

STATE OF MARYLAND

**Single Audit Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2015

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JUNE 30, 2015

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Honorable Peter Franchot
Comptroller of Maryland

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Maryland (the State), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the State's basic financial statements.

Management's Responsibility for the Financial Statements

The State's management is responsible for the preparation and fair presentation of these financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain Economic Development Loan Programs; the Maryland Lottery and Gaming Control Agency; the Maryland Transportation Authority; the Economic Development Insurance Programs; certain foundations included in the higher education component units; the Maryland Technology Development Corporation; and the Investment Trust Fund. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the State, is based solely on the report of the other auditors. 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 from material misstatement.



The financial statements that we did not audit which are listed above represent the percentages of the total assets, total net position, and total revenues of the accompanying financial statements as listed below.

	Percentage of Opinion Unit		
	<u>Total Assets</u>	<u>Total Net Position</u>	<u>Total Operating Revenues</u>
Business-Type Activities			
Major -			
Certain Economic Development Loan Programs	20.2%	5.6%	2.2%
Maryland Lottery and Gaming Control Agency	2.3	0.0	61.0
Maryland Transportation Authority	52.3	49.3	17.6
Non-Major -			
Economic Development Insurance Programs	0.6	1.0	0.0
Total percentage of business-type activities	<u>75.4%</u>	<u>55.9%</u>	<u>80.8%</u>
Component Units			
Major -			
Certain foundations included in the higher education component units	13.7%	17.0%	10.7%
Non-Major -			
Maryland Technology Development Corporation	0.2	0.1	1.6
	<u>13.9%</u>	<u>17.1%</u>	<u>12.3%</u>
Fiduciary Funds			
Investment Trust Fund	5.7%	6.2%	59.3%

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the State adopted the new accounting guidance from GASB Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. The beginning balance of the basic financial statement as of July 1, 2014 is restated due to the implementation of above GASB Statements. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; required supplemental schedules of funding progress and employer contributions for the Maryland Transit Administration Retiree Healthcare Benefit, and Other Post-employment Benefits Plan; and the respective budgetary comparison for the budgetary general, special and Federal funds be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The combining financial statements, schedules, introductory and statistical sections, and financial schedules required by law, and the Schedule of Expenditures of Federal Awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements, schedules, introductory and statistical sections, and financial schedules required by law, and the Schedule of Expenditures of Federal Awards were the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion and based on the reports of the other auditors The combining financial statements, schedules, introductory and statistical sections, and financial schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections and the financial schedules required by law have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2015, on our consideration of the State'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

Hunt Valley, Maryland
December 15, 2015

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Peter Franchot
Comptroller of Maryland

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Maryland (the State), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 15, 2015. Our report includes a reference to other auditors who audited the financial statements of certain Economic Development Loan Programs; the Maryland Lottery and Gaming Control Agency; the Maryland Transportation Authority; and the Maryland Technology Development Corporation, as described in our report on the State's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

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 and correct, 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free from 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 other matters involving the internal control over financial reporting, which we have reported to the management of the University System of Maryland in a separate report dated November 9, 2015.

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 the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hunt Valley, Maryland
December 15, 2015

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Peter Franchot
Comptroller of Maryland

Report on Compliance for Each Major Federal Program

We have audited the State of Maryland's (the State) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the State's major Federal programs for the year ended June 30, 2015. The State's major Federal programs are identified in the summary of independent public accountants' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State's major Federal programs 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 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 referred to above 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 State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

The State's basic financial statements include the operations of the Maryland Water Quality Financing Administration, an administration of the Maryland Department of the Environment and the Maryland Transportation Authority, an enterprise fund of the State, which received Federal awards that are not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of these entities because the State engaged other auditors to perform a separate audit in accordance with OMB Circular A-133.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the State's compliance.

Opinion on Each Major Federal Program

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the compliance requirements referred to above that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001, 2015-002, 2015-003, 2015-004, 2015-005, 2015-006, 2015-007, 2015-008, 2015-009, and 2015-010. Our opinion on each major Federal program is not modified with respect to these matters.

The State's response to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The State's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the State 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, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 State's internal control over compliance.



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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal controls over compliance that we consider to be a material weakness and significant deficiencies.

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 Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2015-009 to be a material weakness.

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 Federal 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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2015-002, 2015-003, 2015-004, 2015-005, 2015-006, 2015-007, 2015-008, and 2015-010 to be significant deficiencies.

