



UNIVERSITY OF DELAWARE

Single Audit Report

Year ended June 30, 2007

(With Independent Auditors' Report Thereon)

UNIVERSITY OF DELAWARE

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KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

Independent Auditors' Report

The Board of Trustees
University of Delaware:

We have audited the accompanying consolidated statement of financial position of the University of Delaware (the University) as of June 30, 2007, and the related consolidated statements of activities, expenses by natural classification, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the University's 2006 financial statements and, in our report dated November 30, 2006, we expressed an unqualified opinion on those financial statements.

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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. 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.

As discussed in note 1 to the consolidated financial statements, the University adopted Statement of Financial Accounting Standards No. 158, *Employers' Accounting for Defined Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106, and 132(R)* on June 30, 2007.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the University of Delaware as of June 30, 2007, and the changes in its net assets and cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.



In accordance with *Government Auditing Standards*, we have also issued a report dated November 15, 2007 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

KPMG LLP

November 15, 2007

UNIVERSITY OF DELAWARE

Consolidated Statement of Financial Position
June 30, 2007 with Comparative Amounts for 2006
(Thousands of Dollars)

	2007	2006
Assets		
Cash and cash equivalents	\$ 46,114	\$ 22,922
Restricted cash and cash equivalents	20,686	18,133
Securities lending collateral	47,471	40,614
Interest rate swap asset	1,078	-
Accounts and notes receivable	33,371	36,111
Prepaid expenses and inventories	1,161	728
Contributions receivable, net	6,105	8,247
Student loan receivables	14,057	14,226
Endowment funds and other investments	1,469,954	1,251,539
Annuity and life income funds	13,617	12,779
Funds held in trust by others	75,497	66,359
Property, plant and equipment, net of depreciation	855,620	821,930
Total assets	2,584,731	2,293,588
Liabilities		
Accounts payable and accrued liabilities	52,903	53,058
Securities lending collateral payable	47,471	40,614
Deferred revenues and student deposits	7,618	7,161
Obligations under capital leases	9,002	9,419
Notes and bonds payable	257,113	190,368
Interest rate swap liability	-	75
Annuity and life income funds payable	5,954	5,768
Compensated absences payable	11,253	10,914
Postretirement benefit obligation	171,432	127,515
Advances from federal government for student loans	14,243	14,077
Asset retirement obligation	7,533	4,440
Total liabilities	584,522	463,409
Total net assets	2,000,209	1,830,179
Total liabilities and net assets	\$ 2,584,731	2,293,588

Detail of net assets	Temporarily Permanently			2007	2006
	Unrestricted	Restricted	Restricted		
Operating:					
Designated for program purposes	\$ 13,928	15,856	-	29,784	54,463
Designated for plant and equipment	126,053	3,106	-	129,159	55,489
Contributions receivable	-	6,105	-	6,105	8,247
Invested in property, plant and equipment	574,396	-	-	574,396	610,960
Loan funds	-	-	255	255	244
Annuity and life income funds	-	2,987	4,570	7,557	6,911
Funds held in trust by others	-	-	75,497	75,497	66,359
Endowment funds	827,097	124,943	225,416	1,177,456	1,027,506
Total net assets	\$ 1,541,474	152,997	305,738	2,000,209	1,830,179

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statement of Activities

Year ended June 30, 2007 with Comparative Totals for 2006
(Thousands of Dollars)

	2007			2006	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Operating revenue:					
Tuition and fees	\$ 219,900	-	-	219,900	210,971
(less scholarships and fellowships of \$60,888 during 2007, \$59,074 during 2006)					
Contributions	15,498	4,268	-	19,766	18,974
Contracts and other exchange transactions	129,586	-	-	129,586	124,168
State operating appropriations	122,828	-	-	122,828	115,666
Endowment spending payout	39,520	6,349	-	45,869	39,898
Other investments payout	11,719	677	-	12,396	11,174
(includes net realized gain of \$511 during 2007 and \$1,407 during 2006)					
Activities of educational departments	7,152	-	-	7,152	6,405
Sales and services of auxiliary enterprises	81,818	-	-	81,818	77,568
(less scholarships and fellowships of \$951 during 2007, \$834 during 2006)					
Other revenue	14,736	-	-	14,736	12,330
Net assets released from restrictions	5,534	(5,534)	-	-	-
Total operating revenue	648,291	5,760	-	654,051	617,154
Operating expenses:					
Educational and general:					
Instruction and departmental research	279,293	-	-	279,293	267,336
Sponsored research	103,425	-	-	103,425	99,782
Extension and public service	40,492	-	-	40,492	36,773
Academic support	54,900	-	-	54,900	49,120
Student services	22,202	-	-	22,202	20,725
General institutional support	57,985	-	-	57,985	51,858
Student aid	6,144	-	-	6,144	4,846
Reclassifications of funds	(3,782)	2,769	-	(1,013)	102
Total educational and general expenses	560,659	2,769	-	563,428	530,542
Auxiliary enterprises	76,209	-	-	76,209	73,105
Total operating expenses	636,868	2,769	-	639,637	603,647
Change in net assets from operating activities	11,423	2,991	-	14,414	13,507
Nonoperating activities:					
Net realized and unrealized investment gains	136,114	27,716	10,304	174,134	130,388
Endowment income	34,654	6,367	1,011	42,032	28,606
Endowment spending payout	(39,520)	(6,349)	-	(45,869)	(39,898)
Contributions for endowment and life income funds	2	322	9,306	9,630	16,765
Contributions for buildings	1,954	2,850	-	4,804	11,841
State capital appropriations	4,600	-	-	4,600	7,000
Hotel operations- net	(17)	-	-	(17)	(1,659)
Technology corporation operations - net	(383)	-	-	(383)	(529)
Net change in asset retirement obligation liability	(3,093)	-	-	(3,093)	-
Other	4,209	(342)	(2,678)	1,189	3,080
Reclassifications of funds	(2,160)	986	161	(1,013)	102
Net assets released from restrictions	3,578	(3,578)	-	-	-
Change in net assets	151,361	30,963	18,104	200,428	169,203
Effect of change in adoption of FAS 158	(30,398)	-	-	(30,398)	-
Cumulative effect of change in accounting principle	-	-	-	-	(4,440)
Net assets at beginning of year	1,420,511	122,034	287,634	1,830,179	1,665,416
Net assets at end of year	\$ 1,541,474	152,997	305,738	2,000,209	1,830,179

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statement of Expenses by Natural Classification
Year ended June 30, 2007 with Comparative Totals for 2006
(Thousands of Dollars)

	2007							2006	
	Instruction and Departmental Research	Sponsored Research	Extension and Public Service	Academic Support	Student Services	General Institutional Support	Student Aid	Auxiliary Enterprises	Total
Operating expenses:									
Expenses:									
Salaries and wages	\$ 154,127	43,416	19,145	22,594	10,262	28,336	3,561	6,959	272,621
Employee fringe benefits	43,804	10,690	6,076	8,283	2,965	10,365	14	2,312	80,680
Employee postretirement benefits	7,874	1,710	909	1,044	296	1,104	-	287	15,083
Supplies and general	30,586	27,128	9,091	8,308	5,820	20,196	747	50,499	147,166
Travel	12,132	2,459	1,222	669	301	281	79	105	16,109
Operation and maintenance of plant	23,138	8,520	2,731	6,031	784	4,840	-	-	46,044 (a)
Information processing	458	26	-	1	2,039	5,183	-	-	7,707
Interest expense	17	543	-	-	386	9	-	7,330	8,285
Scholarships, fellowships and awards	-	-	-	-	-	-	-	-	-
Depreciation	10,271	8,870	1,534	8,926	255	6,735	62,737	10,061	60,222
Loss on disposals	77	137	4	24	-	1,013	-	22	37,677
Amortization of bond discount	-	23	-	-	5	-	-	1	2,987
Internal service credits	(2,516)	(9)	(201)	(927)	(911)	(20,076)	-	(1,367)	(26,880)
Expense before scholarship allowance	279,968	103,513	40,511	54,953	22,202	57,986	67,138	76,209	663,452
Reconciliation to statement of activities:									
Scholarship allowance	(675)	(88)	(19)	(53)	-	(1)	(60,994)	-	(59,907)
Total expenses	\$ 279,293	103,425	40,492	54,900	22,202	57,985	6,144	76,209	603,545
Reclassifications of funds									
Total operating expenses								\$ (1,013)	102
									<u>603,647</u>

Note:

(a) Includes salaries and wages of \$20,751, fringe benefits of \$9,880, employee postretirement benefits of \$295 and depreciation expense for plant facilities of \$566 during 2007.

(b) Includes salaries and wages of \$19,547, fringe benefits of \$8,973, employee postretirement benefits of \$333 and depreciation expense for plant facilities of \$524 during 2006.

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statement of Cash Flows

Year ended June 30, 2007 with Comparative Amounts for 2006

(Thousands of Dollars)

	2007	2006
Cash flows from program activities:		
Change in net assets	\$ 200,428	169,203
Adjustments to reconcile change in net assets to net cash provided by program activities:		
Depreciation	48,161	38,201
Loss on disposals	1,277	2,988
Amortization of discounts and premiums on notes and bonds payable and obligations under capital lease obligations	40	51
Net realized and unrealized investment gains	(174,645)	(131,795)
Gifts of land, building and equipment	(847)	(417)
State capital appropriations	(4,600)	(7,000)
Contributions for endowment	(9,630)	(16,765)
Contributions for buildings	(4,804)	(11,841)
Contributions receivable	2,142	172
Endowment income restricted for reinvestment	(1,011)	(964)
Changes in assets and liabilities:		
Accounts and notes receivable	2,740	4,406
Prepaid expenses and inventories	(433)	688
Interest rate swap asset	(1,078)	-
Accounts payable, accrued liabilities and annuity and life income funds payable	31	(3,295)
Deferred revenues and student deposits	457	(118)
Interest rate swap liability	(75)	(13,719)
Asset retirement obligation	3,093	-
Compensated absences payable and postretirement benefit obligation	44,256	15,685
Effect of change in adoption of FAS 158	(30,398)	-
Net cash provided by program activities	75,104	45,480
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	2,020,841	2,286,042
Purchases of investments	(2,074,588)	(2,275,743)
Acquisitions of property, plant and equipment	(82,281)	(120,062)
Disbursements of loans to students	(2,751)	(3,367)
Repayments of loans	2,920	4,102
Net cash used in investing activities	(135,859)	(109,028)
Cash flows from financing activities:		
Repayments of principal of notes and bonds payable	(6,280)	(16,839)
Net proceeds from issuance of notes and bonds payable	73,009	49,729
Reduction of principal on capital leases	(440)	(422)
State capital appropriations	4,600	7,000
Endowment income restricted for reinvestment	1,011	964
Contributions for endowment	9,630	16,765
Contributions for buildings, gross	4,804	11,841
Advances from federal government for student loans	166	84
Decrease in restricted cash and cash equivalents	(2,553)	(9,177)
Net cash provided by financing activities	83,947	59,945
Net increase (decrease) in cash and cash equivalents	23,192	(3,603)
Cash and cash equivalents, beginning of year	22,922	26,525
Cash and cash equivalents, end of year	\$ 46,114	22,922
Supplemental data: Interest paid	\$ 8,308	7,739

See accompanying notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

June 30, 2007

(with Comparative Amounts for 2006)

(1) Summary of Significant Accounting Policies

(a) Description of Operations

The University of Delaware, a privately chartered university with public support, is a Doctoral/Research Institution-Extensive, land-grant, sea-grant, space-grant, and urban-grant institution. The University, with origins in 1743, was chartered by the State of Delaware in 1833. A Women's College was opened in 1914, and in 1945 the University became permanently coeducational. The main campus is located in Newark, Delaware, a suburban community of 30,000, situated midway between Philadelphia and Baltimore. Also, courses are offered at the Wilmington campus and at other locations throughout the State, including Dover, Milford, Georgetown, and Lewes.

The significant accounting principles and practices followed by the University are presented below to assist the reader in analyzing the financial statements and accompanying notes.

(b) Basis of Presentation

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the University's financial statements for the year ended June 30, 2006, from which the summarized information was derived.

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Restricted gifts, which may be expended only for the purpose indicated by the donor/grantor, are maintained in separate accounts in the University's system. Accordingly, net assets of the University and changes therein are classified and reported as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the University and/or the passage of time.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the University. Generally, the donors of these assets permit the University to use all of, or part of, the total investment return on related investments for general or specific purposes.

There are three financial statements presented under generally accepted accounting principles for not-for-profit organizations:

Statement of Financial Position – is a listing of the total assets, total liabilities and net assets as of the end of a fiscal year.

Statement of Activities – is a summary of the financial activity during a fiscal year and reports the amounts of the changes in unrestricted net assets, temporarily restricted net assets, permanently restricted net assets, and total net assets.

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Notes to Consolidated Financial Statements

June 30, 2007

(with Comparative Amounts for 2006)

Statement of Cash Flows – is a summary of the cash receipts and cash payments during a fiscal year.

As a supplement to the financial statements, The Statement of Expenses by Natural Classification presents expenses by natural classification within functional categories. Operation and maintenance of plant, depreciation expense and disposals are allocated based on square footage. Postretirement benefit obligation expense and fringe benefit expense are allocated based on salaries and wages. Interest expense and amortization of bond discount are allocated to the functional classification that benefited from the use of the proceeds of the debt.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as released from restrictions between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate risk free discount rate of 5.00% for the year ended June 30, 2007 and 5.10% for the year ended June 30, 2006.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the unrestricted net asset class. Income and realized and unrealized net gains on investments of endowment and similar funds are reported as follows:

- as increases in permanently restricted net assets if the terms of the gift or the University's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- as increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income;
- as increases in unrestricted net assets in all other cases.

