

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE AND RELATED AUDIT REPORTS

Embry-Riddle Aeronautical University, Inc. Year Ended June 30, 2009

Ernst & Young LLP



Schedule of Expenditures of Federal Awards and State Financial Assistance and Related Audit Reports

Year Ended June 30, 2009

Contents

Schedule of Expenditures of Federal Awards and State Financial Assistance	
Notes to Schedule of Expenditures of Federal Awards and	
State Financial Assistance	
Report of Independent Certified Public Accountants 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	
Report of Independent Certified Public Accountants on Compliance With	
Requirements Applicable to Each Major Federal Program and State	
Financial Assistance Project and on Internal Control Over Compliance	
in Accordance With OMB Circular A-133 and Chapter 10.650, Rules of	
the Auditor General, and on the Schedule of Expenditures of Federal	
Awards and State Financial Assistance	11
Schedule of Findings and Questioned Costs – Federal Awards Programs	
and State Financial Assistance Projects	14
State of Florida Student Financial Assistance Programs Schedule of	
Populations, Samples Tested, and Questioned Costs	19

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended June 30, 2009

	CFDA	
Student Financial Assistance Cluster	Number	Expenditures
U.S. Department of Education:	0.000	
Federal Pell Grant Program	84.063	\$ 6,020,819
Federal Work-Study Program	84.033	498,944
Federal Supplemental Educational Opportunity Grant	84.007	595,826
Federal Perkins Loan Program	84.038	51,624
Federal Family Education Loan Program	84.032	67,007,830
Academic Competitiveness	84.375	128,425
Academic Smart	84.376	90,000
Total Student Financial Assistance Cluster		74,393,468
Research and Development Cluster		
U.S. Department of Transportation:		
Federal Aviation Administration:		
Aviation Research Grants:		
Wildlife Strike Database	20.108	2,927
Teaching Airplane Pilots Aircraft Upset Recovery Techniques	20.108	24,380
Total Aviation Research Grants		27,307
Air Transportation Centers of Excellence:		
Establish a North American Bird Strike Advisory System (NABSAS)	20.109	2.5(5
Training Standards Development for General Aviation Aircraft		3,565
Aviation Grade Ethanol for Improved Performance and Safety	20.109	192,308
Enhanced Jet Exhaust Mixing to Reduce Jet Aircraft Engine Noise	20.109	113,710
Development of an Aviation Weather Database (Phase I)	20.109	10,087
	20.109	34,829
Gap Analysis/Risk Analysis for UAS Propulsion Systems	20.109	7,202
GA-COE Management Support	20.109	173,277
Regulatory Gap Analysis for Detect, Sense and Avoid	20.109	14,018
Business Jet Loads Data Acquisition	20.109	55,343
2-Day workshop in support of the FAA's ADS-B		
Implementation Program Office	20.109	190,109
Evaluating the Effectiveness of ADS-B in the Collegiate Flight		
Training Environment	20.109	42,339
Helicopter Advanced Navigation	20.109	55,232
Detection and Prevention of Carbon Monoxide Exposure in Aircraft	20.109	240,940
Command, Control and Communication for Unmanned		
Aircraft Systems	20.109	13,070
UAS Detect Sense & Avoid	20.109	47,977
Operational Loads Monitoring of Firefighting Airplanes	20.109	45,066
Remote Airfield Lighting Systems	20.109	39,061
·		22,002

Continued on next page.