The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Hunt Valley, Maryland
March 2, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
US DEPARTMENT OF AGRICULTURE (USDA)						
Agricultural Research: Basic and Applied Research	10.001	\$ -	\$ -	\$ 2,187,713		\$ 2,187,713
Plant and Animal Disease, Pest Control and Animal Care	10.025	-	-	5,807		5,807
Plant and Animal Disease, Pest Control and Animal Care	10.025	-	-	849,601		849,601
Wildlife Services	10.028	-	-	58,452		58,452
Conservation Reserve Program	10.069	-	-	62,722		62,722
Wetlands Reserve Program	10.072	-	-	14,373		14,373
Pass-Through Metropolitan Washington Council of Governments	10.11-DG-11420004-224	-	-	7,656		7,656
Contract / Other Forest Service	10.12JV11221638084	6,450	-	-		6,450
Contract Other	10.13-CS-11242302-095	-	-	3,025		3,025
Shell Egg Surveillance	10.162	-	-	139,371		139,371
Market Protection and Promotion	10.163	-	-	118,964		118,964
Specialty Crop	10.170	-	-	459,795		459,795
Cooperative Forestry Research	10.202	-	-	62,597		62,597
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205	-	-	1,626,412		1,626,412
Pass-Through Northeast Sustainable Agriculture Research and Education (SARE)	10.215	-	-	9,874		9,874
Pass-Through Grants - University of Vermont	10.215	-	-	37,550		37,550
Sustainable Agriculture Research and Education	10.215	-	-	879,235		879,235
Pass-Through Tennessee State University	10.216	-	-	85,815		85,815
1890 Institution Capacity Building Grants	10.216	-	-	1,008,827		1,008,827
Institution Capacity Building Grants	10.216	12,666	-	-		12,666
Pass-Through Health Care without Harm	10.225	-	-	37,035		37,035
Pass-Through Cornell University	10.304	-	-	26,216		26,216
Organic Agriculture Research and Extension Initiative	10.307	-	-	83,963		83,963
Specialty Crop Research Initiative	10.309	-	-	500,047		500,047
Pass-Through University of Illinois	10.310	-	-	13,617		13,617
Pass-Through University of Nebraska	10.310	-	-	54,400		54,400
Agricultural and Food Research Initiative (AFRI)	10.310	-	-	92,958		92,958
Pass-Through Cornell University	10.310	-	-	121,239		121,239
Beginning Farmer & Rancher Development Program	10.311	-	-	249,942		249,942
Afghanistan Agricultural Extension Project (AAEP)	10.324	-	-	122,138		122,138
Pass-Through University of Connecticut	10.329	-	-	5,000		5,000
Agricultural Mediation Program	10.435	-	-	76,748		76,748
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443	-	-	132,995		132,995
Crop Insurance	10.458	-	-	446,688		446,688
FD Chemistry & Microbiology Emerg Prepar	10.479	-	-	118,963		118,963
Pass-Through Pennsylvania State University	10.500	-	-	15,875		15,875
Pass-Through Northeast Sustainable Agriculture Research and Education (SARE)	10.500	-	-	15,912		15,912
Pass-Through University of Delaware	10.500	-	-	19,335		19,335
Pass-Through Kansas State University	10.500	-	-	79,859		79,859
Cooperative Extension Service	10.500	-	-	541,048		541,048
Food Donation	10.550	-	-	19,973,000		19,973,000
Supplemental Nutritional Assistance Program Cluster (SNAP)						
Food Stamps	10.551	-	-	1,147,617,815		1,147,617,815
Administrative Funding for Food Stamp Program	10.561	-	-	68,559,715		68,559,715
Total SNAP Cluster					\$ 1,216,177,530	
Child Nutrition Cluster						
School Breakfast Program	10.553	-	-	66,479,632		66,479,632
National School Lunch Program	10.555	-	-	166,527,764		166,527,764
Special Milk Program for Children	10.556	-	-	385,361		385,361
Summer Food Service Program for Children	10.559	-	-	8,662,440		8,662,440
Total Child Nutrition Cluster					242,055,197	
Special Supplemental Nutrition Program - WIC	10.557	-	-	106,942,457		106,942,457
Child and Adult Care Food Program	10.558	-	-	61,486,646		61,486,646
Administrative Expenses for Child Nutrition	10.560	-	-	4,874,653		4,874,653
Food Distribution Cluster						
Dept of Agriculture-Commodity Supplemental Food Program	10.565	-	-	417		417
Emergency Food Assistance Program (Administrative Costs)	10.568	-	-	633,467		633,467
Emergency Food Assistance Program (Food Commodities)	10.569	-	-	5,973,993		5,973,993
Total Food Distribution Cluster					6,607,877	
WIC Farmers' Market Nutrition Program (FMNP)	10.572	-	-	406,572		406,572
Team Nutrition Training	10.574	-	-	249,220		249,220
Farmers Market Nutrition Program (SFMNP)	10.576	-	-	215,776		215,776
Administrative Review and Training	10.579	-	-	79,265		79,265
Fresh Fruit and Vegetable Program	10.582	-	-	3,397,230		3,397,230
Cooperative Forestry Assistance	10.664	-	-	1,330,898		1,330,898
Urban and Community Forestry Program	10.675	-	-	89,447		89,447
Forest Legacy Program	10.676	-	-	672		672
Forest Stewardship Program	10.678	-	-	267,199		267,199
Forest Health Protection	10.680	-	-	6,828		6,828
Pass-Through Syracuse University	10.761	-	-	15,972		15,972
Norman E. Borlaug International Agricultural Science and Technology Fellowship	10.777	-	-	68,636		68,636
Pass-Through Virginia Polytechnic Institute and State University	10.912	-	-	96,768		96,768
Environmental Quality Incentives Program	10.912	-	-	240,989		240,989
Environmental Quality	10.912	-	-	589,556		589,556
Technical Agricultural Assistance	10.960	-	-	2,780,489		2,780,489
Contract / Other Foreign Agricultural Service	10.AG3151P140161	-	-	1,500		1,500
Contract / Other	10.FSA-641	-	-	5,835		5,835
Pass-Through Woods Hole Oceanographic Institute	10.RD	38	-	-		38
Pass-Through Delaware State University	10.RD	194	-	-		194
Pass-Through Delaware State University	10.RD	605	-	-		605
Pass-Through Auburn University	10.RD	991	-	-		991
Pass-Through Virginia Department of Conservation	10.RD	2,721	-	-		2,721
Pass-Through University of Nebraska	10.RD	4,080	-	-		4,080
Pass-Through Dartmouth College	10.RD	4,424	-	-		4,424
Pass-Through University of Rhode Island	10.RD	4,607	-	-		4,607
Pass-Through University of Mississippi	10.RD	4,993	-	-		4,993
Pass-Through University of Maine	10.RD	7,974	-	-		7,974
Pass-Through Ohio State University	10.RD	8,587	-	-		8,587