(c) ***Explanation of Reclassifications of Funds Between Operating and Nonoperating***

The reclassification of funds between operating and nonoperating includes transfers made in accordance with contractual agreements relative to Federal loan programs, operating funds designated by the University for investment in endowment, and financial transactions between net asset classes.

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Notes to Consolidated Financial Statements

June 30, 2007

(with Comparative Amounts for 2006)

(d) *Auxiliary Operations*

The operation of auxiliaries is supplementary to the primary educational function of the University. Accordingly, the University annually provides from auxiliary enterprises revenues, provisions for debt service and renewal and replacement of equipment. Auxiliary operations primarily include the residence and dining halls, the bookstore, and student health service.

(e) *Cash and Cash Equivalents*

Cash equivalents include all highly liquid interest-bearing deposits and short-term investments with maturities of three months or less at time of purchase, excluding amounts held for long-term investments as disclosed in note 5. Deposits in escrow accounts for future bond interest payments and principal reduction and bond proceeds restricted to use on specific projects account for approximately 85% of restricted cash and cash equivalents as of June 30, 2007 and 2006 respectively. Other restrictions on use are for state capital appropriations, funds held for federal loan programs, and funds held for the benefit of or under regulations promulgated by the federal government.

(f) *Investments*

Investments in stocks, bonds, and notes are stated at fair market value based on the markets in which they are traded. Investments in private equity, real estate and other alternative investments for which prices are not readily available are carried at estimated fair value as provided by the external investment managers or dealers. Certain of the University's investments use derivative instruments to hedge against market risk and seek to enhance investment returns. Because of the inherent uncertainty of valuation of the underlying investments, the estimated fair values may differ significantly from the values that would have been used had a ready market for the underlying funds existed, and those differences could be material.

(g) *Endowment Funds*

The endowment funds are subdivided into appropriate net asset classifications. The permanently restricted endowment funds, primarily consisting of funds whose income is unrestricted, represent gifts received under circumstances indicating a stipulation of the donor that principal is not to be expended. Temporarily restricted and unrestricted endowment funds represent funds received under circumstances where there is no requirement to maintain the principal and which the University has designated for long-term investment purposes. The University's endowment spending policy guidelines target an annual distribution in the range of 4.5 – 5.5% of the endowment pooled portfolio average market value over the twelve trailing quarters through December 31 of the year prior to the new fiscal year. The actual rate is set annually by the Board of Trustees.

(h) *Compensated Absences Payable*

Compensated absences payable represents vacation time earned by full-time professional and salaried staff employees, but not yet taken as of fiscal year end. An employee is entitled to receive pay in lieu of vacation upon termination. Employees may accrue a maximum of 25 days to 40 days

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Notes to Consolidated Financial Statements

June 30, 2007

(with Comparative Amounts for 2006)

based upon years of service. Compensated absences payable amounted to \$11,253,000 and \$10,914,000 as of June 30, 2007 and 2006, respectively.

(i) ***Operating versus Nonoperating***

The nonoperating section of the Statement of Activities represents the activities of the University's endowment, gains/losses on other investments, capital contributions restricted for plant, hotel operations, technology corporation operations, and funds set aside for loans to faculty, staff and students. All other University activities are accounted for in the operating section of the Statement of Activities.

(j) ***Taxes***

The Internal Revenue Service has ruled that the University is a tax-exempt institution under Section 501(c)(3) of the Internal Revenue Code; accordingly, no provision for taxes has been made in the financial statements on activities related to its exempt function.

(k) ***Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(l) ***Reclassification***

Certain prior year amounts have been reclassified to conform to current year presentation.

(m) ***Adoption of New Accounting Pronouncements***

Postretirement Benefits

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 158, *Employers' Accounting for Defined Benefit Pension Plans— an amendment of FASB Statements No. 87, 88, 106, and 132(R)*. SFAS No. 158 requires plan sponsors of defined benefit pension and other postretirement benefit plans to recognize the funded status of their postretirement benefit plans in its Statement of Financial Position, measure fair value of plan assets and benefit obligations as of the date of the fiscal year-end Statement of Financial Position, and provide additional disclosures. On June 30, 2007, the University adopted the provisions of SFAS No. 158. SFAS No. 158 required the University to recognize the funded status (i.e., the difference between the fair value of plan assets and the accumulated postretirement benefit obligation) of its postretirement benefit plan in the June 30, 2007 Statement of Financial Position with a corresponding adjustment to unrestricted net assets. The adjustment to net assets at adoption represents the net unrecognized actuarial losses which were previously amortized as net periodic postretirement benefit cost in accordance with the University's accounting policy.

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(with Comparative Amounts for 2006)

Actuarial gains and losses that arise in subsequent periods will be recognized as a component of net periodic pension cost on the same basis as the amounts recognized in net assets upon adoption of SFAS No. 158.

The incremental effects of adoption of the provision of SFAS No. 158 on the University's statement of financial position at June 30, 2007 are presented in the following table:

	At June 30, 2007		
	Prior to adoption of SFAS No. 158	Effect of adopting SFAS No. 158	As reported
	(In thousands)		
Postretirement benefit obligation	\$ 141,034	30,398	171,432
Unrestricted net assets	1,571,872	(30,398)	1,541,474

Asset Retirement Obligation

In March 2005 the FASB issued Interpretation No. 47 (FIN 47), *Accounting for Conditional Asset Retirement Obligations*. FIN 47 requires the University to accrue costs related to obligations to perform certain activities in connection with the retirement, disposal or abandonment of assets. The obligation to perform asset retirement activity is not conditional although the timing or method may be conditional.

Major renovations of University buildings are such an asset retirement activity and required asbestos abatement have been identified as such an obligation. The University has surveyed a substantial portion of the square footage of its buildings and determined the portion that is free of asbestos; including the portion that is believed to be free of asbestos based on recent major renovation, but may have some remaining asbestos in walls or under the roofs. It also identified the buildings that have some asbestos present, although the asbestos may be confined to certain segments of the buildings. A relatively small portion of its buildings have yet to be evaluated, although management does not believe the remaining buildings are material.

The University adopted FIN 47 in fiscal year 2006 and recorded the cumulative effect of a change in accounting principle as a liability of \$4,440,000 as of June 30, 2006.

As of June 30, 2007, the University estimates the cost of removal for identified asbestos to be \$10,742,000 based on recent actual removal costs. The net present value of such costs is approximately \$7,533,000 using estimates of when such square footage is scheduled for or likely to be renovated, an inflation factor of 3%, and a discount rate of 6%. The change in the liability is recorded as \$3,093,000 expense on the Statement of Activities.

(2) Blue Hen Hotel LLC

Effective May 4, 2001, the University entered into a Limited Liability Company Agreement (Agreement) with the Shaner Hotel Group Limited Partnership (Shaner) to form the Blue Hen Hotel LLC (the Company). The Company was established to develop, finance, construct, manage, and operate a hotel on

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Notes to Consolidated Financial Statements

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(with Comparative Amounts for 2006)

the main campus of the University. In connection with the Agreement, the University contributed land and guaranteed \$11,500,000 of variable rate Demand Bonds (Demand Bonds) issued by the Company in September 2001. As a result of their respective capital contributions, the Blue Hen Hotel LLC, was owned 75% by the University and 25% by Shaner. The Company began operations in November 2004.

Effective July 1, 2006, the University purchased Shaner's 25% interest in the Company for \$3,222,000. Shaner retained the management contract with the hotel, which provides for a management fee of 3% of gross operating revenues of the Company.

The operations of Blue Hen LLC are consolidated into the University's financial statements. Operations for the year ended June 30, 2007 and 2006, resulted in total revenues of \$4,693,000 and \$4,008,000 and operating losses of \$17,000 and \$1,659,000 respectively.

See note 9 for the impact of a related interest rate swap.

(3) Contributions Receivable and Conditional Promises

Contributions receivable, net, at June 30, 2007 and 2006 are summarized as follows:

	<u>2007</u>	<u>2006</u>
	(In thousands)	
Unconditional promises expected to be collected in:		
Less than one year	\$ 2,066	3,543
One year to five years	4,039	4,704
	<u>\$ 6,105</u>	<u>8,247</u>

The unamortized discount for contributions to be received after one year amounted to \$286,000 in 2007 and \$393,000 in 2006.

(4) Student Loan Programs

The student loan programs consist primarily of the National Direct Student Loan/Perkins and Nursing Student Loan Programs. The United States Government provides 75% of the funds for the Perkins loans, and 90% for Nursing Student loans. The University provides 25% and 10% of the funds, respectively, to support these programs.

An estimate of the fair value of loans receivable from students under government loan programs cannot be made because the notes are not marketable and can only be assigned to the U.S. government or its designees.

(5) Investments

Investments in stocks, bonds and notes are recorded at fair market value based on the last sale price on the primary exchange in which the securities are traded. Investments in limited partnerships, which includes private equity, real estate, and other alternative investments, are not readily marketable and do not have readily available market prices and therefore, are carried at estimated fair value. Included in investments

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are endowment funds and other investments, annuity and life income funds, and funds held in trust by others. The cost and market value at June 30, 2007 and 2006 were as follows:

	2007		2006	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
	(In thousands)		(In thousands)	
US government obligations	\$ 141,288	139,383	153,005	149,911
Corporate obligations	171,564	172,316	73,244	73,559
Stock and convertible securities	284,916	352,127	287,776	367,310
University mortgages	9,186	9,186	8,662	8,662
International investments	161,890	291,215	165,129	255,329
Money market and other liquid funds	46,014	46,124	46,620	46,361
Limited partnerships	273,376	373,112	229,426	278,966
Stock futures fund	96,678	102,567	104,932	96,253
Other	61,658	73,038	49,133	54,326
Total	<u>\$ 1,246,570</u>	<u>1,559,068</u>	<u>1,117,927</u>	<u>1,330,677</u>

Included in the investments table above are \$13,617,000 and \$12,779,000 of annuity and life income funds and \$75,497,000 and \$66,359,000 of funds held in trust by others, which are shown separately on the Statement of Financial Position at June 30, 2007 and 2006, respectively.

Included in investments is \$45,984,000 and \$39,462,000 of securities pledged to creditors, which represent the University's participation in securities lending transactions as of June 30, 2007 and 2006, respectively. The University's policy is to require collateral of 102% of the then-current market value of transferred securities as of the close of trading of the preceding business day. Acceptable collateral includes cash or money market securities. The collateral held at June 30, 2007 and 2006 amounted to \$47,471,000 and \$40,614,000, respectively. The University has recognized the market value of the collateral and related payable for such transactions on the Statement of Financial Position.

University mortgages of approximately \$9,186,000 and \$8,662,000 as of June 30, 2007 and 2006, respectively, represent mortgages extended to University employees at favorable interest rates.

Included in investments are unexpended bonds proceeds of approximately \$71,853,000 and \$9,962,000 as of June 30, 2007 and 2006, respectively. These amounts are restricted and will be used for the renovation, construction, and capital improvement of University facilities. These investments relate to the 2007, 2005 and 2004 Bonds (see note 9).

The stock futures fund is a pooled fund that uses stock index futures and options in combination with short-term and other liquid debt instruments to approximate the total return of the Standard & Poor's 500 Index. The derivatives are not used to leverage the underlying cash position of this investment, but rather to meet the endowment asset allocation and spending policy targets. The futures contracts and options are stated at fair market value based on their quoted daily settlement prices.

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The limited partnerships are primarily invested in private equity funds, real estate and other alternative investments in various industries. The University is obligated, under certain limited partnership agreements, to make additional capital contributions up to contractual levels. The timing and amounts of the contributions will be determined by the general partner of the respective limited partnership. As of June 30, 2007, the University has unfunded capital commitments of \$148,200,000.

The asset allocation of the University's investments involves exposure to a diverse set of markets. The investments within these markets involve various risks such as interest rate, market, sovereign and credit risks. The University anticipates that the value of its investments may, from time to time, fluctuate substantially as a result of these risks.

Dividends and interest from investments during the periods were as follows:

	2007	2006
	(In thousands)	
Operating (a)	\$ 12,357	10,120
Endowment (b)	42,032	28,606
	\$ 54,389	38,726

(a) Includes interest from Auxiliary Operations, Activities of Educational Departments and Continuing Education of \$472,000 in 2007 and \$353,000 in 2006.

(b) Includes earnings of funds held in trust by others distributed to the University of \$2,661,000 in 2007 and \$2,587,000 in 2006.

(6) Annuity and Life-Income Funds

The University held \$13,617,000 and \$12,779,000 in investments related to annuity and life-income funds as of June 30, 2007 and 2006, respectively. A related liability of \$5,954,000 and \$5,768,000 as of June 30, 2007 and 2006, respectively, represents the present value of future annuity payments due under these agreements, and was calculated for each annuity using discount rates and actuarial assumptions consistent with American Council of Gift Annuities standards.

The University's annuity and life income funds include charitable gift annuities, charitable remainder annuity trusts, and charitable remainder unitrusts.

The University is required by the laws of certain states to maintain reserves against charitable gift annuities. Such reserves amounted to \$354,000 and \$2,745,000 as of June 30, 2007 and 2006, respectively. During 2007, the University has determined that only one State where gift annuities were issued requires a segregated reserve account and the reserve was reduced to meet that requirement only. The funds released from the reserve continue to be invested to support future annuity payments.

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(7) Property, Plant, and Equipment

Land is recorded at cost or appraised value at time of receipt if contributed, including land deeded by the Board of Trustees of Delaware College to the State of Delaware in the early 1900's and thereafter used by the University, as successor, for the purposes of the University.

