

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Received by the Regents

April 21, 2006

ITEM FOR INFORMATION

SUBJECT: Financial Statements and Reports Pursuant to Federal Office of Management and Budget (OMB) Circular A-133

SUMMARY:

Enclosed are the Reports on Federal Awards in accordance with OMB Circular A-133 for the year ended June 30, 2005. Our independent auditors, PricewaterhouseCoopers, conducted their audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 PricewaterhouseCoopers plan and perform the audit to obtain reasonable assurance about whether any non-compliance that could have a direct and material effect on a major federal program occurred.

It is PricewaterhouseCoopers' opinion that the University has complied, in all material respects, with the requirements applicable to each of its major federal programs for the year ended June 30, 2005.

Respectfully submitted,



Timothy P. Slotow
Executive Vice President
and Chief Financial Officer

April 2006
enclosure