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
US DEPARTMENT OF AGRICULTURE (USDA) (continued)						
Pass-Through Virginia Polytechnic Institute and State University	10.RD	\$ 9,417	\$ -	\$ -		\$ 9,417
Agricultural Marketing Service	10.RD	9,941	-	-		9,941
Pass-Through University of California, Riverside	10.RD	18,573	-	-		18,573
Pass-Through Purdue University	10.RD	23,505	-	-		23,505
Pass-Through Colorado State University	10.RD	24,996	-	-		24,996
Pass-Through Almond Board of California	10.RD	25,273	-	-		25,273
Pass-Through Purdue University	10.RD	49,683	-	-		49,683
Natural Resources Conservation Service	10.RD	51,799	-	-		51,799
Pass-Through Winrock International	10.RD	52,562	-	-		52,562
Pass-Through Farm Pilot Project Coordination, Inc.	10.RD	54,866	-	-		54,866
Pass-Through University of Delaware	10.RD	71,497	-	-		71,497
Pass-Through University of Delaware	10.RD	75,638	-	-		75,638
Pass-Through Clemson University	10.RD	76,269	-	-		76,269
Pass-through Michigan State University	10.RD	78,580	-	-		78,580
Pass-Through, Rutgers, the State University of New Jersey	10.RD	83,471	-	-		83,471
National Agricultural Statistics Service	10.RD	83,863	-	-		83,863
Pass-Through University of Wisconsin - Madison	10.RD	93,551	-	-		93,551
Pass-Through Colorado State University	10.RD	95,905	-	-		95,905
Pass-Through Virginia Polytechnic Institute and State University	10.RD	98,786	-	-		98,786
Pass-Through Cornell University	10.RD	138,365	-	-		138,365
Economic Research Service	10.RD	191,875	-	-		191,875
Pass-Through Johns Hopkins University	10.RD	229,504	-	-		229,504
Pass-Through University of Vermont	10.RD	341,280	-	-		341,280
Forest Service	10.RD	438,435	-	-		438,435
Animal and Plant Health Inspection Service	10.RD	508,326	-	-		508,326
Pass-Through University of California, Davis	10.RD	806,502	-	-		806,502
Foreign Agricultural Service	10.RD	1,125,012	-	-		1,125,012
The National Institute of Food and Agriculture (NIFA)	10.RD	6,041,576	-	-		6,041,576
Agricultural Research Service	10.RD	6,507,582	-	-		6,507,582
Contract / Other Farm Service Agency	10.Unknown	-	-	7,680		7,680
Total US Department of Agriculture		17,464,962	-	1,678,339,659		1,695,804,621
DEPARTMENT OF COMMERCE (DOC)						
Contract / Other	11.Unknown	-	-	-		-
Pass-Through St. Mary's County	11.049035	-	-	68,502		68,502
National Technical Assistance	11.303	2,053	-	-		2,053
The Economic Development Administration (EDA) Awards Grants Cluster						
Economic Adjustment Assistance	11.307 011903134	-	-	637,954		637,954
Economic Adjustment Assistance	11.307 014903271	-	-	1,475,962		1,475,962
Economic Adjustment Assistance	11.307 014903420-01490342001	-	-	3,177,230		3,177,230
Total EDA Awards Grants Cluster					\$ 5,291,146	
Interjurisdictional Fisheries Act of 1986	11.407	-	-	97,662		97,662
Coastal Zone Management Administration Awards	11.419	-	-	2,651,078		2,651,078
Coastal Zone Management Estuarine Research Reserves	11.420	-	-	709,566		709,566
Financial Assistance for National Centers for Coastal Ocean Science	11.426	-	-	634,501		634,501
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427	-	-	208		208
Marine Mammal Data Program	11.439	-	-	43,971		43,971
Unallied Industry Projects	11.452	-	-	1,059,495		1,059,495
Unallied Management Program	11.454	-	-	16,087		16,087
Pass-Through National Audubon Society	11.457	-	-	2,050		2,050
Chesapeake Bay Studies	11.457	124,975	-	-		124,975
Chesapeake Bay Studies	11.457	-	-	142,481		142,481
Habitat Conservation	11.463	-	-	707,840		707,840
Unallied Science Program	11.472	-	-	27,619		27,619
Unallied Science Program	11.472	-	-	244,456		244,456
Atlantic Coastal Fisheries Cooperative Management Act	11.474	-	-	276,543		276,543
Coastal Ocean Research Program	11.478	-	-	89,639		89,639
Educational Partnership Programs	11.481	-	-	3,012,977		3,012,977
NOAA Programs for Disaster relief Appr Act	11.483	-	-	723		723
Maryland Broadband Planning&Implementation Project	11.549	-	-	511,951		511,951
Pass-Through Maryland Broadband Cooperative, Inc	11.558	-	-	29,877		29,877
Pass-Through Maryland Broadband Cooperative, Inc	11.558 ARRA	-	-	219,016		219,016
Measurement and Engineering Research and Standards	11.609	-	-	1,742,789		1,742,789
Office: National Institute of Standards and Technology (NIST)	11.609	114,767	-	-		114,767
Measurement & Engineering Research & Standards	11.609	-	-	2,863		2,863
Science, Technology, Business and/or Education Outreach	11.620	-	-	126,625		126,625
Contract/ Other - Census Bureau	11.IPA No. 9014IPAA01	-	-	13,043		13,043
Contract/Other - NIST	11.IPA No. IP1302	-	-	58,622		58,622
Contract/Other - NIST	11.IPA No. IP1304	-	-	8,854		8,854
Contract/Other - NIST	11.IPA No. IP1414	-	-	9,055		9,055
Contract/ Other - Census Bureau	11.IPA Sinah	44,780	-	-		44,780
Contract/Other - NIST	11.IPA Yeo	90,076	-	-		90,076
Pass-Through University of South Carolina	11.RD	154	-	-		154
Pass-Through University of Alaska Fairbanks	11.RD	4,282	-	-		4,282
Pass-Through University of Massachusetts Boston	11.RD	9,982	-	-		9,982
Pass-Through HydroQual, Inc	11.RD	12,465	-	-		12,465
Pass-Through North Pacific Research Board	11.RD	18,094	-	-		18,094
Pass-Through Chesapeake Appreciation Inc	11.RD	20,630	-	-		20,630
Pass-Through National Fish and Wildlife Foundation	11.RD	29,387	-	-		29,387
Rural Housing Service	11.RD	30,016	-	-		30,016
Pass-Through Chesapeake Research Consortium	11.RD	38,757	-	-		38,757
Pass-Through Rutgers, The State University of New Jersey	11.RD	48,282	-	-		48,282
Pass-Through Southeastern Universities Research Association	11.RD	68,487	-	-		68,487
Pass-Through Prometheus Computing, LLC	11.RD	73,626	-	-		73,626
Pass-Through Cooperative Institute for the North Atlantic Region	11.RD	113,255	-	-		113,255
Pass-Through Research Foundation of The City University of New York	11.RD	120,103	-	-		120,103
Pass-Through Howard University	11.RD	129,311	-	-		129,311