Buildings are recorded at cost of initial construction, including buildings on land deeded to the State and thereafter used for the purposes of the University. Costs of major renovations to buildings are capitalized. Costs of equipment in excess of \$5,000 with a useful life expectancy of two or more years are also capitalized.

The University uses the straight-line method of depreciation for its plant assets based on the following estimated useful lives:

	Estimated lives (years)
Land improvements	15
Buildings	40
Equipment and furnishings	5 – 20

Property, plant, and equipment as of June 30, 2007 and 2006 consisted of the following:

	2007	2006
	(In thousands)	
Land and improvements	\$ 46,566	40,616
Buildings	973,207	866,100
Equipment and furnishings	317,294	294,383
Collections and works of art	8,763	7,215
Capital leasehold	14,715	14,460
Construction in progress	45,678	103,973
Total property, plant, and equipment	1,406,223	1,326,747
Less accumulated depreciation	(550,603)	(504,817)
Total property, plant, and equipment, net	\$ 855,620	821,930

The University has five major building and renovation projects as of June 30, 2007 budgeted to cost \$114,000,000. At year end, \$34,000,000 has been disbursed with \$80,000,000 committed to complete these projects.

(8) Obligations under Capital Leases

The University has obligations under capital leases that amounted to \$9,002,000 and \$9,419,000 as of June 30, 2007 and 2006, respectively. The University's obligation at June 30, 2007 includes a building lease with Delaware Technology Park for the Delaware Biotechnology Institute, a unit of the University.

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The lease consists of annual lease payments ranging from \$345,000 to \$935,000 to be paid over a 20-year term.

The aggregate amount of principal and interest payments on the University's obligation under capital leases are due as follows:

	Principal	Interest	Total
		(In thousands)	
2008	\$ 437	530	967
2009	462	506	968
2010	487	481	968
2011	517	454	971
2012	542	424	966
Thereafter	6,557	2,145	8,702
	\$ 9,002	4,540	13,542

(9) Notes and Bonds Payable

Indebtedness at June 30, 2007 and 2006 consisted of the following:

	2007	2006
	(In thousands)	
Series 1997 Revenue Bonds (a)	\$ 1,860	2,410
Series 1998 Revenue Bonds (b)	29,000	29,800
Series 2001A Revenue Bonds (c)	21,350	22,695
Series 2001B Revenue Bonds (d)	18,900	19,490
Series 2004A Revenue Bonds (e)	8,410	9,655
Series 2004B Revenue Bonds (f)	40,835	40,835
Series 2005 Revenue Bonds (g)	49,110	49,815
Series 2007 Revenue Bonds (h)	73,600	—
Blue Hen Hotel LLC Bonds (i)	10,565	11,500
University Learning Center Line of Credit (j)	4,136	4,217
Note payable (k)	444	474
	258,210	190,891
Less discounts on notes and bonds payable	(1,097)	(523)
Notes and bonds payable	\$ 257,113	190,368

(a) Series 1997 Revenue Bonds

In May 1997, the University issued \$15,500,000 of Series 1997 Revenue Bonds to fund a portion of the costs to renovate and equip certain housing facilities for students. The 1997 Bonds bear interest rates ranging from 5% to 5.125%, mature at various dates through November 1, 2010 and are secured by a pledge of gross revenues received by the University for operation of its existing facilities located on the University's main campus which provide housing, dining or health care

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services for students; the Student Center fees; and certain parking and bookstore revenues. \$1,860,000 Series 1997 Bonds remain outstanding as of June 30, 2007.

\$12,065,000 of the 1997 Bonds with maturities ranging from 2010 to 2022 were refunded by the Series 2005 Bond issue (see note 9(g) below). Funds to retire the refunded Series 1997 Bonds at their call date in 2007 are in escrow with a Bond Trustee and are not included in the June 30, 2007 Statement of Financial Position.

(b) Series 1998 Revenue Bonds

In July 1998, the University issued \$31,300,000 of Series 1998 Variable Rate Demand Revenue Bonds. A portion of the 1998 Revenue Bonds was placed in an irrevocable trust and used to purchase government securities to provide for principal and interest on a portion of the remaining unrefunded 1989 Revenue Bonds.

The purpose of the remaining portion of the Series 1998 Bonds was to fund a portion of the costs to renovate, construct and equip certain housing facilities for students. The 1998 Bonds bear interest at flexible rates for interest periods determined by the remarketing agent. A 5% interest cost through 2008 is anticipated based on an existing interest rate exchange agreement.

The 1998 Bonds mature at various dates through November 1, 2023 and are secured by a pledge of gross revenues received by all project facilities as noted in (a) above.

(c) Series 2001A Revenue Bonds

In June 2001, the University issued \$25,610,000 of Series 2001A Variable Rate Demand Revenue Bonds. The proceeds of these Series 2001A Bonds were placed in an irrevocable trust and used to purchase government securities to provide for the principal and interest on a portion of the Series 1993 Revenue Bonds.

The Series 2001A Bonds will initially bear interest at a Weekly Rate and will continue to bear interest at a Weekly Rate until converted to bear interest at a Daily, Flexible, Term or Fixed Rate to maturity. The interest rate to be in effect for a particular period of time will be set by the Remarketing Agent and will never exceed 12% per annum. Interest cost is approximately 4.15% based on an existing interest rate exchange agreement. The agreement counterparty has the right to terminate the agreement under certain market conditions. The Series 2001A Bonds mature on November 1, 2018, but are subject to redemption and mandatory tender for purchase prior to maturity.

(d) Series 2001B Revenue Bonds

In September 2001, the University issued \$21,200,000 of Series 2001B Variable Rate Demand Revenue Bonds. A portion of these Series 2001B Bonds were used to retire the Series 2000 Revenue Notes. The remaining portion of the Series 2001B Bonds were used to renovate, construct and equip: sprinkler systems, a parking deck and office building and other capital improvements.

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The Series 2001B Bonds will initially bear interest at a Daily Rate and will continue to bear interest at a Daily Rate until converted to bear interest at a Weekly, Flexible, Term or Fixed Rate to maturity. The interest rate to be in effect for a particular period of time will be reset by the Remarketing Agent and will never exceed 12% per annum. A 4.05% interest cost is expected through October 31, 2026 based on an existing interest rate exchange agreement. The counterparty has the right to terminate the agreement at its option on any day in which the Municipal Swap Index has had a weighted daily average of 7.00% or greater for the immediately preceding 180 days. Such termination could result in higher or lower interest rate costs during the remaining term of the bonds. The Bonds are secured by a pledge of gross revenues received by the University from the operations of all project facilities including housing, dining, parking and other revenue-producing facilities. The Series 2001B Bonds mature on November 1, 2026, but are subject to redemption and mandatory tender for purchase prior to maturity.

(e) Series 2004A Revenue Bonds

In April 2004, the University issued \$12,070,000 of Series 2004A Revenue Bonds. Approximately \$8,041,000 of these Series 2004A Bonds were used to retire the Series 1993 Revenue Notes. The remaining portion of the Series 2004A Revenue Bonds were used to construct a parking garage, demolish existing University dormitories, construct three new dormitory buildings, and other capital improvements.

The Series 2004A Bonds will bear interest rates ranging from 2.0% to 5.0%, maturing over various dates through November, 2010 and are secured by a pledge of gross revenues received by the University from the operations of all project facilities including housing, dining, parking and other revenue-producing facilities.

(f) Series 2004B Revenue Bonds

In April 2004, the University issued \$40,835,000 of Series 2004B Variable Rate Demand Revenue Bonds. The Series 2004B Bonds were used to construct a parking garage, demolish existing University dormitories, construct three new dormitory buildings, and other capital improvements.

The Series 2004B Bonds will initially bear interest at a Daily Rate and will continue to bear interest at a Daily Rate until converted to bear interest at a Weekly, Flexible, Term or Fixed Rate to maturity. The interest rate to be in effect for a particular period of time will be reset by the Remarketing Agent and will never exceed 12% per annum. A 3.25% interest cost through fiscal year 2035 is anticipated based on an existing interest rate exchange agreement. The Bonds are secured by a pledge of gross revenues received by the University from the operations of all project facilities including housing, dining, parking and other revenue-producing facilities. The Series 2004B Bonds mature on November 1, 2034, but are subject to redemption and mandatory tender for purchase prior to maturity.

(g) Series 2005 Revenue Bonds

In July 2005, the University issued \$49,945,000 of Series 2005 Variable Rate Demand Revenue Bonds. \$37,880,000 of the Series 2005 Bonds were used to complete the construction of three new

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dormitory buildings, the demolition of some existing University dormitories, and other capital improvements started with proceeds of the Series 2004B Revenue Bonds. \$12,065,000 was used to Advance Refund a portion of the Series 1997 Bonds.

The Series 2005 Bonds will initially bear interest at a Daily Rate and will continue to bear interest at a Daily Rate until converted to bear interest at a Weekly, Flexible, Term or Fixed Rate to maturity. The interest rate to be in effect for a particular period of time will be reset by the Remarketing Agent and will never exceed 12% per annum. A 3.87% interest cost through fiscal year 2036 is anticipated on the \$37,880,000 project funds and 3.75% interest cost through fiscal year 2022 on the \$12,065,000, both based on existing interest rate exchange agreements. The Bonds are secured by a pledge of gross revenues received by the University from the operations of all project facilities including housing, dining, parking and other revenue-producing facilities. The Series 2005 Bonds mature on November 1, 2035, but are subject to redemption and mandatory tender for purchase prior to maturity.

(h) Series 2007 Revenue Bonds

In May 2007, the University issued \$73,600,000 of Series 2007 Auction Rate Revenue Bonds. The Series 2007 Bonds are being used to pay for a portion of the costs of renovation, construction and equipping of certain University Project Facilities.

The Series 2007 Bonds will initially bear interest in the Auction Rate, but may be converted in whole or in part at the direction of the University, subject to certain restrictions, to bonds that bear interest at any of a Daily, Flexible, Weekly, Term or a Fixed Rate. A 3.764% interest cost through fiscal year 2037 is anticipated based on an existing interest rate exchange agreement. The Bonds are secured by a pledge of and lien on (i) Pledge Revenues (which includes substantially all of the gross revenues received by the University from the operation of all Project Facilities and any other revenues pledged by the University in its sole discretion) and (ii) income received on and income received on the principal amount of the Revenue, Debt Service and Capital Funds. The Series 2007 Bonds mature on November 1, 2037, but are subject to redemption prior to maturity.

(i) Blue Hen Hotel LLC Bonds

In September 2001, the Blue Hen Hotel LLC, a Company initially owned 75% (see note 2) by the University and consolidated into the University's financial statements, issued \$11,500,000 of Blue Hen Hotel LLC Variable Rate Demand Bonds, Series 2001 (Series 2001), which were also guaranteed by the University. The Series 2001 Bonds will fund the design, construction and startup operating costs of a hotel.

The Series 2001 Bonds will initially bear interest at a Weekly Rate and will continue to bear interest at a Weekly Rate until converted to bear interest at a Daily, Flexible, Term or Fixed Rate to maturity. The interest rate to be in effect for a particular period of time will be reset by the Remarketing Agent and will never exceed 18% per annum. A 5.70% interest cost through at least fiscal year 2007 is anticipated based on an existing interest rate exchange agreement. The Series 2001 Bonds mature on September 1, 2027, but are subject to redemption and mandatory tender for purchase prior to maturity.

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On October 1, 2006 the Blue Hen Hotel LLC issued a call on \$935,000 of its outstanding bonds, which are guaranteed by the University. The University provided \$935,000 additional capital contribution to the Blue Hen Hotel LLC in conjunction with the redemption of the bonds.

(j) Early Learning Center Line of Credit

On December 1, 2003, the University obtained a \$5,000,000 line of credit to renovate the University Early Learning Center facility. The interest rate is a variable rate of 65% of the Bank's National Commercial Rate (5.36% at June 30, 2007) and there is an outstanding balance of \$4,136,000 at June 30, 2007. The line of credit expires in December 2008.

(k) Note Payable

The University's note payable bears an interest rate of 3.0%. The note payable at June 30, 2007 and 2006 consisted of \$444,000 and \$474,000 respectively, for the United States Department of Housing and Urban Development Loan.

The carrying amount of variable rate long-term debt approximates fair value because these financial instruments bear interest at rates which approximate current market rates for loans with similar maturities and credit quality. The fair value of fixed and variable rate Revenue Bonds (par amount of \$243,260,000) approximates \$243,622,000. Such amount has been estimated by discounting the future cash outflows associated with such debt by current market rates for loans with similar maturities and credit quality.

Certain long-term debt obligations expose the University to cash flow risk related to changes in interest rates. Management believes it is prudent and cost effective to hedge some of its exposure to interest rate risk. To achieve this objective, management has interest rate swap agreements for approximately \$244,195,000 (including \$10,565,000 related to the Blue Hen Hotel LLC, see note 2) of long-term debt obligations as of June 30, 2007. In accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, not-for profit organizations shall recognize the gain or loss on a hedging instrument as a change in net assets in the period of change. Accordingly for the year ended June 30, 2007, the University has recognized an unrealized gain of \$1,003,000 (including a gain of \$104,000 related to the Blue Hen Hotel LLC) in the Statement of Activities for the increase in fair value of its interest rate swaps and a corresponding decrease in the fair value of its interest rate swap liability in the Statement of Financial Position.

