	Total Federal expenditures
ARRA DNA Microarray Analysis of Clostridium Botulinum - (Admin. Supplement)	93.701		3SC3GM086303-01S1	9,400
ARRA Molecular Physiology of γ -Aminobutyric Acid Transporters Sperm Activation	93.701		3SC1GM086344-01S1	39,205
ARRA Control of Cell Differentiation Inhibition of Sperm Activation	93.701			130,602
RISE Program	93.859			434,381
Effects of Cannabinoids and the Peripheral Cannabinoid Receptor	93.859			102,817
Effects of Threatening Environments on Women's Success in Biomedical Majors	93.859			242,685
Control of Cell Differentiation: Inhibition of Sperm Activation	93.859		5SC3GM087212-02	127,555
Understanding Plasma Assisted Biofilm Inactivation	93.859		5SC3GM088070-02	82,859
Regulation of a Novel Xenopus Polo-Like Kinase 1 Substrate	93.859		1SC2GM089622-01	83,619
Adipogenic Toxicity Study of Obesogenic Drugs	93.859		1SC3GM094078-01	112,324
U.S. Department of Energy				
Enhancing Reforming by Oxygen Carrier and Absorption	81.087	Intelligent Energy	DE-FG36-07GO17013	7,562
U.S. Department of Interior:				
Late Quaternary Evolution of the East-Central San Gabriel Mountains	15.807			25,423
U.S. Department of Transportation				
GIS Best Practices for Transportation Agency	20.701	Cal State University San Bernardino Foundation	DTRT06-G-0023	20,175
Travel Behavior of Residents of Transit-Oriented Development	20.701	Cal State University San Bernardino Foundation	DTRT06-G-0023	22,899
The Improvement of Bicyclist and Pedestrian Safety	20.701	Cal State University San Bernardino Foundation	DTRT06-G-0023	32,068
National Science Foundation:				
Neuromechanics of Elastic Energy Storage and Recovery	47.074	Northern Arizona University	IOB-0623791	5,208
PEET Phylogenetic Systematics of Nudibranchia	47.074	California Academy of Sciences	DEB-0329054	6,777
Robotic Locomotor Training and Muscle Atrophy in the Rat Model	47.041	CSU San Marcos Foundation	CBET-0755702	21,329
Excitation-Emission Matrix Fluorescent Detection	47.074			55,751
Regional Information Systems Security Center (RISSC)	47.076	Mt. San Antonio College	DUE-0703001	11,972
GSE/RES Interactive Effects in the Theory of Planned Behavior	47.076			46,851
RAPD Eye-Hand Coordination Assessment	47.041			84,578
NEESR-CR NEESR's Seismic Risk Reduction for Soft Story Woodframe Buildings	47.041	University of Alabama	CMMI-1041631	11,330
Superhard Boride Coatings	47.049	Regents of the University of California, Los Angeles	DMR-0805357	14,102
Comparative Genomics of Phenotypic Variation	47.074	The Trustees of the Indiana University	IUB-4824334-CPPF	55,159
Partnership with University of Colorado in Liquid Crystalline Photovoltaics	47.049	Regents of the University of Colorado	DMR-0820579	8,759
Scholar's Award: Transnational Science During the Cold War and Beyond	47.075			128,581
ARRA The California-Arizona Minority Partnership for Astronomy Research	47.082			137,395

See accompanying notes to Schedule of Expenditures of Federal Awards and Report on Compliance with Requirements Applicable to Each Major Program, on Internal Control over Compliance in Accordance with OMB Circular A-133 and on the Supplementary Schedule of Expenditures of Federal Awards

CAL POLY POMONA FOUNDATION, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal grantor/program title	Federal CFDA number	Pass-through grantor	Pass-thru #	Total Federal expenditures
Collaborative Research REU Seismogenesis of Middle America	47.050			45,156
Intraplate Earthquakes	47.050			9,990
ARRA, NEESR-CR Performance-Based Design For Seismic Hazard Mitigation	47.082	Lehigh University	CMMI-0936610	33,041
U.S. Department of Agriculture:				
Development, Implementation and Evaluation of a Spanish Dietetic Curriculum	10.223			62,363
Evaluation of Minor Crop Composite Species for Nutritional and Phytochemical Potential	10.200	CSU Fresno Foundation	2008-38908-19300	115,447
Combination Liposomal and DNA Vaccine Technologies	10.200	CSU Fresno Foundation	2009-38908-20108	65,411
U.S. Department of Defense				
Development of a Robust Unmanned Aerial System	12.431		W911NF-09-1-0339	19,663
National Aeronautics and Space Administration				
NASA Liftoff	43.000	Alameda County Office of Education	NNX09AH84A	121,015
Technology Screen-Pilot	43.009	Aero Institute	NNX10A162A	6,769
Experimental Methods in Attitude Control	43.001	Jet Propulsion Laboratory	NAS7-03001	4,990
Department of Homeland Security				
2010 State Hazard Mitigation Plan	97.047	Cal Poly Corporation	6098-8 CalEMA	1,231
U.S. Department of Transportation				
SB375 Toolkit Outreach and Training	20.701	Cal State University San Bernardino Foundation	DTRT06-G-0023	49,665
Total Research and Development Cluster				\$ 2,978,492
U.S. Department of Justice				
Stop Violence Project	16.710			\$ 131,251
Department of Interior				
National Register Evaluations of Recreational Residence	15.000	United States Forest Service	10CS11051200017	\$ 10,000
ARRA: US Geologic Survey Intergovernmental Personnel Act	15.000			16,104
US Geologic Survey Intergovernmental Personnel Act	15.000			5,843
				\$ 31,947
Department of Housing and Urban Development				
The Escondido Creek Greenway Vision Plan	14.218	City of Escondido	B-09-MC-06-0552	\$ 20,793
U.S. Department of Defense				
Center of Academic Excellence	12.630	Cal State University San Bernardino Foundation		\$ 10,311
Nevada Guard ADT Training	12.000			4,776
Intelligence Community Center of Excellence	12.630			26,658
				\$ 41,745