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF COMMERCE (DOC) (continued)						
Economic Development Administration	11.RD	\$ 144,566	\$ -	\$ -		\$ 144,566
Pass-Through Mississippi State University	11.RD	164,779	-	-		164,779
Pass-Through Stratus Consulting	11.RD	175,685	-	-		175,685
Pass-Through Oyster Recovery Partnership	11.RD	212,288	-	-		212,288
Pass-Through University of New Hampshire	11.RD	256,007	-	-		256,007
Pass-Through Oyster Recovery Partnership	11.RD	490,057	-	-		490,057
Pass-Through Woods Hole Oceanographic Institute	11.RD	614,155	-	-		614,155
US Census Bureau	11.RD	2,888,264	-	-		2,888,264
National Institute for Standards and Technology (NIST)	11.RD	22,088,819	-	-		22,088,819
National Oceanic and Atmospheric Administration	11.RD	26,777,624	-	-		26,777,624
Pass-Through Intelligent Automation, Inc	11.Unknown	-	-	20,101		20,101
Total Department of Commerce		54,905,726	-	17,819,340		72,725,066
DEPARTMENT OF DEFENSE (DOD)						
U.S. Army, Material Command	12.RD					
Pass-Through University of California, Davis	12.RD	456,351	-	-		456,351
Contract / Other - National Security Agency	12. IPA Nicholas	10,000	-	-		10,000
Procurement Technical Assistance for Business Firms	12.002	-	-	700,982		700,982
State Memo of Agreement Prog for Reimb of Tech Service	12.113	-	-	777,241		777,241
Federal Voting Assistance Program	12.217	-	-	14,815		14,815
EASE - Effective Absentee System of Election	12.219	-	-	38,430		38,430
Basic and Applied Scientific Research	12.300	-	-	93,501		93,501
Basic and Applied Scientific Research	12.300	1,436,551	-	-		1,436,551
Basic and Applied Scientific Research	12.300	-	-	8,479		8,479
High Atom Number in Microsized Atom Traps	12.300	-	-	54,806		54,806
National Guard Military Operations & Maint	12.401	-	-	28,208,143		28,208,143
National Guard Civilian Youth Opportunities	12.404	-	-	2,092,601		2,092,601
Military Medical Research and Development	12.420	-	-	456		456
Basic Scientific Research	12.431	-	-	137,348		137,348
Basic Scientific Research	12.431	253,533	-	-		253,533
Pass-Through Institute of International Education	12.550	-	-	924,414		924,414
Pass-Through Institute of International Education	12.579	-	-	182,405		182,405
Annual Congressionally Directed Assistance	12.599	311,599	-	-		311,599
Special Projs/Other Federal Aggy	12.617	-	-	5,109,643		5,109,643
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	-	223,236		223,236
Basic, Applied, Advanced Research in Science & Engineering	12.630	589,438	-	-		589,438
Motor Week Energy	12.678	-	-	478,696		478,696
Air Force Defense Research Sciences	12.800	-	-	15,387		15,387
Pass-Through Wyle Integrated Science & Engineering Gr	12.800	106,930	-	-		106,930
Air Force Defense Research Sciences Program	12.800	116,336	-	-		116,336
Pass-Through Baltimore City Public Schools	12.901	-	-	35,513		35,513
Mathematical Sciences Grant Program	12.901	-	-	1,061,527		1,061,527
Mathematical Sciences Grants Program	12.901	35,541	-	-		35,541
Information Security Grants	12.902	-	-	60,124		60,124