The aggregate amount of principal payments on the University's note and bonds payable are due as follows (in thousands):

2008	\$	6,464
2009		11,808
2010		8,163
2011		8,423
2012		9,351
Thereafter		212,904
	\$	257,113

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(10) Employee Benefit Plans

Substantially all faculty and professional employees are provided pension benefits under the University's Retirement Annuity Program administered principally by the Teachers Insurance and Annuity Association and Fidelity Investments. The policy of the University is to pay its share of the annual premium accrued in connection with the University Retirement Annuity Program; there are no unfunded benefits. Pension plan expense for the University Retirement Annuity Program was \$20,693,000 in 2007 and \$19,492,000 in 2006. Expenses under the State of Delaware Pension Plan, which covers all other employees, were \$7,796,000 in 2007 and \$7,042,000 in 2006.

In addition to retirement benefits, the University also provides postretirement benefits primarily for medical insurance to retired employees who are not eligible under the State of Delaware Pension Plan. As of June 30, 2007 the University has not funded these benefits.

Net periodic postretirement benefit cost for 2007 and 2006 includes the following components:

	2007	2006
	(In thousands)	
Service cost	\$ 5,739	6,571
Interest cost	9,854	8,822
Amortization of unrecognized loss	1,088	2,730
Net periodic postretirement benefit cost	\$ 16,681	18,123

The accumulated postretirement benefit obligation at June 30, 2007 and 2006 is as follows:

	2007	2006
	(In thousands)	
Accrued postretirement liability	\$ 141,034	153,727
Unrecognized net loss (gain)	30,398	(26,212)
Accumulated postretirement benefit obligation	\$ 171,432	127,515

The change in the amount recognized due to the adoption of SFAS No. 158 as of June 30, 2007 (in thousands):

Accrued (prepaid) postretirement benefit cost	\$ 141,034
Funded status	(171,432)
Change in amount recognized due to SFAS No. 158	\$ (30,398)

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Change in plan assets for 2007 and 2006 includes the following:

	2007	2006
	(In thousands)	
Employer contributions	\$ 3,162	2,707
Benefits paid	(3,162)	(2,707)

The accumulated postretirement benefit obligation was determined using a discount rate of 6.25% in 2007 and 6.25% in 2006 and a health care cost trend rate of 8.00% in 2007 and 8.75% in 2006. This rate gradually decreases to 5% by the year 2011 and remains constant thereafter. Increasing the assumed health care cost trend rate by 1% in each year and holding all other assumptions constant would increase the accumulated postretirement benefit obligation by approximately \$32,080,000 and \$28,833,000 at June 30, 2007 and 2006, respectively, and increase the aggregate of the service and interest cost components of the net periodic postretirement benefit cost by approximately \$3,418,000 and \$3,701,000 for the years ended June 30, 2007 and 2006, respectively.

The University's expected contributions to the plan are as follows for the year ended June 30, 2008 (in thousands):

Expected employer contributions	\$ 3,581
Expected employee contributions	—
	\$ 3,581

At June 30, 2007, the University's expected future benefit payments for future service are as follows (in thousands):

Year ended June 30:	
2008	\$ 3,581
2009	4,190
2010	4,890
2011	5,575
2012	6,304
2013 through 2016	42,893
	\$ 67,433

The effect of federal subsidies enacted by the Medicare Prescription Drug Improvement and Modernization Act of 2003 has been reflected in the measurement of the accumulated postretirement benefit obligation or net periodic postretirement benefit cost.

(11) Scholarship Allowance

The University provides financial assistance to eligible students to partially offset the direct costs of tuition, on-campus housing, and meal contracts. These scholarship allowances are presented as a reduction of tuition and sales of auxiliary enterprises.

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Scholarships are funded from unrestricted resources, as well as funds from donors, Federal and State Government and endowment income restricted to use for student financial assistance.

The table below identifies this financial assistance by source and by student classification for the year ended June 30, 2007.

	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>
		(In thousands)	
Unrestricted	\$ 17,851	29,616	47,467
Federal	689	510	1,199
State	9,084	108	9,192
Private gifts	1,558	99	1,657
Endowment	2,323	1	2,324
Total	<u>\$ 31,505</u>	<u>30,334</u>	<u>61,839</u>

An additional \$6,144,000 of University-provided financial assistance was utilized by students for books, supplies and off-campus living expenses.

(12) Fundraising Costs

Fundraising costs were \$4,696,000 and \$4,502,000 for the years ended June 30, 2007 and 2006, respectively.

(13) Contingencies

The University is party to certain claims and litigation arising in the ordinary course of business. In the opinion of management, the resolution of such claims and litigation will not materially affect the University's financial position, statement of activities or cash flows.

(14) Subsequent Events

On August 28, 2007 the capital lease (see note 8) was revised based on the refinancing of the underlying bonds issued by the Delaware Economic Development Office on behalf of the Delaware Technology Park. Because the capital lease payments mirror the principal and interest payments on the bonds, the underlying lease will reflect anticipated savings from expected lower interest rates. Annual lease payments will range from \$475,000 to \$900,000 to be paid off over a 14-year term. The bonds are auction rate bonds with the rate reset weekly. An interest rate of 3.68% is anticipated based on an interest rate exchange agreement entered into by the University that is in effect for the term of the lease.

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

Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster:					
U.S. Department of Agriculture Programs:					
United States Department of Agriculture	West Georgia State University of	10.000	CK# 156675	D	\$ 554,337
United States Department of Agriculture	Pennsylvania, University of	10.000	5-38093-A	I	3,842
United States Department of Agriculture	Delaware Department of Agriculture	10.000	CK# 3457167	I	1,486
United States Department of Agriculture		10.001		D	(8,437)
Agricultural Research Basic and Applied Research		10.025		D	340,466
Plant and Animal Disease, Pest Control, and Animal Care		10.200		D	49,791
Grants for Agricultural Research, Special Research Grants		10.200		D	133,562
Grants for Agricultural Research, Special Research Grants	Pennsylvania State University	10.200	1887-UD-USDA-9053	I	71
Cooperative Forestry Research	Cornell University	10.202	50344-8293	I	9,185
Payments to Agricultural Experiment Stations Under the Hatch Act		10.203		D	79,228
Payments to Agricultural Experiment Stations Under the Hatch Act	USDA Rsch Hatch Appropriations	10.203	CRHF06010	D	1,201,122
Grants for Agricultural Research Competitive Research Grants		10.206		I	(135)
Grants for Agricultural Research Competitive Research Grants	U.S. Department of Agriculture	10.206	2004-35205-14195	D	1,234,275
Grants for Agricultural Research Competitive Research Grants	Iowa State University	10.206	416-41-34	I	(1,876)
Grants for Agricultural Research Competitive Research Grants	Maryland, University of	10.206	Z507213	I	13,667
Grants for Agricultural Research Competitive Research Grants	Maryland, University of	10.206	Z507211	I	14,722
Grants for Agricultural Research Competitive Research Grants	Maryland, University of	10.206	Z507212	I	48,105
Grants for Agricultural Research Competitive Research Grants	Kansas State University	10.206	S06012	I	45,433
Grants for Agricultural Research Competitive Research Grants	Pennsylvania State University	10.206	2954-UD-USDA-5389	I	31,041
Animal Health and Disease Research		10.207		D	27,452
Higher Education Challenge Grants		10.217		D	23,628
Initiative for Future Agriculture and Food Systems		10.302		D	78,975
Initiative for Future Agriculture and Food Systems	Michigan State University	10.302	61-4240B	D	25
Integrated Programs		10.303		I	135
Integrated Programs	Cornell University	10.303	48228-7944	D	98,310
Integrated Programs	Pennsylvania State University	10.303	2708-USDA-UD-2103	I	12,916
Integrated Programs	Maryland, University of	10.303	Z586904	I	33,950
Integrated Programs	Maryland, University of	10.303	Z506005	I	(854)
Homeland Security Agricultural		10.304		I	44,765
Cooperative Extension Service	Cornell University	10.500	42681-7235	I	607
Forestry Research		10.652		D	(1)
Cooperative Forestry Assistance		10.664		D	1,509
Environmental Quality Incentives Program		10.912		D	46,945
					65,925
					<u>4,184,172</u>
Department of Commerce Programs:					
Department of Commerce	California-Davis, University of	11.000		D	26,490
Department of Commerce	Puerto Rico, University of	11.000	007557-02	I	21,465
Department of Commerce	Puerto Rico, University of	11.000	05-000138	I	(5,150)
Department of Commerce	S Carolina, University of	11.000	2006-000405	I	2,166
Department of Commerce	New Hampshire, University of	11.000	04-0960	I	(1,948)
Department of Commerce	Delaware Department of Natural Resources	11.000	06-086	I	87,756
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 1335946	I	173
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 1384165	I	(5,684)
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 1384164	I	(11,044)
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 40 07050106283	I	36,110
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 40 07010106284	I	15,437
Department of Commerce	Delaware Department of Natural Resources	11.000	PO# 40 07020106423	I	39,082
Sea Grant Support		11.417		D	1,069,046
Sea Grant Support	National Oceanic/Atmospheric Admin.	11.417	NA96RG0029	I	(6)
Sea Grant Support	National Oceanic/Atmospheric Admin.	11.417	NA030AR4170011	I	(735)
Coastal Zone Management Administration Awards	New Hampshire, University of	11.419	07-006	I	90,084
Coastal Zone Management Estuarine Research Reserves	Delaware Department of Natural Resources	11.420	PO# 1335892	I	4,602
Undersea Research	Mississippi-Oxford, University of	11.430	04-02-052	I	(272)
Undersea Research	University of North Carolina	11.430	FLK-2006-13	I	24,243
Climate and Atmospheric Research		11.431		D	98,818
Environmental Sciences, Applications, Data, and Education		11.440		D	24,110

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
Department of Commerce Programs (continued):					
Chesapeake Bay Studies	Virginia Institute of Marine Science	11-457	712773	D	\$ 93,940
Special Oceanic and Atmospheric Projects		11-460		I	5,376
Unaffiliated Science Program		11-472		D	94,382
Center for Sponsored Coastal Ocean Research Coastal Ocean Program		11-478		D	308,797
Measurement and Engineering Research and Standards		11-609		D	314,529
					<u>2,331,767</u>
Department of Defense Programs:					
Department of Defense	US Army Research Laboratory	12-000	DAAD19-01-2-0005	D	11,775,347
Department of Defense	JEM Engineering	12-000	06000752	I	—
Department of Defense	National Security Agency	12-000	MDA904-03-C-0478	I	107,514
Department of Defense	Touchstone Research Laboratory, Ltd	12-000	N00014-02-C-0392-DEL	I	(60)
Department of Defense	2Phase Technologies	12-000	AGR 20040604-03144	I	705
Department of Defense	Production Products Mfg.	12-000	PO# 5676	I	208,464
Department of Defense	Unidentified	12-000	05000323	I	15
Department of Defense	Technology Assessment & Transfer, Inc.	12-000	05001045	I	83,650
Department of Defense	Irvine Sensor Corp	12-000	23723	I	(3)
Department of Defense	Carbon Solutions, Inc.	12-000	05001110	I	45,297
Department of Defense	Northrop Grumman Ship Systems	12-000	Q3-19018-011	I	116,367
Department of Defense	2Phase Technologies	12-000	05001104	I	15,548
Department of Defense	JEM Engineering	12-000	06000695	I	73,659
Department of Defense	Mentis Sciences, Inc.	12-000	PO# 824	I	17,963
Department of Defense	Material Sciences Corp	12-000	PO# 2029-AH17	I	20,164
Department of Defense	Carbon Solutions, Inc.	12-000	06000924	I	49,877
Department of Defense	Advanced Ceramics Research	12-000	06000966	I	17,966
Department of Defense	MilSys Technologies LLC	12-000	06-7502	I	21,016
Department of Defense	3TEX, Inc.	12-000	R000058	I	35,001
Department of Defense	3TEX, Inc.	12-000	D000001-1	I	70,857
Department of Defense	JEM Engineering	12-000	S06-UDEL04	I	268,882
Department of Defense	ArmorWorks	12-000	PO# 011240-00	I	15,938
Department of Defense	Material Sciences Corp	12-000	PO 2319-AH19	I	16,777
Department of Defense	Illinois, University of	12-000	01-357	I	8,541
Department of Defense	General Dynamics Advanced Info Systems	12-000	JK00000553SC	I	33
Department of Defense	Sandia National Labs	12-000	PO 678286	I	—
Department of Defense	Minnesota, University of	12-000	R5306503101	I	27,577
Department of Defense	Global Info Tek, Inc.	12-000	080105	I	4,013
Department of Defense	BAE Systems Lews, Inc.	12-000	RL9092	I	35,144
Department of Defense	BAE Systems Lews, Inc.	12-000	RS9048	I	(4)
Department of Defense	Sarnoff Corporation	12-000	4900000152	I	97,927
Department of Defense	Applied EM, Inc.	12-000	AEM-03-009A	I	80
Department of Defense	Telcordia Technologies, Inc.	12-000	19779	I	19,437
Department of Defense	Irvine Sensor Corp	12-000	DAAD19-01-2-0011	I	518,212
Department of Defense	Duke University	12-000	05-SC-DARPA-1002	I	(2,492)
Department of Defense	E.T. International, Inc.	12-000	ETI2004-101	I	184,209
Department of Defense	JEM Engineering	12-000	N00014-05-M-0226	I	69,072
Department of Defense	EM Photonics, Inc.	12-000	W31P4Q-05-C-0177	I	(4,116)
Department of Defense	Southern Methodist University	12-000	G000790	I	119,248
Department of Defense	EM Photonics, Inc.	12-000	6604-SC-0175	I	33,340
Department of Defense	Intelligent Automation, Inc.	12-000	551-1	I	70,488
Department of Defense	High Performance Technologies	12-000	TSI-2276-06-75063	I	10,000
Department of Defense	NVE Corporation	12-000	HPTI-PET-2001-021	I	92,609
Department of Defense	Electron Energy Corporation	12-000	PO-49029	I	(27)
Department of Defense	Electron Energy Corporation	12-000	07000062	I	12,000
Department of Defense	U.S. Army Research Office	12-000	FA9550-07-C-0029	I	49,973
Department of Defense	NVE Corporation	12-000	W911NF-05-9-0005	I	81,912
Department of Defense	Univ Medicine & Dentistry of New Jersey	12-000	PO-10788	I	42,992
Department of Defense		12-000	07000121	I	580
					<u>17,634</u>

