

CAL POLY POMONA FOUNDATION, INC.
Single Audit Reports
Year ended June 30, 2000
(With Independent Auditors' Report Thereon)

CAL POLY POMONA FOUNDATION, INC.

Single Audit Reports

Year ended June 30, 2000

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**Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance With
Government Auditing Standards**

The Board of Directors
Cal Poly Pomona Foundation, Inc.:

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, 2000 and have issued our report thereon, dated August 18, 2000. 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.

Compliance

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 grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Foundation's Board of Directors, management and its 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.

August 18, 2000

**Independent Auditors' Report on Compliance With Requirements Applicable to Each
Major Program and on Internal Control Over Compliance in
Accordance With OMB Circular A-133**

The Board of Directors
Cal Poly Pomona Foundation, Inc.:

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 are applicable to each of its major federal programs for the year ended June 30, 2000. The Foundation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and recommendations. 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 on the Foundation's compliance with those requirements.

In our opinion, the Foundation 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, 2000.

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.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of Cal Poly Pomona Foundation, Inc. as of and for the year ended June 30, 2000 and have issued our report thereon, dated August 18, 2000. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a 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 has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Foundation's Board of Directors, management and its 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.

August 18, 2000

CAL POLY POMONA FOUNDATION, INC
Schedule of Expenditures of Federal Awards
Year ended June 30, 2000

<u>Federal grantor/program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor</u>	<u>Grant number</u>	<u>Total federal expenditures</u>
U.S. Department of Education:				
Technical Assistance to Secondary Education	84.048	CA Dept. of ED	8346	\$ 40,910
HOSA 1999	84.048	CA Dept. of ED	8203	25,020
Health Careers 98-99	84.048	CA Dept. of ED	7381	207,593
Health Careers 99-00	84.048	CA Dept. of ED	7381	91,664
DECA 98-99	84.048	CA Dept. of ED	8102	33,846
DECA 99-00	84.048	CA Dept. of ED	9108	53,468
Instructional Resource Networks 98-99	84.048	CA Dept. of ED	8154	11,719
				<u>464,220</u>
Reading the Past	84.281B	CA Postsecondary Ed. Comm.	S281B980005	54,797
Reading the Past 99-00	84.281B	CA Postsecondary Ed. Comm.	S281B980005	33,776
Teachers Transferring Under. of Math - Yr 2	84.281B	CA Postsecondary Ed. Comm.	1001	95,483
Teachers Transferring Under. of Math - Yr 3	84.281B	CA Postsecondary Ed. Comm.	1001	55,859
				<u>239,915</u>
LEP Uplink (1997-2000)	84.195*			227,323
Building Bonds - Career Ladder	84.195E*			127,599
				<u>354,922</u>
International Architectural Ed Exchange	84.116J	Georgia Institute of Technology	P116J980041	11,345
Southern California History Retreat	84.168	Univ. of California Los Angeles	R168E50010-96	9,320
Homeless Children & Youth Program 00	84.196A	LA County Superintendent	93-3697-1019-00	5,017
Goals 2000 - Campus Plan	84.276A	LA County Office of Ed.	PCA 3302/77005:98:99	18,827
Special Education - Children with Disabilities	84.325E			25,055
TRIO Dissemination Partnership	84.344A			100,649
Creation/Maintenance of IIN Database	N/A	Arizona State University	P116B980685	3,137
Total U.S. Department of Education				<u>1,232,407</u>
National Science Foundation:				
Managing Design for Customer Valued Quality	47.075			29,850
Integrated Sci. Gen. Ed. by Hybrid	47.076*			65,481
Modeling Effective Teaching/Learn	47.076*			9,696
Teachers as Agents of Systemic Change	47.076*			212,616
WestEd-Subcontract	47.076*			30,543
Improving the Chemistry Lab - Spectrometers	47.076*			20,904
NSF Scholars program	47.076*			38,025
AEW Academic Year Workshops	47.076*	San Francisco State University	HRD-9802113	24,550
CSU AMP 1999 NSF Quest	47.076*	San Francisco State University	HRD-9802113	40,415
Winter 99 AEW	47.076*	San Francisco State University	HRD-9802113	11,603
				<u>453,833</u>
Total National Science Foundation				<u>483,683</u>
TRIO Cluster:				
U.S. Department of Education:				
College Reading Skills 97-98	84.042*			259,678
Student Support Services	84.042*			167,985
Upward Bound 96-97	84.047			90,115
Upward Bound 99-00	84.047A*			142,819
Upward Math & Science Comp.	84.047M*			103,298
McNair Post-Baccalaureate Achievement	84.217A*			78,296
				<u>842,191</u>
U.S. Information Agency:				
Computer-Software Property Rights-China	82.033		IA-PLMA-G9190170	16,388
Distance Learning in Business/Management	N/A		IA-PNJL-G9190219	57,829
Armenia Univ. Affiliation Prog.	N/A		IA-ASLJ-G7190313	30,186
				<u>104,403</u>
U.S. Department of Justice:				
COPS More 96 Award	16.710			55,621
SARA Program	16.710			219
School Based Partnerships 99	16.710			13,900
				<u>69,740</u>
Total U.S. Department of Justice				<u>69,740</u>

CAL POLY POMONA FOUNDATION, INC.
Schedule of Expenditures of Federal Awards
Year ended June 30, 2000