Contract/Other - United States Air Force	12.FA910110D00010005	21,610	-	-		21,610
Contract/Other - United States Air Force Arnold Air Force Base	12.FA910110D00010007	3,856	-	-		3,856
Contract/Other - United States Air Force Arnold Air Force Base	12.FA910110D00010008	29,559	-	-		29,559
Contract / Other - National Security Agency	12.H98230-11-C-0300	454,854	-	-		454,854
Contract/Other	12.HC1047-05-D-4015	-	-	81,009		81,009
Contract/Other - United States Army Medical Research & Development	12.IPA	-	-	200,010		200,010
Contract / Other - National Security Agency	12.IPA Finn	12,060	-	-		12,060
Contract/Other - Defense Advanced Research Projects Agency	12.IPA No. 10092424	-	-	25,322		25,322
Contract / Other US Army Corp of Engineers	12.IPA No. 140012	-	-	34,628		34,628
Contract/Other - Defense Advanced Research Projects Agency	12.IPA No. 14102763	-	-	233,154		233,154
Contract/Other - United States Navy IPA	12.IPA No.N6659612IPA0004	-	-	152,799		152,799
Contract/Other - Defense Advanced Research Projects Agency	12.N66001-13-C-4023	3,906,691	-	-		3,906,691
Contract/Other - United States Army	12.NAFBA113M0322	-	-	89,378		89,378
Pass-Through Voss Scientific, Inc.	12.RD	2	-	-		2
Pass-Through Leidos, Inc.	12.RD	6	-	-		6
Pass-Through University Research Foundation	12.RD	76	-	-		76
Pass-Through Ohio State University	12.RD	2,235	-	-		2,235
Uniformed Services University of the Health Services	12.RD	2,702	-	-		2,702
Pass-Through Maxion Technologies, Inc.	12.RD	3,846	-	-		3,846
Pass-Through University of Southern California	12.RD	5,139	-	-		5,139
Pass-Through Massachusetts Institute of Technology	12.RD	8,811	-	-		8,811
Pass-Through University of New Mexico	12.RD	11,479	-	-		11,479
Pass-Through Intelligent Automation	12.RD	12,040	-	-		12,040
Pass-Through KeraNetics	12.RD	18,248	-	-		18,248
Defense Logistics Agency	12.RD	21,379	-	-		21,379
Pass Through SR 2 Group	12.RD	22,951	-	-		22,951
Pass-Through George Washington University	12.RD	24,044	-	-		24,044
Pass-Through Decisive Analytics Corporation	12.RD	24,474	-	-		24,474
Pass-Through University of Hawaii	12.RD	25,244	-	-		25,244
Pass-Through Brimrose Corporation of America	12.RD	30,526	-	-		30,526
Pass-Through University of Pittsburgh	12.RD	36,169	-	-		36,169
Pass-Through Pennsylvania State University	12.RD	42,876	-	-		42,876
National Security Agency	12.RD	44,049	-	-		44,049
Pass-Through Materials Research & Design Inc	12.RD	45,087	-	-		45,087
Pass-Through University of Colorado	12.RD	49,185	-	-		49,185
Pass-Through Johns Hopkins University	12.RD	54,914	-	-		54,914
Pass-Through Creare, Inc	12.RD	56,241	-	-		56,241
Pass-Through University of Washington	12.RD	56,795	-	-		56,795
Pass-Through BAE Systems	12.RD	58,906	-	-		58,906
Pass-Through University of California, Irvine	12.RD	64,230	-	-		64,230
Pass-Through Intelligent Fusion Technology, Inc.	12.RD	65,482	-	-		65,482
Pass-Through George Mason University	12.RD	65,485	-	-		65,485
Pass-Through FlexEL, Inc	12.RD	65,703	-	-		65,703
Pass-Through National Security Technologies LLC	12.RD	65,735	-	-		65,735