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
Department of Defense Programs (continued):					
Collaborative Research and Development	Research Foundation of SUNY, The	12.114	38156	I	\$ 89,815
Basic and Applied Scientific Research	Office of Naval Research	12.300	N00014-05-1-0154	D	3,866,001
Basic and Applied Scientific Research	Southern Methodist University	12.300	A100494	I	31,875
Basic and Applied Scientific Research	New Hampshire, University of	12.300	G000737	I	51,278
Basic and Applied Scientific Research	Scipps Institute of Oceanography	12.300	07-011	I	5,575
Basic and Applied Scientific Research	Michigan, University of	12.300	10276959	I	1,402
Military Medical Research and Development	Thomas Jefferson University	12.420	F010250	D	1,179
Military Medical Research and Development	Tuskegee University	12.420	080-30000-X08901	I	98,457
Basic Scientific Research	Blue Road Research	12.431	TSI-2186-03-001	I	—
Basic, Applied, and Advanced Research in Science and Engineering	Triton Systems, Inc.	12.431	R00046	I	56
Air Force Defense Research Sciences Program	Carbon Solutions, Inc.	12.800	AGR 20040907-03144	I	(23)
Air Force Defense Research Sciences Program	3TEX, Inc.	12.800	R000054	I	92,051
Air Force Defense Research Sciences Program	3TEX, Inc.	12.800	R000057	I	20,999
Air Force Defense Research Sciences Program	Wisconsin-Madison, University of	12.800	A865303	I	200,364
Air Force Defense Research Sciences Program	EM Photonics, Inc.	12.800	AGR 20040410	I	1,541
Air Force Defense Research Sciences Program	Massachusetts Institute of Technology	12.800	5710002024	I	84,392
Air Force Defense Research Sciences Program	Spectrum Magnetics LLC	12.800	FA9550-06-C-0046	I	35,594
Mathematical Sciences Grants Program	Brown University	12.910	1120-24596 PO#932545	D	12,621
Research and Technology Development	George Mason University	12.910	5-25736-2	D	406,120
Research and Technology Development		12.910		I	—
				I	(1)
				I	20,930,515
Department of Housing and Urban Development Programs:					
Community Development Work-Study Program		14.512		D	6,000
					6,000
Department of the Interior Programs:					
Department of Interior	Woolpert, Inc.	15.000	06000868	D	58,933
Department of Interior	IBM Corporation	15.000	W0133900	I	185,842
Department of Interior	American Bird Conservancy	15.000	06001022	I	(3,250)
Department of Interior	Ducks Unlimited, Inc.	15.000	RS-6-1	I	4,000
Department of Interior	Ducks Unlimited, Inc.	15.000	07000518	I	56,935
Department of Interior	Delaware Department of Natural Resources	15.000	PO# 40 050200001235	I	3,632
Assistance to State Water Resources Research Institutes		15.805		I	3,834
U.S. Geological Survey Research and Data Collection		15.808		D	87,329
				D	14,307
					411,562
Department of Justice Programs:					
National Institute of Justice Research, Evaluation, and Development Project Grants		16.560		D	101,258
					101,258
Department of Transportation Programs:					
Department of Transportation	Delaware Department of Transportation	20.000	AGR 1157-1	D	246,563
Department of Transportation	Delaware Department of Transportation	20.000	AGR 1267	I	(3,390)
Department of Transportation	Delaware Department of Transportation	20.000	AGR DCTR05	I	(1,174)
Department of Transportation	Delaware Department of Transportation	20.000	AGR 1112-4	I	83,899
Department of Transportation	Delaware Department of Transportation	20.000	06000277	I	(80)
Department of Transportation	Triton Systems, Inc.	20.000	TSI-2285-06-75784	I	33,201
Department of Transportation		20.000		I	15,778

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
Department of Transportation Programs (continued):					
Department of Transportation	Delaware Department of Transportation	20.000	06001011	I	\$ 237,209
Department of Transportation	Delaware Department of Transportation	20.000	AGR 1267-1	I	(21,989)
Department of Transportation	Delaware Department of Transportation	20.000	DC TR05-01	I	(79,314)
Department of Transportation	Delaware Department of Transportation	20.000	06000922	I	20,395
Department of Transportation	Delaware Department of Transportation	20.000	1229-3	I	(1,350)
Department of Transportation	Delaware Department of Transportation	20.000	06000241	I	57,993
Department of Transportation	Delaware Department of Transportation	20.000	06000245	I	25,168
Department of Transportation	Delaware Department of Transportation	20.000	06000237	I	31,020
Department of Transportation	Delaware Department of Transportation	20.000	06000222	I	2,226
Department of Transportation	Delaware Department of Transportation	20.000	07000086	I	355,017
Department of Transportation	Delaware Department of Transportation	20.000	06000003	I	830
Department of Transportation	Delaware Department of Natural Resources	20.000	PO# 40 01010000685	I	27,086
Department of Transportation	Delaware Department of Transportation	20.000	07000308	I	76,488
Department of Transportation	Delaware Department of Transportation	20.000	PO# 01010000485	I	122,230
Public Transportation Research	Delaware Department of Natural Resources	20.514		D	1,112,777
State and Community Highway Safety	Delaware Office of Highway Safety	20.600	J510	I	(46)
University Transportation Centers Program		20.701		D	3,002
					<u>2,343,539</u>
National Aeronautics and Space Administration Programs:					
National Aeronautics and Space Administration	Space Telescope Science Institute	43.000	HST-GO-09841.01-A	D	1,642,995
National Aeronautics and Space Administration	Jet Propulsion Laboratory	43.000	1266566	I	20,094
National Aeronautics and Space Administration	Pittsburgh, University of	43.000	AGR 20040724-02573	I	4,670
National Aeronautics and Space Administration	Smithsonian Astrophysical Observatory	43.000	TM5-6001X	I	41,109
National Aeronautics and Space Administration	Los Alamos Scientific Laboratory	43.000	11748-001-05	I	44,466
National Aeronautics and Space Administration	Smithsonian Astrophysical Observatory	43.000	TM7-8002X	I	(1,811)
National Aeronautics and Space Administration	Technology Commercial Center	43.000	CONTRACT NO. 6	I	17,273
National Aeronautics and Space Administration	ITT Energy Systems, Inc.	43.000	PO# 061-0181	I	(9,945)
National Aeronautics and Space Administration	National Institute of Aerospace	43.000	DEL-04-01	I	14,350
National Aeronautics and Space Administration	Foster-Miller, Inc.	43.000	AGR 20040308	I	15,000
National Aeronautics and Space Administration	Puget Sound, University of	43.000	213011-NASA011	I	(3,000)
National Aeronautics and Space Administration	California-Berkeley, University of	43.000	SA422-24190	I	(525)
National Aeronautics and Space Administration	Jet Propulsion Laboratory	43.000	1263303	I	115,843
National Aeronautics and Space Administration	DePaul University	43.000	1287615	I	13,401
National Aeronautics and Space Administration	DePaul University	43.000	DPAUL-0000023446	I	10,862
National Aeronautics and Space Administration	Jet Propulsion Laboratory	43.000	1279647	I	3,037
National Aeronautics and Space Administration	Space Telescope Science Institute	43.000	HST-EO-09841.03-A	I	12,985
National Aeronautics and Space Administration	Jet Propulsion Laboratory	43.000	1272043	I	(645)
National Aeronautics and Space Administration	Smithsonian Astrophysical Observatory	43.000	GO5-6013B	I	6,176
					<u>12,501</u>
					<u>1,958,836</u>
National Endowment for the Humanities Programs					
	Delaware Humanities Forum	45.129	071107	I	1,304
					<u>1,304</u>
National Science Foundation Programs:					
National Science Foundation	Kansas, University of	47.000	FY2005-016	D	73,754
National Science Foundation	CCL Biomedical, Inc.	47.000	AGR 20030915	I	(1)
National Science Foundation	CCL Biomedical, Inc.	47.000	05000088	I	120,120
National Science Foundation	Puerto Rico, University of	47.000	agr20041129	I	(7,166)
National Science Foundation	Illinois, University of	47.000	2003-01053-11	I	65,124
National Science Foundation	Cold Spring Harbor Laboratory	47.000	22.770.112	I	202
National Science Foundation	Puerto Rico, University of	47.000	06000992	I	52,264
National Science Foundation	EM Photonics, Inc.	47.000	06000740	I	6,798
Engineering Grants	Corporate Environmental Solutions, LLC	47.041	AGR 20050101-03120	D	2,331,844
Engineering Grants		47.041		I	(395)

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
National Science Foundation Programs (continued):					
Engineering Grants	Villanova University	47,041	AGR 20030214	I	3,322
Engineering Grants	Oregon State University	47,041	S0863A-A	I	4,106
Engineering Grants	Chesapeake Bay Research Consortium	47,041	CBEO-2	I	25,815
Engineering Grants	Buffalo, State University of New York	47,041	R155387	I	(6,881)
Engineering Grants	Rhode Island, University of	47,041	103103/0000154	I	(156)
Engineering Grants	Rhode Island, University of	47,041	103103/0000154-REU	I	2,177
Engineering Grants	Rensselaer Polytechnic Institute	47,041	A11673	I	16,056
Engineering Grants	Massachusetts, University of	47,041	04-002341 F 00	I	88,150
Engineering Grants	Rensselaer Polytechnic Institute	47,041	A11765	I	15,837
Engineering Grants	Illinois, University of	47,041	2003-10153-15	I	31,956
Engineering Grants	California-Santa Barbara, University of	47,041	KK2114	I	49
Engineering Grants	Washington, University of	47,041	430119	I	(2,775)
Engineering Grants	Washington, University of	47,049		I	3,851,251
Mathematical and Physical Sciences	Ohio State University Research Fdn, The	47,049	PO# RF00987396	D	—
Mathematical and Physical Sciences	Massachusetts, University of	47,049	03-001815 A 00	I	(15)
Mathematical and Physical Sciences	Ohio State University Research Fdn, The	47,049	PO# RF00987396	I	550
Mathematical and Physical Sciences	Washington University, St Louis	47,049	PO# 29034V/WU-HT-02-	I	(44,633)
Mathematical and Physical Sciences	Jet Propulsion Laboratory	47,049	961373	I	(1)
Geosciences	California-San Diego University of	47,050		D	3,736,033
Geosciences	College of William & Mary	47,050	519206/1248	I	527
Geosciences	Arkansas, University of	47,070	SA021171	I	25,991
Geosciences	Arkansas, University of	47,070	SA0607174	I	1,863,727
Computer and Information Science and Engineering	California-Los Angeles, University of	47,070	0145 G EB775	I	15,640
Computer and Information Science and Engineering	California-Los Angeles, University of	47,074		I	18,738
Computer and Information Science and Engineering	National Science Foundation	47,074	0228144	D	2,211,722
Biological Sciences	Cold Spring Harbor Laboratory	47,074	22770112	I	—
Biological Sciences	State University of New York - Albany	47,074	AGR 20040810	I	103,190
Biological Sciences	Monterey Bay Aquarium Research	47,074	0311976	I	44,560
Biological Sciences	Cold Spring Harbor Laboratory	47,074	22770113	I	568
Biological Sciences	Cold Spring Harbor Laboratory	47,075		I	90,857
Social, Behavioral, and Economic Sciences	Civilian Research/Development Foundation	47,075	UKG2-2645-SE-05	D	436,577
Social, Behavioral, and Economic Sciences	Civilian Research/Development Foundation	47,075	GEPI-3339-TB-06	I	4,925
Social, Behavioral, and Economic Sciences	American Assoc. Advancement of Science	47,075		I	1,432
Education and Human Resources	Wisconsin-Madison, University of	47,078	G067830	I	3,727,080
Education and Human Resources	National Science Foundation	47,078	0238281	I	103,162
Education and Human Resources	National Science Foundation	47,078	0124733	I	1,158,580
Education and Human Resources	Ohio State University	47,078	RF00962319	I	2,042,689
Polar Programs					(320)
Polar Programs					(337)
Polar Programs					33,596
					22,246,280
Environmental Protection Agency Programs:					
Environmental Protection Agency	Phila. Health Management Corporation	66,000	LTR 000301	D	184,515
Environmental Protection Agency	Center For The Inland Bays	66,000	05000907	I	1,900
Environmental Protection Agency	Center For The Inland Bays	66,000	05000910	I	7,414
Environmental Protection Agency	Center For The Inland Bays	66,000	05000947	I	2,508
Environmental Protection Agency	Center For The Inland Bays	66,000	05000926	I	2,830
Environmental Protection Agency	Maryland, University of	66,000	Z940401	I	4,559
Environmental Protection Agency	Maryland Department of Environment	66,000	PO# UOOP2200851	I	—
Environmental Protection Agency	Maryland Department of Environment	66,000	PO# U00P4200850	I	56,346
Environmental Protection Agency	Delaware Department of Natural Resources	66,000	PO# 09022900708	I	11,859
Environmental Protection Agency	Delaware Department of Natural Resources	66,000	PO# 40 08060800481	I	3,111
Environmental Protection Agency	Delaware Department of Natural Resources	66,000	PO# 1325619	I	—
Environmental Protection Agency	Delaware Department of Natural Resources	66,000	PO# 07010106339	I	44,487
Environmental Protection Agency	Delaware Department of Natural Resources	66,000	PO40 1325700	I	21,226

