# University of North Texas System
## Schedule of Expenditures of State Awards for the Cancer Prevention and Research Institute of Texas
### Year Ended August 31, 2018

The accompanying notes are an integral part of this Schedule.

<table>
<thead>
<tr>
<th>State Grantor/Location/Program Title</th>
<th>State Identifying Number</th>
<th>Passed Through to Subrecipients</th>
<th>Total CPRIT Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancer Prevention and Research Institute of Texas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University of North Texas Health Science Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>at Fort Worth</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Bridges Initiative: Cancer Prevention Education and Screening for Refugees</td>
<td>PP170012</td>
<td>$</td>
<td>$ 477,027</td>
</tr>
<tr>
<td>Selective Tumor Delivery of Anti-Cancer Agents in Ovarian Cancer Therapy</td>
<td>DP150091</td>
<td>87,745</td>
<td>144,598</td>
</tr>
<tr>
<td>Osteopathic Scholars in Cancer Research Program</td>
<td>RP170301</td>
<td>$</td>
<td>117,460</td>
</tr>
<tr>
<td><strong>Total Cancer Prevention and Research Institute of Texas</strong></td>
<td></td>
<td>$ 87,745</td>
<td><strong>$ 739,085</strong></td>
</tr>
</tbody>
</table>
Notes to Schedule

1. The accompanying schedule of expenditures of state awards (Schedule) includes the state award activity of University of North Texas System (University) under programs of Cancer Prevention and Research Institute of Texas (CPRIT) for the year ended August 31, 2018. The information in this Schedule is presented in accordance with the requirements of the CPRIT Policies and Procedures Guide (CPRIT Guide). Because the Schedule 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 position or cash flows of the University.

2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-21, Cost Principles for Educational Institutions, the cost principles contained in Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards or the cost principles contained in the CPRIT Guide, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. The University does not have any state loan programs.
Independent Auditor's Report

Board of Regents
University of North Texas System
Denton, Texas

Report on the Schedule of Expenditures of State Awards for the Cancer Prevention and Research Institute of Texas

We have audited the accompanying schedule of expenditures of state awards for the Cancer Prevention and Research Institute of Texas of the University of North Texas System for the year ended August 31, 2018, and the related notes (financial statement).

Management's Responsibility for the Schedule of Expenditures of State Awards for the Cancer Prevention and Research Institute of Texas

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audits 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 the Cancer Prevention and Research Institute of Texas Policies and Procedures Guide (CPRIT Guide). Those standards and the CPRIT Guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the expenditures of state awards for the Cancer Prevention and Research Institute of Texas of the University of North Texas System for the year ended August 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

**BKD, LLP**

Dallas Texas,
May 23, 2019

Independent Auditor’s Report

Board of Regents
University of North Texas System
Denton, Texas

Report on Compliance for the Cancer Prevention and Research Institute of Texas Program

We have audited University of North Texas System’s (University) compliance with the types of compliance requirements described in the Cancer Prevention and Research Institute of Texas Policies and Procedures Guide (CPRIT Guide) that could have a direct and material effect on its Cancer Prevention and Research Institute of Texas (CPRIT) Program for the year ended August 31, 2018.

Management’s Responsibility

Management is responsible for compliance with state statutes, regulations and the terms and conditions of its state awards applicable to its CPRIT program.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for the University's CPRIT program based on our audit of the types of compliance requirements referred to above. 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 the CPRIT Guide. Those standards and CPRIT Guide 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 CPRIT 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 on compliance for the CPRIT program. However, our audit does not provide a legal determination of the University’s compliance.
Opinion on Compliance for the CPRIT Program

In our opinion, the University of North Texas System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its CPRIT program for the year ended August 31, 2018.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University’s internal control over compliance with the types of requirements that could have a direct and material effect on its CPRIT program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its CPRIT program and to test and report on internal control over compliance in accordance with the CPRIT Guide, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a CPRIT program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a CPRIT program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a CPRIT program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the CPRIT Guide. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Dallas, Texas
May 23, 2019
University of North Texas System
Schedule of Findings and Questioned Costs
Year Ended August 31, 2018

Summary of Auditor’s Results

Financial Statement
1. The type of report the auditor issued on whether the financial statement audited was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:
   - ☒ Unmodified
   - ☐ Qualified
   - ☐ Adverse
   - ☐ Disclaimer

CPRIT Program
2. The independent auditor’s report on internal control over compliance for CPRIT program disclosed:
   - Significant deficiency(ies)? ☐ Yes ☒ None reported
   - Material weakness(es)? ☐ Yes ☒ No

3. The opinion expressed in the independent auditor’s report on compliance for CPRIT program was:
   - ☒ Unmodified
   - ☐ Qualified
   - ☐ Adverse
   - ☐ Disclaimer

4. The audit disclosed findings required to be reported CPRIT Guide?
   - ☐ Yes ☒ No

Findings Required to be Reported by CPRIT Guide

<table>
<thead>
<tr>
<th>Reference Number</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No matters are reportable.</td>
</tr>
</tbody>
</table>


### University of North Texas System
### Summary Schedule of Prior Audit Findings
### Year Ended August 31, 2018

<table>
<thead>
<tr>
<th>Reference Number</th>
<th>Summary of Finding</th>
<th>Status</th>
</tr>
</thead>
</table>

No matters are reportable.