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF DEFENSE (DOD) (continued)						
Pass-Through Celadon Laboratories	12.RD	\$ 67,210	\$ -	\$ -		\$ 67,210
Pass-Through Neocera, Inc.	12.RD	67,470	-	-		67,470
Pass-Through University of New Mexico	12.RD	72,545	-	-		72,545
Pass-Through George Mason University	12.RD	73,054	-	-		73,054
Pass-Through United Technologies	12.RD	75,606	-	-		75,606
Pass-Through Texas A&M University	12.RD	76,958	-	-		76,958
Pass-Through Rensseler Polytechnic Institute	12.RD	82,409	-	-		82,409
Pass-Through University of Arizona	12.RD	82,885	-	-		82,885
Defense Intelligence Agency	12.RD	85,282	-	-		85,282
Pass-Through Carbon Solutions, Inc.	12.RD	85,915	-	-		85,915
Pass-Through University of Connecticut	12.RD	91,666	-	-		91,666
Pass-Through Medical University of South Carolina	12.RD	94,670	-	-		94,670
Pass-Through Carnegie Mellon University	12.RD	96,927	-	-		96,927
Pass-Through Vertical Lift Consortium, Inc.	12.RD	97,594	-	-		97,594
Pass-Through University of California, Irvine	12.RD	97,953	-	-		97,953
Pass-Through Hampton University	12.RD	101,235	-	-		101,235
Pass-Through Georgia Institute of Technology	12.RD	102,240	-	-		102,240
Pass-Through Johns Hopkins University	12.RD	104,202	-	-		104,202
Pass-Through University of Virginia	12.RD	106,672	-	-		106,672
Pass-Through CoolCad Electronics	12.RD	108,803	-	-		108,803
Pass-Through Florida State University	12.RD	113,376	-	-		113,376
Pass-Through University of Michigan	12.RD	118,293	-	-		118,293
Pass-Through Science Applications International Corporation (SAIC)	12.RD	125,360	-	-		125,360
Pass-Through Aurora Flight Sciences Corporation	12.RD	133,536	-	-		133,536
Pass-Through Rice University	12.RD	150,267	-	-		150,267
Pass-Through Heron Systems, Inc	12.RD	161,974	-	-		161,974
Pass-Through Cooperative Ecosystem Studies Units	12.RD	163,023	-	-		163,023
Pass-Through University of California, Berkeley	12.RD	168,728	-	-		168,728
Pass-Through Niels Bohr Institute	12.RD	177,004	-	-		177,004
Pass-Through Duke University	12.RD	183,606	-	-		183,606
Pass-Through BAE Systems Advanced Information Technologies	12.RD	189,010	-	-		189,010
Pass-Through Adams Communications & Engineering Technology	12.RD	190,089	-	-		190,089
Pass-Through Virginia Polytechnic Institute and State University	12.RD	218,523	-	-		218,523
Department of the Army, Office of the Chief of Engineers	12.RD	228,681	-	-		228,681
Pass-Through Duke University	12.RD	243,297	-	-		243,297
Pass-Through Wake Forest University	12.RD	246,550	-	-		246,550
Pass-Through University of Washington	12.RD	265,513	-	-		265,513
Pass-Through Massachusetts Institute of Technology	12.RD	307,716	-	-		307,716
Pass-Through Perceptronics Solutions, Inc.	12.RD	318,637	-	-		318,637
Pass-Through Virginia Polytechnic Institute and State University	12.RD	325,010	-	-		325,010
Pass-Through Utah University	12.RD	330,026	-	-		330,026
Pass-Through Johns Hopkins University	12.RD	411,714	-	-		411,714