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

	CFDA Number	Expenditures
U.S. Department of Transportation (continued):		Expenditures .
Federal Aviation Administration (continued):		
Air Transportation Centers of Excellence (continued):		
Remote Airport Lighting System	20.109	\$ 7,424
Helicopter Terrain Awareness Warning Systems (TAWS) and		ŕ
Enhanced Vision Systems (EVS) Flight Testing	20.109	185,343
Evaluating the Effectiveness of ADS-B in the Collegiate Flight		•
Training Environment	20.109	1,685
General Aviation System Safety Management Research	20.109	3,872
FITS Phase II	20.109	(631)
Development of an Aviation Weatherbase Highlighting		()
Weather Encounters (Phase III)	20.109	37,710
Total Air Transportation Centers of Excellence		1,513,536
Total Federal Aviation Administration		1,540,843
Total U.S. Department of Transportation		1,540,843
National Aeronautics and Space Administration:		
Arizona Space Grant Consortium	43.001	54,217
Investigations of the Sources and Changes of the Daily		
Variability of the Thermosphere and Ionosphere	N/A	14,756
Anomalies Detection in J2X Power Pack	N/A	7,575
Arizona Math and Science Leadership Initiative	N/A	114,340
GSRP: Simulation Tool for Spacecraft Lateral Slosh Prediction	N/A	4,698
Modeling and Parameter Estimation of Lateral Fuel Slosh		
Parameters	N/A	29,713
High Altitude Resolution Measure of Mesospheric OH Emission	N/A	186,392
Modeling the Broad Lines of Nearby LLAGNS with	•	
Known Central Masses	N/A	11,703
Total National Aeronautics and Space Administration		423,394
National Science Foundation:		
Mathematical and Physical Sciences:		
CMG Collaborative Research	47.049	8,797
Instrument Transients in LIGO and Thermal	47.049	6,062
Study Optical Coatings, Gravitational Wave Bursts Above 1 kHz, and		
Unconverted Noise in Suspension Wires	47.049	45,451
Total Mathematical and Physical Sciences		60,310
Geosciences:	J= 0.50	
CEDAR: Solar Cycle and Long Term Validations	47.050	21,269
CAREER: Study of Warming Events	47.050	54,964
Continued on next page.		

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

	CFDA Number	Expenditures
National Science Foundation (continued):	144ЛІВСІ	Expenditures
Geosciences (continued):		
GEM Turbulence and Structure	47.050	\$ 50,023
CEDAR: Post Doc Observational and Modeling Study	47.050	5,385
CAREER: Space Weather Prediction	47,050	5,219
Space Weather: Real-Time Ionospheric Specification	47.050	13,205
Collaborative Research Imaging Auroral Radio Emissions	47.050	16,615
Modeling of Gravity Waves in the MLT	47.050	46,176
Study of Mutual Diffusion Effects in the Upper Atmosphere and	•	
Thermospheric Gravity Wave Processes	47.050	45,774
The Creation of a Community Resource for Weather Case Studies and		,,,,
Innovative Real-Time Weather Data for the IDD	47.050	14,617
CEDAR: Analysis of Atmospheric Coupling by Planetary Waves and		11,017
Atmospheric Tides Using SuperDARN and TIMED	47.050	4,446
Total Geosciences		277,693
701 (* 177 m		2,7,055
Education and Human Resources:		
Making Underrepresented Engineering Graduates a Reality	47.076	137,165
A Laboratory-Based Course in Aerospace Engineering Failure	47.076	64,595
Assist Underrepresented Scholars in Pursuit of Aeronautical Education	47.076	115,210
Aircraft Technician Education & Training	47.076	2,809
Total Education and Human Resources		319,779
Polar Programs:		
Observations of Upper Atmospheric Energetics, Dynamics, and		
Long-Term Variations Over the South Pole Station	47.078	128,137
Investigation of Polar Disturbances	47.078	(485)
Antarctic Investigation	47.078	8,745
South Pole Space Physics and Aeronomy Workshop	47.078	3,263
Total Polar Programs		139,660
Impact Resistance and Structural Health	47.041	9,793
Total National Science Foundation		807,235
U.S. Department of Agriculture:		
Wildlife Services:		
Birdstrike Database	10.028	44,097
Wildlife Strike Outreach	10.028	44,097
Total Wildlife Services	10.020	86,824
Total U.S. Department of Agriculture		86,824
		00,024
Continued on next page.		