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Research and Development Cluster (continued):					
Environmental Protection Agency Programs (continued):					
Congressionally Mandated Projects					
National Estuary Program	Center For The Inland Bays	66.202	99399005-A	D	(7,570)
National Estuary Program	Center For The Inland Bays	66.456	06000834	I	(3)
National Estuary Program	Center For The Inland Bays	66.456	06000841	I	16,848
National Estuary Program	Center For The Inland Bays	66.456	05001203	I	12,462
National Estuary Program	Center For The Inland Bays	66.456	06000840	I	5,707
Environmental Protection Consolidated Research Grants		66.500		D	882
Science To Achieve Results (STAR) Research Program		66.509		D	115,677
Science To Achieve Results (STAR) Research Program	U.S. Environmental Protection Agency	66.509	83104101	D	587,405
Surveys, Studies, Investigations, Training Demonstrations and Educational Outreach	Virginia Polytechnic Institute	66.716	CR-19650-425701	I	(202)
					10,117
					<u>1,082,078</u>
Department of Energy Programs:					
Department of Energy	Rohm & Haas Company	81.000		D	1,649,581
Department of Energy	Elisicon, Inc.	81.000	RANDH 11232004	I	46,130
Department of Energy	Pittsburgh, University of	81.000	AGR 20040812EE	I	119,145
Department of Energy	Sandia National Labs	81.000	401424-2	I	42,390
Department of Energy		81.049	251761	D	4,322
Office of Science Financial Assistance Program	U.S. Department of Energy	81.049	DE-FG02-91ER14187	D	250
Office of Science Financial Assistance Program	University of Maryland-College Park	81.049	Z700003	I	3,099
Office of Science Financial Assistance Program	Wisconsin-Madison, University of	81.049	P556695	I	255
Office of Science Financial Assistance Program	Johns Hopkins University	81.049	8503-86889	I	131,734
Office of Science Financial Assistance Program	Georgia Institute of Technology	81.049	E-21-6PL-S1	I	8,086
Office of Science Financial Assistance Program	Washington State University	81.049	G000850	I	(97)
Renewable Energy Research and Development		81.087		D	1,344,103
					<u>5,601,837</u>
Department of Education Programs:					
Department of Education	Northwestern University	84.000	06000936	I	35,423
National Institute on Disability and Rehabilitation Research		84.133		D	196,094
Special Education Technology and Media Services for Individuals with Disabilities		84.327		D	18,981
Improving Teacher Quality State Grants		84.367		D	—
National Writing Project	National Writing Project Corporation	84.928	99-DE01	I	94,945
					<u>345,443</u>
Department of Fisheries Programs:					
Department of Fisheries	Fisheries Scholarship Fund	85.000	05001122	I	4,579
					<u>4,579</u>
Department of Health & Human Services Programs:					
Department of Health & Human Services	Yeshiva University	93.000	9-526-5963	D	257,108
Department of Health & Human Services	State University of New York – Buffalo	93.000	R425745	I	51,275
Department of Health & Human Services	Children's Hospital of Philadelphia	93.000	20059-01-01	I	49,291
Department of Health & Human Services	Colorado, University of	93.000	0000058842	I	18,221
Department of Health & Human Services	Vanderbilt University	93.000	VUMC2247-R2	I	59,646
Department of Health & Human Services	New York University	93.000	05-0054	I	97,348
Department of Health & Human Services	Bioassessments, LLC	93.000	06000983	I	39,713
Department of Health & Human Services	Northwestern University	93.000	06001034	I	61,638
Department of Health & Human Services	Illinois, University of	93.000	2007-00228-01-00	I	45,770
Department of Health & Human Services	Indiana University	93.000	PO# 21287	I	6,580
Environmental Health		93.113		D	5,432
Oral Diseases and Disorders Research	Maryland, University of	93.121	SO1127	D	325,150
Research Related to Deafness and Communication Disorders	Western Michigan University	93.173	25 7007260	I	287,384
Research Related to Deafness and Communication Disorders		93.173		I	2,476
Mental Health Research Grants	Brigham & Womens Hospital	93.242	BWH# 775565	D	53,185
Mental Health Research Grants		93.242		D	1,547,612
					<u>28,983</u>

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
Department of Health & Human Services Programs (continued):					
Alcohol Research Career Development Awards for Scientists and Clinicians	Illinois, University of	93.271		D	134,179
Alcohol Research Programs		93.273		D	206,455
Alcohol Research Programs		93.273	2003-02230-1-00	I	88,536
Drug Abuse and Addiction Research Programs		93.279		D	1,851,191
Mental Health Research Career/Scientist Development Awards		93.281		D	208,063
Discovery and Applied Research for Technological Innovations to Improve Human Health		93.286		D	652,293
Bionengineering Research		93.287		D	(146,057)
National Center for Research Resources		93.389		D	8,016,106
National Center for Research Resources		93.389	5 P20 RR16472-03	I	(21,527)
National Center for Research Resources		93.389	P20 RR016458-05	I	
National Center for Research Resources		93.389	8601-53694	I	
National Center for Research Resources		93.390		I	65,258
Cancer Cause and Prevention Research	Stanford University	93.390		D	12,500
Cancer Cause and Prevention Research		93.390	18082170-30501-B	I	26,238
Cancer Cause and Prevention Research		93.393		D	355,808
Cancer Cause and Prevention Research		93.395		D	490,595
Cancer Treatment Research	Virginia, University of	93.395		I	(8,984)
Cancer Biology Research	Emory University	93.396		I	261,372
Biophysics and Physiological Sciences		93.821		D	(46,228)
Biophysics and Physiological Sciences		93.821	180B106	I	27,920
Biophysics and Physiological Sciences		93.821	RR549-176/1575817	I	(5,203)
Heart and Vascular Diseases Research		93.837		D	5,172
Heart and Vascular Diseases Research		93.837		I	48,232
Lung Diseases Research	Thomas Jefferson University	93.838		I	
Blood Diseases and Resources Research		93.839		D	43
Arthritis, Musculoskeletal and Skin Diseases Research		93.846		D	476,087
Arthritis, Musculoskeletal and Skin Diseases Research		93.846		I	1,088,079
Arthritis, Musculoskeletal and Skin Diseases Research	Indiana University	93.846	PO# 11068	I	47,062
Arthritis, Musculoskeletal and Skin Diseases Research	Lincoln University	93.846	AGR 20020924	I	21,752
Diabetes, Endocrinology and Metabolism Research		93.847		D	764,847
Kidney Diseases, Urology and Hematology Research		93.849		D	38,846
Extramural Research Programs in the Neurosciences and Neurological Disorders		93.853		D	493,816
Extramural Research Programs in the Neurosciences and Neurological Disorders		93.853	2286-LD-DHHS-5032	I	36,813
Extramural Research Programs in the Neurosciences and Neurological Disorders	Pennsylvania State University	93.853	8508-53692	I	89,467
Extramural Research Programs in the Neurosciences and Neurological Disorders	Johns Hopkins University	93.859		D	1,771,051
Biomedical Research and Research Training	Vanderbilt University	93.859	VUMC2247-R	I	7,929
Biomedical Research and Research Training		93.864		I	99,688
Child Health and Human Development Extramural Research		93.865		D	1,685,337
Child Health and Human Development Extramural Research		93.865		D	235,380
Child Health and Human Development Extramural Research		93.865	413042-G	I	235,380
Child Health and Human Development Extramural Research		93.865	5-47208	I	13,393
Child Health and Human Development Extramural Research		93.865	07000432	I	16,611
Child Health and Human Development Extramural Research		93.865	UKRF 4-6662-03-385	I	93,002
Child Health and Human Development Extramural Research	Kentucky, University of	93.865	PO# 10237654	I	43,750
Child Health and Human Development Extramural Research	California-San Diego University of	93.865		I	238,544
Child Health and Human Development Extramural Research	Rochester, University of	93.865	413545-G	I	32,294
Aging Research		93.866		D	
Center for Medical Rehabilitation	Cornell University	93.866	AGR 20020103	I	329,519
Center for Medical Rehabilitation		93.867		D	1,212,036
Center for Medical Rehabilitation		93.929		D	216
Center for Medical Rehabilitation	Public Health Services	93.929	5 T32 HD07490-04	I	
Special Minority Initiatives		93.960		D	(1,896)
					23,992,397
Department of Homeland Security Programs:					
Department of Homeland Security		97.000		D	22,196
					22,196

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Research and Development Cluster (continued):					
United States Agency for International Development:					
United States Agency for International Development	Internat'l Ctr for Agric Rsch Dry Areas	98.000	MOU 20030521	I	\$ 3,588
United States Agency for International Development	Association Liaison Office	98.000	AGR 20030108	I	(42)
					<u>3,546</u>
Central Intelligence Agency		99.000		D	(7)
					(7)
					<u>85,567,302</u>
Total Research & Development Cluster					
Other Non-Clustered Programs:					
U.S. Department of Agriculture Programs:					
United States Department of Agriculture	Food Bank of Delaware	10.000	SUB 20030128	D	207,223
United States Department of Agriculture	New Jersey Department of Agriculture	10.000	05000826	I	—
United States Department of Agriculture	Maryland, University of	10.000	DI30704	I	3,609
United States Department of Agriculture	Delaware Dept of Health & Social Service	10.000	PO# 1306713	I	8,031
United States Department of Agriculture	Delaware Department of Agriculture	10.000	PO# 1479974	I	103,979
United States Department of Agriculture	Delaware Department of Agriculture	10.000	PO# 1488562	I	191,500
United States Department of Agriculture	University of Maine	10.001	UM-S653	I	46,667
Agricultural Research Basic and Applied Research	Delaware Dept of Health & Social Service	10.001	9055-0000-0002	I	3,379
Grants for Agricultural Research, Special Research Grants	Pennsylvania State University	10.200	2692-UD-UV-0188	I	84,641
Grants for Agricultural Research, Special Research Grants	Maryland, University of	10.200	Z515201	I	234
Grants for Agricultural Research Competitive Research Grants		10.206		I	434
Food and Agricultural Sciences National Needs Graduate Fellowship Grants		10.210		D	1,830
Higher Education Challenge Grants		10.217		D	21,557
Integrated Programs		10.303		D	50,596
Homeland Security Agricultural	California-Davis, University of	10.304	00RA6835-UDEL	I	—
Cooperative Extension Service	Cornell University	10.304	42,681-7235	I	28,983
Cooperative Extension Service		10.500		D	2,781,463
Cooperative Extension Service	Bou-Matic	10.500	05000752	I	42,810
Cooperative Extension Service	Kansas State University	10.500	S05044	I	17,786
Cooperative Extension Service	National 4-H Council	10.500	05000932	I	8,139
Cooperative Extension Service	National 4-H Council	10.500	06000422	I	16,499
Cooperative Extension Service	Kansas State University	10.500	S07050	I	6,852
Cooperative Extension Service	Kansas State University	10.500	S07069	I	1,297
Cooperative Extension Service	Minnesota, University of	10.500	S4079036301	I	59,043
Cooperative Extension Service	Vermont, University of	10.500	PO# P671894	I	423
Cooperative Extension Service	Vermont, University of	10.500	05001214	I	4,190
Cooperative Extension Service	North Carolina State University	10.500	2006-0457-02	I	5,298
Cooperative Extension Service	Vermont, University of	10.500	06001091	I	12,988
Cooperative Forestry Assistance		10.664		D	1,528
Agricultural Management Assistance		10.917		D	10,000
Technical Agricultural Assistance		10.960		D	167,023
					<u>3,888,002</u>
Department of Commerce Programs:					
Department of Commerce	Southeastern University Research Assoc	11.000	SURA-2005-205	D	121,139
Department of Commerce	Maryland Dept of Natural Resources	11.000	14-06-1092-CZM 086	I	109,845
Department of Commerce	Delaware Economic Development Office	11.000	1383081	I	27,749
Sea Grant Support		11.417		D	—
Sea Grant Support	National Oceanic/Atmospheric Admin.	11.417	NA96RG0029	I	577,931
Sea Grant Support	Southern Mississippi, University of	11.417	GR01764	I	(979)
Coastal Zone Management Estuarine Research Reserves		11.420		D	4,589
Chesapeake Bay Studies		11.457		D	44,150
Habitat Conservation	National Fish & Wildlife Foundation	11.463	2005-0002-019	D	34,307
Coastal Services Center		11.473		D	15,000
Measurement and Engineering Research and Standards		11.609		D	257,031
					<u>16,150</u>
					<u>1,206,912</u>