Pass-Through Pennsylvania State University	12.RD	465,197	-	-		465,197
Pass-Through Georgia Institute of Technology	12.RD	469,969	-	-		469,969
Pass-Through Raytheon Corporation	12.RD	500,743	-	-		500,743
Pass-Through University of California, San Diego	12.RD	559,587	-	-		559,587
Pass-Through Massachusetts Institute of Technology	12.RD	657,761	-	-		657,761
Pass-Through International Business Machines, Corp. (IBM)	12.RD	667,426	-	-		667,426
Pass-Through Duke University	12.RD	824,715	-	-		824,715
Pass-Through Henry M Jackson Foundation	12.RD	829,220	-	-		829,220
Office of the Secretary of Defense	12.RD	3,056,980	-	-		3,056,980
Advanced Research Projects Agency:	12.RD	5,016,183	-	-		5,016,183
U.S. Army, Medical Command	12.RD	5,638,418	-	-		5,638,418
Department of the Air Force, Material Command	12.RD	9,799,468	-	-		9,799,468
U.S. Army, Material Command	12.RD	10,381,207	-	-		10,381,207
Department of the Navy, Office of Chief of Naval Research	12.RD	11,215,803	-	-		11,215,803
Other Department of Defense	12.RD	29,954,915	-	-		29,954,915
Pass-Through Johns Hopkins Applied Physics Laboratory	12.Unknown	-	-	8,550		8,550
Pass-Through Vanderbilt University	12.Unknown	-	-	10,000		10,000
Pass-Through Texas Technical University	12.Unknown	-	-	28,664		28,664
Contract / Other - National Security Agency	12.Unknown	-	-	35,567		35,567
Contract / Other	12.Unknown	-	-	9,029,322		9,029,322
Pass-Through Universal Technology Corporation	12.Unknown	4,206	-	-		4,206
Pass-Through Galois	12.Unknown	10,311	-	-		10,311
Pass-Through Henry Jackson Foundation	12.Unknown	50,175	-	-		50,175
Pass-Through University of Washington	12.Unknown	51,246	-	-		51,246
Pass-Through High Performance Technologies	12.Unknown	57,563	-	-		57,563
Pass-Through General Dynamics	12.Unknown	60,984	-	-		60,984
Pass-Through University of Michigan	12.Unknown	74,129	-	-		74,129
Pass-Through Army Test and Evaluation Command (ATEC)	12.Unknown	77,120	-	-		77,120
Pass-Through Vencore Labs, Inc DBA Applied Communication Science	12.Unknown	110,228	-	-		110,228
Pass-Through Centeye, Inc	12.Unknown	137,502	-	-		137,502
Pass-Through BAE Systems Advanced Information Technologies	12.Unknown	1,043,815	-	-		1,043,815
Contract other	12.Unknown	-	-	79,957		79,957
Contract/Other - Army Research Laboratory Contract	12.W911NF-11-2-0074	98,682	-	-		98,682
Pass-Through Paragon Bioservices, Inc	12.W911QY-12-C0028	90,855	-	-		90,855
Contract / Other US Army Aberdeen Proving Grounds	12.W911QY13C0088	-	-	17,225		17,225
Contract / Other US Army Aberdeen Proving Grounds	12.W911-SR-13-P-0020	20	-	-		20
Contract / Other US Army Corp of Engineers	12.W912DR14P0144	-	-	56,117		56,117
Contract / Other US Army Corp of Engineers	12.W912HQ-12-C-0006	247,979	-	-		247,979
Contract / Other Strategic Environmental Research and Development Program (SERDP)	12.W912HQ-14-P-0111	44,308	-	-		44,308
Contract / Other US Army Corp of Engineers	12.W912HZ1420017	32,037	-	-		32,037
Total Department of Defense		97,498,949	-	50,299,449		147,798,398

