



CALIFORNIA

STATE AUDITOR

Internal Control and Compliance Reports
June 30, 2023

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether California State University, Long Beach Research Foundation 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 financial statements. 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of California State University, Long Beach Research Foundation's internal control. CALE T003

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Amounts Provided to Subrecipients
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RESEARCH AND DEVELOPMENT - CLUSTER (CONTINUED):

Environmental Protection Agency
Regional Wetland Program Development Grants
Pass Through:

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CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
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CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

Federal Assistance Listing	Federal	Amounts
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CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Amounts Provided to Subrecipients
OTHER PROGRAMS (CONTINUED):			
National Science Foundation			
Social, Behavioral, and Economic Sciences	47.075	126,937	-
Education and Human Resources			
Pass Through:			
California State University, Sacramento-University Enterprises, Inc.	47.076	9,900	-
		<u>136,837</u>	<u>-</u>
U.S. Department of Education			
Higher Educational Institutional Aid	84.031	365,971	-
Pass Through:			
Antelope Valley College	84.031	1,827	-
TRIO Cluster-Student Support Services	84.042	1,071,389	-
TRIO Cluster-Talent Search	84.044	892,739	-
TRIO Cluster-Upward Bound	84.047	1,213,272	-
TRIO Cluster-Educational Opportunity Center	84.066	253,358	-
Rehabilitation Services Vocational Rehabilitation Grants to States			
Pass Through:			
California Department of Rehabilitation	84.126	220,339	-
Safe and Drug-Free Schools and Communities National Programs	84.184	12,623	-
Fund for the Improvement of Education	84.215	180,068	-
TRIO McNair Post-Baccalaureate Achievement	84.217	359,894	-
Special Education - Personnel Development	84.325	1,316,819	-
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	1,329,562	-
Strengthening Minority-Serving Institutions	84.382	229,975	-
		<u>7,447,836</u>	<u>-</u>
U.S. Department of Health and Human Services			
Foster Care - Title IV-E			
Pass Through:			
University of California, Berkeley	93.658	2,706,725	-
County of Los Angeles	93.658	903,033	-
TRIO Upward Bound	93.859	57,643	-
		<u>3,667,401</u>	<u>-</u>

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Amounts Provided to Subrecipients
OTHER PROGRAMS (CONTINUED):			
U.S. Department of Homeland Security Boating Safety Financial Assistance Pass Through: California Department of Parks and Recreation	97.012	<u>37,305</u>	<u>-</u>
Undeterminable Federal Agency Tennessee State University	99.G269522100	<u>153,488</u>	<u>-</u>
TOTAL OTHER PROGRAMS		<u>12,640,558</u>	<u>2,383</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 26,447,887</u>	

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (and Schedule) includes the federal award activity of California State University Long Beach Research Foundation (the Research Foundation) under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Research Foundation, it is not intended to and does not present the position, changes in revenue, expenses and net position, or cash flows of the Research Foundation.

NOTE 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts reflected in the Schedule represent adjustments or credits resulting from the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – Indirect Cost Rate

The Research Foundation has elected not to use the percentage minimis indirect cost rate as allowed under the Uniform Guidance

CALIFORNIA STATE UNIVERSITY,
LONG BEACH RESEARCH FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

The auditorsexpress an unmodified opinion on whether the financial statements of the Research Foundation were prepared in accordance with generally accepted accounting principles.

Internal control over financial reporting

1. Material weakness(es) identified? ~~No~~
2. Significant deficiencies identified? None reported
3. Noncompliance material to financial statements noted? ~~No~~

Federal Awards

Internal control over major programs

1. Material weakness(es) identified? ~~No~~
2. Significant deficiencies identified? None reported
3. Type of auditor's