See accompanying notes to Schedule of Expenditures of Federal Awards and Report on Compliance with Requirements Applicable to Each Major Program, on Internal Control over Compliance in Accordance with OMB Circular A-133 and on the Supplementary Schedule of Expenditures of Federal Awards.

CAL POLY POMONA FOUNDATION, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal grantor/program title	Federal CFDA number	Pass-through grantor	Pass-thru #	Total Federal expenditures
U.S. Department of Agriculture: Summer Food—Upward Bound Programs	10.559	CA Department of Education	19-7719-0V	<u>\$ 16,665</u>
Department of Labor ARRA: California Biotechnology Clinical Laboratory Consortium Project	17.275	San Jose State University Research Foundation	GJ-20049-10-60-A-6	<u>\$ 15,774</u>
Corporation for National and Community Service Laying the Foundation Subgrant	94.005	Trustees of the California State University	10LHPCA001	<u>\$ 3,089</u>
AmenCorps Volunteers At Cal Poly Pomona 2010	94.006	Napa County Office of Education	06ACHY15-C73	<u>\$ 5,346</u>
				<u>\$ 8,435</u>
Department of Commerce: Economic Development Administration Innovation Village	11.300			<u>\$ 568,996</u>
Department of Homeland Security DHS Directed Support of the Collegiate Cyber Defense Competition Program	97.061	The University of Texas at San Antonio	4112-38273	<u>\$ 24,050</u>
FY 2008 HGSP CSU Subawards	97.073	Trustees of the California State University	2008-0006	<u>\$ 22,680</u>
				<u>\$ 46,730</u>
National Aeronautics and Space Administration Jet Propulsion Laboratory Student Intern	43.001	Jet Propulsion Laboratory	NAS7-03001	<u>\$ 45,868</u>
Total Federal Expenditures				<u>\$ 10,691,638</u>

See accompanying notes to Schedule of Expenditures of Federal Awards and Report on Compliance with Requirements Applicable to Each Major Program, on Internal Control over Compliance in Accordance with OMB Circular A-133 and on the Supplementary Schedule of Expenditures of Federal Awards

CAL POLY FOUNDATION, INC.

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2011

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2: Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

Note 3: Relationship to Federal Financial Reports

Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, with amounts reported in the related financial reports filed by the Cal Poly Foundation, Inc. The following presents a reconciliation of grant expenditures to those reported in the financial statements:

Total expenditures per the schedule of expenditures of federal awards	\$10,691,638
Add expenditures of nonfederal awards	5,178,675
EDA Match	<u>(568,996)</u>
Total expenditure of federal and nonfederal awards per the financial statements	<u>\$15,301,317</u>

CAL POLY FOUNDATION, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2011

Section I : Summary of Auditor's Results

Financial Statements

Type of auditor's report issued September 21, 2011:	<i>Unqualified</i>
Internal control over financial reporting:	
Material weaknesses identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weaknesses?	<i>No</i>
Noncompliance material to financial statements noted?	<i>No</i>

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weaknesses?	<i>No</i>
Type of auditor's report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of (Circular A-133)?	<i>No</i>

Identification of major programs:

Research and Development Cluster, CFDA # Various
MRI: Acquisition of a 400 MHz NMR Spectrometer, CFDA # 47.049
Innovation Village, CFDA # 11.300
Great Leaders for Great Schools, CFDA # 84.363A

Dollar threshold used to distinguish between type A and type B programs:	\$320,749
Auditee qualified as low-risk auditee?	<i>Yes</i>

CAL POLY FOUNDATION, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2011

Section II: Financial Statement Findings

None noted.

CAL POLY FOUNDATION, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2011

Section III—Federal Award Findings and Questioned Costs

None noted.