<u>Federal grantor/program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor</u>	<u>Grant number</u>	<u>Total federal expenditures</u>
Research and Development Cluster:				
Defense Logistics Agency:				
ARN Partnership 98-99	N/A		SP0100-95-D-1012	\$ 8,733
ARN Partnership 99-00	N/A		SP0100-95-D-1012	6,866
ARN-Demo Site-Federal-Year 4	N/A		SP0100-95-D-1012	383,265
ARN-Demo Site-Federal-Year 5	N/A		SP0100-95-D-1012	323,442
Focus Group Coordinator	N/A		SP0100-95-D-1012	<u>17,351</u>
				<u>739,657</u>
Department of Health and Human Services:				
Research Center for Dietary Supplements	93.213	Univ. of California Los Angeles	AT00151-01	40,764
Minority Biomedical Research Supp. 99-00	93.375			833,575
RISE Program	93.375			25,453
SCORE Program	93.375			<u>50,012</u>
				<u>949,804</u>
NASA:				
Enhancement of Research and Design Capabilities	N/A		NAG4-171	<u>72,242</u>
Total Research and Development Cluster				<u>1,761,703</u>
Department of Agriculture:				
Summer Food Service Program	10.559	CA Dept. of ED	19-9190-5W	7,180
Summer Food Service Program	10.559	CA Dept. of ED	19-77190	4,403
EOP-Summer Food Service	10.559	CA Dept. of ED	19-7719-1V	<u>10,288</u>
				21,871
California Professional Nutrition Education	10.560	CA Dept. of ED	8217/7219/6227	37,144
Enhancement of Vet Technology	10.223	Mt. San Antonio College	99-38422-8169	4,166
HACCP Implementation	10.500	Virginia Polytechnic Institute	97-EFSQ-1-0095	5,482
Training Facilities US-China Agribusiness All.	N/A		5599-115	115,915
Arroyo Southwestern Toad Surveys	N/A		PA-97-05-01-67-002	7,044
Pacoima Canyon Wildfire Surveys	N/A		PA-97-05-01-67-002	9,013
California Newt Study	N/A		PA-97-05-01-67-002	<u>1,470</u>
Total Department of Agriculture				<u>202,105</u>
NASA:				
Project ALERT	43.001	Cal State Univ-Long Beach	NCC5-329	11,398
NOVA/NASA	43.001	University of Alabama	NAG5-4346	1,367
NOVA/Faculty Science Teaching Institute	43.001	University of Alabama	NAG5-4346-Phase II	<u>22,421</u>
				35,186
Establishment of a New NASA Bus.	N/A		NCC7-10	<u>55,325</u>
Total NASA				<u>90,511</u>
U.S. Department of the Interior:				
Torres Martinez Desert Cahuilla Indians	N/A		1425-99-FG-30-00009	40,000
USGS Science Student Services	N/A		99WRBA0002	<u>5,302</u>
Total U.S. Department of the Interior				<u>45,302</u>
U.S. Department of State:				
Cultural Exchange Program	N/A	NAFSA: Assoc. of Int'l Educators		1,255
Department of Commerce:				
Pomona Technology Center	N/A		07-49-03845	107,379
Corporation for National Service:				
Service Learning 2000 Pre-Service Initiative	N/A	Stanford University	97LHECA029	2,091
Department of Health and Human Services:				
HIV Prevention Postsecondary Institutions	93.938	American College Health Assoc.	U87/CCU312254-03	1,680
Department of Defense:				
Cost Modeling of Silicon Nitride	12.300	Sunstrand Inc.	N00014-96-2-0014	4
Department of Energy:				
Lighting System Lab Project	N/A	California Energy Commission	MEM-97S-034	<u>47,987</u>
Total expenditures of federal awards				\$ <u><u>4,992,441</u></u>

* Denotes a major federal award program.

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

CAL POLY POMONA FOUNDATION, INC.

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

(1) General

The accompanying schedule of expenditures of Federal awards presents the activity of all Federal award programs of Cal Poly Pomona Foundation, Inc. (a California State University Auxiliary Organization).

(2) Basis of Accounting

The accompanying schedule of expenditures of Federal awards is presented using the accrual basis of accounting.

(3) Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree, in all material respects, with the amounts reported in the related Federal financial reports.

CAL POLY POMONA FOUNDATION, INC.

Schedule of Findings and Recommendations

Year ended June 30, 2000

(1) Summary of Auditors' Results

(a) Financial Statements

Type of auditors' report issued on the financial statements:

Unqualified Opinion

Internal control over financial reporting:

- Material weaknesses identified?

_____ yes X no

- Reportable conditions identified that are not considered to be material weaknesses?

_____ yes X none reported

Noncompliance which is material to the financial statements noted?

_____ yes X no

(b) Federal Awards

Internal control over major programs:

- Material weaknesses identified?

_____ yes X no

- Reportable conditions that are not considered to be material weaknesses?

_____ yes X none reported

Type of auditors' report issued on compliance for major programs:

Unqualified Opinion

Any audit findings disclosed which are required to be reported in accordance with section 510(a) of Circular A-133?

_____ yes X no

Identification of major programs:

The TRIO Cluster of programs with CFDA #84.042, #84.047 and #84.217, the U.S. Department of Education grants with CFDA #84.195, and the National Science Foundation grants with CFDA #47.076 were considered major programs.

CAL POLY POMONA FOUNDATION, INC.

Schedule of Findings and Recommendations

Year ended June 30, 2000

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

\$300,000.

Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133?

 X yes no

(2) Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

None noted.

(3) Findings and Recommendations Relating to Federal Awards

None noted.