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

	CFDA Number	Expenditures
U.S. Department of Defense:		
ERAU/ASU Joint Proposal in Teaching Chinese & Training		
Teachers Summer 2008	12. 90 1	\$ 115,662
Total Department of Defense		115,662
Total Research and Development Cluster		2,973,958
U.S. Department of Education:		
TRIO Cluster:		
Upward Bound Program	84.047	421,280
McNair Achievement Program	84.217A	436,736
Total TRIO Cluster		858,016
ILERT – FIPSE	84.116J	35,906
National Center for Aviation Security	84.116Z	1,737
Byrd Honors Scholarships	84.185	6,000
Total U.S. Department of Education		901,659
National Endowment for the Humanities:		
The Cold War and Human Security	45.161	67,276
Total National Endowment for the Humanities		67,276
Total Expenditures of Federal Awards		\$ 78,336,361

Continued on next page.

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

	CSFA Number	Ex	penditures
Florida Department of Education:		•	
Florida Resident Access Grant	48.064	\$	2,397,622
Florida Private Student Assistance Grant	48.054		394,649
Florida Academic Scholars Award	48.059		464,494
Florida Medallion Scholars Award	48.059		980,707
Florida Gold Seal Vocational Scholars Award	48.059		20,474
Scholarship for Children of Deceased and Disabled Veterans			
and Servicemembers	48.055		11,292
Total Florida Department of Education			4,269,238
Department of Highway Safety and Motor Vehicles:			
ERAU Specialty Tag Fund	76.045		4,350
Total Department of Highway Safety and Motor Vehicles			4,350
Total Expenditures of State Financial Assistance		\$	4,273,588

See accompanying notes.

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended June 30, 2009

1. Summary of Significant Accounting Policies

Basis of Presentation

The purpose of the accompanying schedule of expenditures of federal awards and state financial assistance (the schedule) is to present, in summary form, total federal award expenditures and state financial assistance received by Embry-Riddle Aeronautical University, Inc. (the University) for the year ended June 30, 2009, that have been funded under various federal award programs and state financial assistance projects. The schedule is prepared on the accrual basis of accounting. Because the schedule presents only a selected portion of the activities of the University, it is not intended to, and does not, present the expenditures of the University.

2. Federal Perkins Loans Program

Amounts reported in the schedule of expenditures of federal awards and state financial assistance for the Federal Perkins Loan Program represent administrative and collection costs. Net outstanding loans at June 30, 2009, under the Federal Perkins Loan Program were \$11,918,453. Federal Perkins Loans of \$2,175,601 were advanced to students for the year ended June 30, 2009. The University did not receive a federal capital contribution during the year ended June 30, 2009. Cancellations under the program were \$17,332 in 2009. Assignments under the program were \$10,920.

3. Federal Family Education Loan Program

During the year ended June 30, 2009, the University processed new loans, for which the transactions are between the student and an outside third party, under the Federal Family Education Loan (FFEL) Program (which includes subsidized Stafford Loans, Parents Loans for Undergraduate Students, and unsubsidized Stafford Loans).

The University is responsible only for the performance of certain administrative duties with respect to these loans and, accordingly, balances and transactions related to this loan program are not included in the University's basic financial statements. Therefore, it is not practical to determine the balance of loans outstanding to students and former students of the University at June 30, 2009.

6

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

4. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the University. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements, and applicable federal and state laws and regulations.

5. Subrecipients

The following awards were received directly by the University and passed through to subrecipients:

	Ex	penditures
U.S. Department of Education: Federal CFDA No. 84.116J University of Central Florida University of Arizona	\$	5,000 1,919
U.S. Department of Defense:		
Federal CFDA No. 12.901		
Aerospace Corporation	\$	48,788
U.S. Department of Transportation: Federal CFDA No. 20.109		
University of North Dakota	\$	567,122
Middle Tennessee State University		19,840
Rensselaer Polytechnic Institute		17,578
Systems Engineering & Technology LLC		100,434
TPSi Airport Innovations		5,155
Wichita State University		286,093
National Science Foundation:		
Federal CFDA No. 47.050		
Aerospace Corporation	\$	26,364

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)

6. State License Plate

The University has entered into an agreement with the State of Florida's Department of Highway Safety and Motor Vehicles to issue ERAU University specialty license plates through the Embry-Riddle Aeronautical College License Plate Project (CFSA No. 76.045). Revenues generated by this project are remitted to the University by the State and are placed into an endowed scholarship fund. The earnings from this fund are used to award scholarships to deserving students.