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Other Non-Clustered Programs (continued):					
Department of Defense Programs:					
Department of Defense	Jr Engineering Technology Society	12.000	05001084	D	238,006
Department of Defense	Jr Engineering Technology Society	12.000	06000830	I	(2,444)
Department of Defense		12.000		I	30,000
Procurement Technical Assistance For Business Firms		12.002		D	174,550
Military Medical Research and Development		12.420		D	57,287
					497,399
Department of Housing and Urban Development Programs:					
Housing and Urban Development	U.S. Dept of Housing & Urban Development	14.000	07000404	I	10,085
					10,085
Department of the Interior Programs:					
Fish and Wildlife Management Assistance	National Fish & Wildlife Foundation	15.608	2006-0101-014	I	675
National Cooperative Geologic Mapping Program		15.810		D	75,167
National Center for Preservation Technology and Training		15.923		D	(1,737)
					74,105
Department of Justice Programs:					
Department of Justice	State of Delaware	16.000	JF05-56	D	13,938
Department of Justice	State of Delaware	16.000	JF05-57	I	7,616
Department of Justice		16.529		D	4,628
Education, Training, and Enhanced Services to End Violence Against Women with Disabilities		16.540	JF03-60	I	83
Juvenile Justice and Delinquency Prevention Allocation to States	State of Delaware	16.540	JF03-61	I	(59)
Juvenile Justice and Delinquency Prevention Allocation to States	State of Delaware	16.540	JF04-57	I	10,339
Juvenile Justice and Delinquency Prevention Allocation to States	State of Delaware	16.540	JF04-61	I	(2,440)
Part E – Developing, Testing and Demonstrating Promising New Programs		16.541		D	25,376
					59,481
Department of State Programs:					
Department of State	World Learning for International Develop	19.000	07000120	D	704,772
Department of State	Fulbright Commission Argentina	19.000	07000922	I	22,123
Department of State		19.406		I	88,024
College and University Affiliates Program		19.406		D	2
Educational Exchange Teachers from Secondary and Postsecondary Levels and School Administrators		19.408		D	429,131
Educational Exchange, American Studies Institute		19.418		D	(1,675)
					1,242,377
Department of Transportation Programs:					
Department of Transportation	Delaware Office of Highway Safety	20.000	LTR 20041108-02210B	D	198,894
Department of Transportation	Delaware Office of Highway Safety	20.000	05000969	I	—
Department of Transportation	Delaware Office of Highway Safety	20.000	05001067	I	27,669
Department of Transportation	Delaware Office of Highway Safety	20.000	06000930	I	28,232
Department of Transportation	Delaware Office of Highway Safety	20.000	06000932	I	68,952
Department of Transportation	Delaware Department of Transportation	20.000	05001341	I	64,462
Department of Transportation	Delaware Department of Transportation	20.000	06001164	I	—
Department of Transportation	Delaware Department of Transportation	20.000	AGR 1268	I	21,907
State Planning and Research	Delaware Department of Transportation	20.515	AGR DC TA05	I	8,862
State Planning and Research	Delaware Department of Transportation	20.515	06000255	I	1,614
State Planning and Research	Delaware Department of Transportation	20.515	06000259	I	1,631
State Planning and Research	Delaware Department of Transportation	20.515	07000324	I	9,356
State Planning and Research	Delaware Department of Transportation	20.515	07000322	I	67,825
State and Community Highway Safety	Delaware Office of Highway Safety	20.600	LTR 20040316	I	139,816
					(76)
					639,144

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Other Non-Clustered Programs (continued):					
National Aeronautics and Space Administration Programs:					
National Aeronautics and Space Administration	United Negro College Funds Special Program	43.000	07000206	D	\$ 366,296
National Aeronautics and Space Administration		43.000		I	18,333
					<u>384,629</u>
National Endowment for the Humanities Programs:					
National Endowment for the Humanities	Delaware Humanities Forum	45.000	071104	I	3,403
National Endowment for the Humanities	Delaware Humanities Forum	45.100	071100	I	5,347
Promotion of the Humanities Division of Preservation and Access		45.149		D	103,692
Promotion of the Humanities Professional Development		45.163		D	10,837
Museum Assessment Program		45.302		D	501
					<u>123,780</u>
National Science Foundation Programs:					
National Science Foundation	Delaware State University	47.000	06000528	D	20,454
National Science Foundation		47.000		I	7,000
Engineering Grants		47.041		D	10,000
Mathematical and Physical Sciences		47.049		D	1
Geosciences		47.050		D	116,040
Geosciences	National Science Foundation	47.050	0120648	I	(42.6)
Geosciences	College of William & Mary	47.050	519206/1248	I	(120)
Education and Human Resources		47.076	Z376902	D	1,157,845
Education and Human Resources	Maryland, University of	47.076	Z457902	I	392,890
Education and Human Resources	Maryland, University of	47.076	HRD-9900892	I	113,169
Education and Human Resources	Drexel University	47.076	235302	I	14,117
Education and Human Resources	Drexel University	47.076	235302	I	20,992
Education and Human Resources	Drexel University	47.076	235371 UDELFAST	I	12,000
Polar Programs		47.078		D	5,000
					<u>1,868,962</u>
Small Business Development Programs:					
Small Business Administration		59.000		D	—
Small Business Development Center		59.037		D	486,038
					<u>486,038</u>
Environmental Protection Agency Programs:					
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 1335995	D	21,872
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 40 080608000549	I	(5,453)
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 40 080608000660	I	11,966
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 40 07010106287	I	9,554
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 40 080708000542	I	11,365
Environmental Protection Agency	Delaware Department of Natural Resources	66.000	PO# 1335854	I	49,000
Water Pollution Control State, Interstate, and Tribal Program Support	Delaware Department of Natural Resources	66.419	PO# 08060800226	I	—
Targeted Watersheds Grants	Delaware River Basin Commission	66.439	05001019	I	2,910
National Estuary Program	Center For The Inland Bays	66.456	LTR 102.604-CHAPMAN	I	(1)
National Estuary Program	Center For The Inland Bays	66.456	06000793	I	(1)
National Estuary Program	Center For The Inland Bays	66.461	05000888	I	1,491
Regional Wetland Program Development Grants	Unidentified	66.513		I	2,501
Greater Research Opportunities (GRO) Fellowships For Undergraduate/Graduate Environmental Study		66.514		D	(2)
Science To Achieve Results (STAR) Fellowship Program		66.514		D	4,988
Training and Fellowships for the Environmental Protection Agency		66.607		D	30,343
Surveys, Studies, Investigations, Training Demonstrations and Educational Outreach		66.716		D	11,065
					<u>151,598</u>
Department of Energy Programs:					
Conservation Research and Development		81.086		D	89,925
					<u>89,925</u>

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Other Non-Clustered Programs (continued):					
Federal Emergency Management Agency Programs:					
Federal Emergency Management Agency	Delaware Department of Education	83.000	SAHES 4-05	I	16,824
Federal Emergency Management Agency	Delaware Department of Natural Resources	83.000	07010106243	I	70
Federal Emergency Management Agency	Delaware Department of Natural Resources	83.000	PO# 40 07010106309	I	(11)
Federal Emergency Management Agency	Delaware Department of Natural Resources	83.000	PO# 40 07010106417	I	16,204
					<u>33,087</u>
Department of Education Programs:					
Department of Education	Delaware Department of Education	84.000	7-07	I	100,326
Department of Education	Delaware Department of Education	84.000	DOE-C07-44	I	28,694
Department of Education	Boys & Girls Club of Delaware	84.000	0422100013	I	(1,467)
Department of Education	Boys & Girls Club of Delaware	84.000	07000032	I	5,452
Department of Education	Boys & Girls Club of Delaware	84.000	06000784	I	13,669
Department of Education	Delaware Department of Education	84.000	DOE-C04-53	I	(539)
Department of Education	State of Delaware	84.000	PO# 1380612	I	—
Department of Education	Boys & Girls Club of Delaware	84.000	07000176	I	17,216
Department of Education	Big Brothers Big Sisters of Delaware	84.000	05000025	I	32,625
Department of Education	Delaware Department of Education	84.000	DOE-C05-86	I	2,181
Department of Education	Delaware Department of Education	84.000	GV 3-01-01737	I	(4,644)
Department of Education	American Institutes For Research	84.000	05000866	I	9,919
Department of Education	Big Brothers Big Sisters of Delaware	84.000	PO# 95-15006001050	I	11,517
Department of Education	Lake Forest School District	84.000	PO# 95-1500600754	I	1,587
Department of Education	Delaware Department of Education	84.000	PO# 01010002641	I	69,905
Department of Education	Delaware Department of Education	84.000	PO# 01010002674	I	43,902
Department of Education	Red Clay Consolidated School District	84.000	PO# 1389462	I	229,829
Department of Education	Delaware Department of Education	84.000	DOE-C06-34	I	114,432
Department of Education	Delaware Department of Education	84.000	DOE-C06-49	I	1,075
Department of Education	Delaware Department of Education	84.000	DOE-C06-46	I	1
Department of Education	Delaware Department of Education	84.000	DOE-C07-07	I	13,524
Department of Education	Delaware Department of Education	84.000	DOE-C07-23	I	335,040
Department of Education	Delaware Div. of Children, Youth & Family	84.000	DMSS(UD-TRN)FY07-8995	I	9,569
Department of Education	Delaware Department of Education	84.000	1426905	I	5
Department of Education	Delaware Department of Education	84.000	DOE-C06-55	I	17,101
Department of Education	Delaware Department of Education	84.000	PO# 01010002651	I	24,456
Department of Education	Delaware Department of Education	84.000	PO# 01010002672	I	32,725
Department of Education	Delaware Department of Education	84.000	DOE-C07-09	I	3,500
Department of Education	Delaware Department of Education	84.000	DOE-C07-19	I	64,205
		84,116		D	25,408
	Temple University	84,133	SF#201(01-02)4019931	I	28,181
	Delaware Dept of Health & Social Service	84,181	07IDEA3	I	4,759
	Colonial School District	84,215	U215X050153	I	256,039
	Indian River School District	84,215	PO# 1329955	I	22,243
	Delaware Department of Labor	84,224	H224C030027-2	D	461,241
	Delaware Department of Labor	84,224	H224C030027-3	I	20,626
	Delaware Department of Labor	84,235	H235T030009-2	D	4,450
	Delaware Department of Labor	84,235	H235T030009-3	I	21,042
	Delaware Department of Education	84,287	PO# 1343940	I	4,435
	Delaware Department of Education	84,287	21 CCLC 11-04	I	(7,713)
	Delaware Department of Education	84,287	21ST CCLC PT 17-05	I	98,822
	Delaware Department of Education	84,287	21 CCLC PT 15-05	I	26,394
	Delaware Department of Education	84,287	21 CCLC 7-06	I	142,420
	Delaware Department of Education	84,287	21ST CCLC PT 18-06	I	128,401
	Delaware Department of Education	84,287	21ST CCLC PT 19-06	I	104,288
	Delaware Department of Education	84,287	21ST CCLC PT 16-06	I	149,983
	Delaware Department of Education	84,287	PO# 01010002931	I	10,474
	Delaware Department of Education	84,287	PO# 01010002915	I	10,592

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Program Title	Pass-through entity name	CFDA number	Pass-through number	Direct (D) or pass-through (I)	Program expenditures
Other Non-Clustered Programs (continued):					
Department of Education Programs (continued):					
Twenty-First Century Community Learning Centers	Delaware Department of Education	84.287	17-06	I	62,979
Gaining Early Awareness and Readiness for Undergraduate Programs		84.334		D	274,227
Teacher Quality Enhancement Grants		84.336		D	127,736
Early Reading First		84.359		D	913,974
Mathematics and Science Partnerships		84.366		D	100
Mathematics and Science Partnerships	Delaware Department of Education	84.366	DSMP-03-06	I	78,405
Mathematics and Science Partnerships	Delaware Department of Education	84.366	DSMP-01-06	I	65,983
Mathematics and Science Partnerships	Delaware Department of Education	84.366	DSMP-02-06	I	184,585
Improving Teacher Quality State Grants		84.367		D	4,675
Improving Teacher Quality State Grants	Delaware Department of Education	84.367	SAHES-01-06	I	66,726
Improving Teacher Quality State Grants	Delaware Department of Education	84.367	01010002804	I	59,878
					4,535,842
Department of Health & Human Services Programs:					
Department of Health & Human Services	Mary Imogene Bassett Hospital	93.000		D	197,058
Department of Health & Human Services	National Association State for Aging	93.000	06000236	I	671
Department of Health & Human Services	Easter Seals Delaware & MD's Eastern Shr	93.000	90-AM-2792	I	32,150
Department of Health & Human Services	National Association State for Aging	93.000	06000696	I	17,173
Department of Health & Human Services	Delaware Dept of Health & Social Service	93.000	07000882	I	82,985
Department of Health & Human Services	Delaware Dept of Health & Social Service	93.000	040611	I	236,613
Department of Health & Human Services	Delaware Dept of Health & Social Service	93.000	040711	I	4,104
Department of Health & Human Services	Delaware Dept of Health & Social Service	93.000	07-096	I	11,708
Department of Health & Human Services	Delaware Department of Natural Resources	93.000	07000214	I	3,099
Department of Health & Human Services	Delaware Dept of Health & Social Service	93.000	06-432	I	1,641
Maternal and Child Health Federal Consolidated Programs	Delaware Dept of Health & Social Service	93.110	07-174	I	4,921
Oral Diseases and Disorders Research		93.121		D	21,708
Mental Health Research Grants		93.242		D	16,834
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243		D	476,454
Substance Abuse and Mental Health Services Projects of Regional and National Significance		93.243		D	(70)
Advanced Education Nursing Grant Program	Thomas Jefferson University	93.247	080-70057-T10701	I	12,861
Alcohol National Research Service Awards for Research Training		93.272		D	24,833
Drug-Free Communities Support Program Grants		93.276		D	108,767
Mental Health National Research Service Awards for Research Training		93.282		D	17,163
Advanced Education Nursing Traineeships		93.358		D	32,494
Head Start		93.600		D	1,753,470
Head Start	Department of Health and Human Services	93.600	03CH3325/05	I	10,000
Head Start	Delaware Department of Education	93.600	3926898	I	3,431
Developmental Disabilities Projects of National Significance		93.631		D	27
Developmental Disabilities Projects of National Significance	Department of Health and Human Services	93.631	90DN0202	I	(20)
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	Department of Health and Human Services	93.632	90DD0551/03	I	503,328
University Centers for Excellence in Developmental Disabilities Education, Research, and Service		93.632		D	(27)
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		93.779		D	218,457
Biomedical Research and Research Training		93.859		D	284,145
Child Health and Human Development Extramural Research		93.865		D	81,229
Child Health and Human Development Extramural Research	Public Health Services	93.865	I R03 HD43830-01A1	I	528
Center for Medical Rehabilitation		93.929		D	405
					4,158,140
Corporation for National and Community Service Programs:					
Corporation for National and Community Service	Public Allies	94.000	20000830	I	259,388
Corporation for National and Community Service	Public Allies	94.000	SUB 20001030	I	62
AmeriCorps	Public Allies	94.006	06NDHW40010003	I	285,223
Volunteers in Service to America		94.013		D	4,907
Volunteers in Service to America	Corp. for National & Community Service	94.013	03VPAD005	I	539
					550,119