The total funds received and accumulated unspent earnings at June 30, 2008, amounted to \$192,026. During the fiscal years ended June 30, 2009, the University received \$42,198 in additional funds from the State of Florida, recognized interest of \$718, recognized a net loss of \$26,716, and awarded \$4,350 in scholarships. The balance of the funds remaining in the endowment fund from the Project at June 30, 2009, is \$203,876.



Ernst & Young LLP Suite 1700 390 North Orange Avenue Orlando, Florida 32801-1671 Tel: 407 872 6600 www.ey.com

Report of Independent Certified Public Accountants 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
Embry-Riddle Aeronautical University, Inc.

We have audited the financial statements of Embry-Riddle Aeronautical University, Inc. (the University) as of and for the year ended June 30, 2009, and have issued our report thereon dated October 13, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 our 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 also noted certain additional matters that we reported to management of the University in a separate letter dated October 13, 2009.

This report is intended solely for the information and use of management, the Board of Trustees, audit committee, others within the entity, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Ernst + Young LLP

October 13, 2009



Ernst & Young LLP Suite 1700 390 North Orange Avenue Orlando, Florida 32801-1671 Tel: 407 872 6600 www.ev.com

Report of Independent Certified Public Accountants on Compliance With Requirements Applicable to Each Major Federal Program and State Financial Assistance Project and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and Chapter 10.650, *Rules of the Auditor General*, and on the Schedule of Expenditures of Federal Awards and State Financial Assistance

The Board of Trustees
Embry-Riddle Aeronautical University, Inc.

Compliance

We have audited the compliance of Embry-Riddle Aeronautical University, Inc. (the University) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement that are applicable to each of its major federal programs and state financial assistance projects for the year ended June 30, 2009. The University's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state financial assistance projects 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 conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; and Chapter 10.650, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal awards program or state financial assistance project 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 of 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 awards programs and state financial assistance projects for the year ended June 30, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with Chapter 10.650, Rules of the Auditor General, and which is described in the accompanying schedule of findings and questioned costs as item 2009-01.

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 and state financial assistance projects. 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 or state financial assistance project 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.

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 or state financial assistance project 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 or state financial assistance project such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program or state financial assistance project 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 material noncompliance with a type of compliance requirement of a federal program or state financial assistance project will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance 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 compliance that we consider to be material weaknesses, as defined above.



The University's response to the finding identified in our audit is 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.

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the financial statements of the University as of and for the year ended June 30, 2009, and have issued our report thereon dated October 13, 2009. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Trustees, audit committee, others within the entity, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Ernst + Young LLP

October 13, 2009

Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects

Year Ended June 30, 2009

Part I - Summary of Auditors' Results

Financial Statement Section			
Type of auditors' report issued:	. U1	nqualifie	i
Internal control over financial reporting: • Material weakness(es) identified? • Significant deficiency(ies) identified not	Yes	X	No
considered to be material weakness(es)?	Yes	<u>X</u>	None reported
Noncompliance material to financial statements noted?	Yes	X_	_ No
Federal Awards and State Projects Section			
Dollar threshold used to determine Type A programs: • Federal programs • State projects			\$ 2,350,091 \$ 300,000
Auditee qualified as low-risk auditee?	X	Yes	No
Type of auditors' report on compliance for major federal programs and state projects:		Ungual	ified

Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects (continued)

Part I – Summary of Auditors' Results (cont	inued)			
Internal control over major programs:				
Material weakness(es) identified?		Yes	<u>X</u>	No
Were significant deficiency(ies) identified not		37	37	***
considered to be material weakness(es)?		Yes	<u>X</u>	No
Any audit findings disclosed that are required				
to be reported in accordance with Circular	v	X7		NT.
A-133 and/or Chapter 10.650?	<u>X</u>	Yes		No
Identification of major federal programs and sta	te projects:			
Federal Programs:				
CFDA Number(s)	N	ame of Pro	gram or Cl	uster
84.007, 84.032, 84.033, 84.038, 84.063,				
84.375, 84.376	Student Fi	nancial Ass	istance Clus	ter
01.373, 01.370	Student 1 1	nanolai 1 155.	ismire Clus	,tci
State Projects:				
CSFA Number(s)		Name	of Project	
48.054	Elorida Pri	ivate Studen	t Assistance	Connet
48.055		ps for Child		
10.023		d Veterans		
48.059		ight Futures		
48.064		sident Acce	-	o i Togrami
	- - -			

Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects (continued)

Part II - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance and other matters related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

No matters were identified.

Part III - Federal Award Findings and Questioned Costs

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by Circular A-133 section .510.

No matters were identified.

Part IV - State Project Findings and Questioned Costs

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of state financial assistance projects, as required to be reported by Chapter 10.650 of the *Rules of the Auditor General*.

Finding: 2009-01

State program:

Florida Resident Access Grant

Criteria or specific requirement:

Eligibility

Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects (continued)

Part IV - State Project Findings and Questioned Costs (continued)

Condition:

The amount of the Florida Resident Access Grant award plus all other scholarships and grants specifically designated for payment of tuition and fees cannot exceed the total amount of tuition and fees charged by the institution. During our testing of the Florida Resident Access Grant, we noted a student received other tuition assistance to pay for the total amount of tuition and fees charged by the University. By also receiving the Florida Resident Access Grant, the student's scholarships and grants exceeded the total amount of tuition and fees charged by the institution.

Questioned Costs:

We selected a random sample of student recipients for testing and noted one exception of the 50 students tested for compliance with eligibility requirements. The total amount of known questioned costs is \$1,419.

Effect:

The University did not comply with the eligibility requirement of the Florida Resident Access Grant. This instance of noncompliance could result in possible return of funds to the Department of Education. We did note that the University subsequently reimbursed the amount of questioned costs to the State.

Recommendation:

We recommend management implement an additional level of review for students who receive tuition assistance from other sources to ensure total awards do not exceed the amounts charged for tuition and fees.

Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects (continued)

Part IV – State Project Findings and Questioned Costs (continued)

Views of responsible officials and planned corrective actions:

The Financial Aid Management will update the procedures for the awarding and disbursing of the Florida Resident Access Grant to require the financial aid counselors to determine and document sources of additional sponsor awards. Their review will include a sponsor report using the University's student information system reflecting tuition assistance. Management will monitor disbursements to ensure their accuracy.

Additional departmental training will be implemented for staff on procedures for awarding and disbursing the Florida Resident Access Grant program with added emphasis on sponsor assistance.

There will be no specific completion date, as this will be an ongoing quality control measure.

Embry-Riddle Aeronautical University, Inc.

State of Florida Student Financial Assistance Programs Schedule of Populations, Samples Tested, and Questioned Costs

Year Ended June 30, 2009

	Award P	Award Population		Award	Award Sample			Questi	Questioned Costs	
				Jo %		Jo %		Jo %		Jo %
				Population		Population		Sample		Sample
	Amount	Recipients	Amount	Amount		Recipients Recipients	Amount		Amount Recipients Recipients	Recipients
Florida Resident Access Grant	\$ 2,397,622	1,025	\$ 124,704	2%	50	%5	\$ 1,419		1% 1	2%
Fiorida Frivate Student Assistance Grant	394,649	267	73,429	19%	50	19%			1	ı
Florida Academic Scholars Award	464,494	120	119,485	79%	30	25%		ì	1	I
Florida Medallion Scholars Award	980,707	380	127,080	13%	50	13%		1	1	i
Florida Gold Scal Vocational Scholars Award	20,474	∞	20,474	100%	∞	100%		, I	I	1
Scholarships for Children of Deceased and Disabled Veterans	:		,		•					ı
and Servicementoers	11,292	4	11,292	100%	4	100%		1	1	I
	\$ 4,269,238									