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Other Non-Clustered Programs (continued):				
United States Agency for International Development Programs:				
United States Agency for International Development	98.000		D	2,340,143
United States Agency for International Development	98.000	CNTRCT 20010715	I	61,221
				<u>2,401,364</u>
				<u>22,400,989</u>
Total Other Non-Clustered Programs				
TRIO Cluster:				
Department of Education:				
TRIO Student Support Services	84.042		D	296,308
TRIO Student Support Services	84.042		I	(35,775)
Undergraduate International Studies and Foreign Language Programs	84.016	P042A010603	D	73,917
TRIO Upward Bound	84.047		D	612,268
TRIO Upward Bound	84.047	P047M030207	I	(13,701)
TRIO Upward Bound	84.047	P047A030856	I	(35,953)
TRIO Upward Bound	84.047	P047M030207	I	(1,066)
TRIO Upward Bound	84.047	P047M030207-04	I	(1,029)
TRIO McNair Post-Baccalaureate Achievement	84.217		D	227,588
TRIO McNair Post-Baccalaureate Achievement	84.217		I	11
				<u>1,122,568</u>
Special Education Cluster:				
Special Education Grants to States	84.027		I	210
Special Education Grants to States	84.027	IDEA B SSA DD 01-05 IDEA B SSA SUBG 12-06	I	4,692
				<u>4,902</u>
Financial Aid Cluster:				
Federal Work Study Program	84.033		D	615,869
Federal Pell Grant Program	84.063		D	2,919,137
Federal Supplemental Educational Opportunity Grants	84.007		D	595,201
				<u>4,130,207</u>
Total Financial Aid Cluster				<u>4,130,207</u>
Total Expenditures of Federal Awards				<u>\$ 113,225,968</u>

See accompanying notes to schedule.

UNIVERSITY OF DELAWARE

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2007

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the SEFA) summarizes the expenditures of the University of Delaware (the University) under programs of the federal government for the year ended June 30, 2007. Because the SEFA presents only a selected portion of the operations of the University, it is not intended to, and does not, present the financial position, changes in net assets, and cash flows.

For the purposes of the SEFA, federal awards include all grants, contracts, and similar agreements entered into directly between the University and agencies and departments of the federal government and all subawards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. Federal awards are included in contracts and other exchange transactions on the accompanying statement of activities.

(2) Basis of Accounting

The accompanying SEFA is presented using the accrual basis of accounting.

(3) Federal Student Loan Programs

Loans made by the University to eligible students under federal student loan programs and federally guaranteed loans issued to students of the University by financial institutions during the year ended June 30, 2007 are summarized as follows:

Direct loan programs:		
Perkins	\$	2,851,305
Nursing		<u>122,300</u>
		2,973,605
Guaranteed loan programs:		
Direct loans		48,034,408
FFEL		<u>3,414,481</u>
	\$	<u><u>54,422,494</u></u>

The Perkins and Nursing Student Loan programs are administered directly by the University, and balances and transactions relating to these programs are included in the University's financial statements. The balance of loans outstanding under the Perkins Loan program was \$13,311,169 and the balance of loans outstanding under the Nursing Student Loan program was \$681,489 at June 30, 2007.

The University is responsible only for the performance of certain administrative duties with respect to the guaranteed student loan programs, and accordingly, these loans are not included in its financial statements and it is not practical to determine the balance of loans outstanding to students and former students of the University under these programs.

(4) Subrecipient Pass-Through

The total amount of federal awards passing through to subrecipients was \$12,681,150 for the year ended June 30, 2007.



KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

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*

The Board of Trustees
University of Delaware:

We have audited the consolidated financial statements of the University of Delaware (the University) as of and for the year ended June 30, 2007, which included an explanatory paragraph regarding the University's adoption of Statement of Financial Accounting Standards No. 158, *Employers' Accounting for Defined Pension and Other Postretirement Plans-an amendment of FASB statements No.87, 88, 106, and 132(R)*, on June 30, 2007, and have issued our report thereon dated November 15, 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 the University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over financial reporting.

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 control.

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 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 internal control that might be 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 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*.

We noted certain matters that we reported to management of the University in a separate letter dated November 5, 2007.

This report is intended solely for the information and use of management, the board of trustees, others within the entity, 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.

KPMG LLP

November 15, 2007



KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

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

The Board of Trustees
University of Delaware:

Compliance

We have audited the compliance of the University of Delaware (the 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, except those requirements discussed in the following paragraph. The University's major federal programs are identified in the summary of auditors' 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 University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We did not audit the University's compliance with requirements governing maintaining contact with and billing borrowers and processing deferment and cancellation requests and payments for the Perkins Loan and Nursing Student Loan Programs. Those requirements govern functions that are performed by University Accounting Services, Inc. (UAS). Since we did not apply auditing procedures to satisfy ourselves as to compliance with those requirements, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on compliance with those requirements. UAS's compliance with the requirements governing the functions that it performs for the University for the year ended June 30, 2007 was examined by other accountants in accordance with the Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' examination of UAS's compliance with such requirements.

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 described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* 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 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 the University's compliance with those requirements.

In our opinion, the 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 an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 07-01.

Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the 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, 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 University's internal control over compliance.

Requirements governing making contact with and billing borrowers and processing deferment and cancellation requests and payments for the Perkins Loan and Nursing Student Loan Programs as described in the Compliance Supplement are performed by UAS. Internal control over compliance relating to such functions for the year ended June 30, 2007 was examined by other accountants in accordance with the Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' testing of the University's control over compliance related to such functions.

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

A control deficiency in an entity's internal control over compliance 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 of a federal 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 control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as findings 07-01 and 07-02 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 University's internal control. We did not consider findings 07-01 and 07-02 as described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic consolidated financial statements of the University of Delaware as of and for the year ended June 30, 2007, and have issued our report thereon dated November 15, 2007. Our audit was performed for the purpose of forming an opinion on the basic consolidated financial statements. 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 basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the



consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

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

This report is intended for the information and use of the audit committee, 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.

KPMG LLP

March 24, 2008

UNIVERSITY OF DELAWARE

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

(1) Summary of Auditors' Results

- (a) The type of report issued on the general-purpose financial statements: **Unqualified**
- (b) Significant Deficiencies in internal controls were disclosed by the audit of the financial statements: **None noted**. Material weaknesses: **None noted**
- (c) Noncompliance that is material to the financial statements: **None**
- (d) Significant Deficiencies in internal controls over major programs: **Yes**. Material weaknesses: **None**
- (e) The type of report issued on compliance for major programs: **Unqualified**
- (f) Any audit findings that are required to be reported under Section 0.510(a) of OMB Circular A-133: **Yes**
- (g) Major programs:

Research and Development – Various Agencies and Departments

Student Financial Assistance – U.S. Department of Education and U.S. Department of Health and Human Services

- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee under Section 0.530 of OMB Circular A-133: **Yes**

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

None.

(3) Findings and Questioned Costs Related to Federal Awards

See findings 07-01 and 07-02.

UNIVERSITY OF DELAWARE

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

Reference Number: 07-01
Program: Student Financial Assistance Cluster
Type of Finding: Noncompliance, Significant Deficiency
Compliance Requirement: Special Tests and Provisions: Student Status Changes

Criteria

Under the Federal Family Education Loan Program (FFEL) and in accordance with 34 CFR Section 682.610, schools must complete and return within 30 days of receipt the Roster File sent by the National Student Loan Data System (NSLDS). The Roster File is transmitted electronically. The institution determines how often it receives the Roster File, but the minimum is twice a year. Once received, the institution must update for changes in student status, report the date the enrollment status was effective, enter the new anticipated completion date, and submit the changes electronically through the batch method or the National Student Loan Clearinghouse (NSLC) Web site. Unless the school expects to complete its next Roster File within 60 days, the school must notify NSLDS within 30 days, if it discovers that a student who received a loan either did not enroll or ceased to be enrolled on at least a half-time basis.

Condition

For 7 out of 32 students selected, status changes were not reported to the NSLDS within the required timeframe. Elapsed time between the status change date and the date reported by the University ranged from 70 to 127 days.

Cause

During the implementation of the new registration system at the University at the end of Fall 2006, the upload from the new system to the Clearinghouse did not operate as expected and the data was not readable by the clearinghouse. The University spent several weeks trying to resolve the issue with the software manufacturer; however the University had to ultimately write a new program in-house that would extract the data required by the Clearinghouse. This process delayed the certification of all status changes for the end of the Fall 2006 semester and beginning of the Spring 2007 semester until the months of April and May 2007.

Effect

Withdrawn students who are not reported timely to the NSLC (and through the NSLC to the NSLDS) may not enter repayment status appropriately.

Recommendation

We recommend that the University test to ensure the interface to the Clearinghouse is operating effectively and that submissions are processed in a timely manner. Additionally we recommend that the University continue to review data submitted to NSLC and NSLDS on a test basis to ensure that the information is appropriately reported.

Questioned Cost

There are no known questioned costs associated with this finding.

Views of Responsible Officials

See corrective action plan.

UNIVERSITY OF DELAWARE

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

Reference Number: 07-02
Program: Student Financial Assistance Cluster, Research and Development Cluster
Type of Finding: Significant Deficiency
Compliance Requirement: Reporting

Criteria

Required by OMB Circular A-133 §___.310(b), the Schedule of Expenditures of Federal Awards (SEFA) is a schedule prepared by federal award recipients. The SEFA must include all federal awards as defined in the Circular and is the basis for the auditor's risk assessment process that determines which federal award programs are included in the Single Audit.

Condition

KPMG requested that management reconcile SEFA to the underlying general ledger accounts reflected in the University's June 30, 2007 audited consolidated financial statements. As a result of performing the reconciliation management found net unreconciled differences totaling \$1,622,009 affecting 207 CFDA numbers. Management subsequently adjusted the June 30, 2007 SEFA for the expenditures not previously reported and such adjustments are included in the SEFA in this report.

There were no changes to the classification of the University's programs as major or nonmajor as a result of the adjustments.

Cause

The query used by management to prepare the SEFA did not include all federal expenditure information.

Effect

The original SEFA provided to the auditor did not include all federal expenditures, as reflected in the University's general ledger system. The adjusted SEFA, which is included in this report however, appropriately includes all federal amounts.

Recommendation

We recommend that the University adjust the query used to prepare the SEFA to include all federal expenditures, and incorporate a reconciliation similar to the one performed in the current year between the SEFA and the general ledger into its annual financial reporting procedures.

Questioned Cost

There are no known questioned costs associated with this finding.

Views of Responsible Officials

See corrective action plan.



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UNIVERSITY OF DELAWARE
Management Responses and Corrective Action Plan
Schedule of Findings and Questioned Costs
A-133 Single Audit
Year Ended June 30, 2007

Finding 07-01: Student Status Changes

Recommendation:

We recommend that the University test to ensure the interface to the Clearinghouse is operating effectively and that submissions are processed in a timely manner. Additionally, we recommend that the University continue to review data submitted to the National Student Loan Clearinghouse (NSLC) and National Student Loan Data System (NSLDS) on a test basis to ensure that the information is appropriately reported.

University of Delaware Corrective Action Plan:

The University implemented a monthly transmission schedule to the NSLC in April 2007. This schedule was adopted after the University had converted to a new student information system and, from that system, developed an appropriate NSLC data feed. The University has tested the interface to the Clearinghouse and is confident that it is operating effectively and that submissions are processed in a timely manner. In addition, the University will continue to review data submitted to the NSLC and NSLDS on a test basis to insure that it is appropriately reported.

Contact Person: Johnnie A. Burton, Director, Financial Aid, 302-831-1208

Finding 07-02: Reporting

Recommendation:

We recommend that the University adjust the query used to prepare the Schedule of Expenditures of Federal Awards (SEFA) to include all federal expenditures, and incorporate a reconciliation similar to the one performed in the current year between the SEFA and the general ledger into its annual financial reporting procedures.

University of Delaware Corrective Action Plan:

The University has implemented this recommendation. The query was adjusted to include all federal expenditures and the SEFA was reconciled to the general ledger for the FY2007 Single Audit Report. The revised query and reconciliation have been incorporated as standard procedures for future reports.

Contact Person: Amy Connell, Assistant Controller, Controller's Office, (302) 831-2175

Reporting Contact:
Alvin B. Roberson, III
Associate Treasurer
- Financial Services
University of Delaware
March 24, 2008

Chief Institutional Officer:
Patrick T. Harker
President
University of Delaware
March 24, 2008