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
CENTRAL INTELLIGENCE AGENCY (CIA)						
Contract / Other	13.20131304	\$ 23,762	\$ -	\$ -		\$ 23,762
Contract / Other	13.20141408	431,311	-	-		431,311
Contract / Other	13.Unknown	50,258	-	40,943		91,201
Total Central Intelligence Agency		505,331	-	40,943		546,274
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)						
Supportive Housing for Persons with Disabilities	14.181	-	-	1,653,364		1,653,364
Section 8 Project-Based Cluster						
Section 8 Housing Assistance Payments Program	14.195	-	-	192,185,229		192,185,229
Moderate Rehab	14.856	-	-	411,857		411,857
Total Section 8 Project-Based Cluster					\$ 192,597,086	
Community Development Block Grants/Entitlement Grants	14.218	38,944	-	-		38,944
Community Development Block Grant/State's Program	14.228	-	-	6,832,411		6,832,411
Housing Assistance	14.231	-	-	1,014,328		1,014,328
Supportive Housing Program	14.235	-	-	849,440		849,440
Shelter Plus Care	14.238	-	-	48,612		48,612
HOME Investment Partnership Program	14.239	-	-	8,667,098		8,667,098
Pass-Through Baltimore City Department of Housing and Community Development	14.241	-	-	283,355		283,355
Pass-Through Baltimore City Government	14.241	-	-	47,851		47,851
Housing Opportunities for Persons with AIDS	14.241	-	-	1,176,531		1,176,531
Pass-Through City of Wilmington, Delaware	14.246	-	-	38,726		38,726
Economic Development Initiative (E016)	14.251	-	-	836,384		836,384
Continuum of Care	14.267	-	-	4,827,766		4,827,766
Fair Housing Assistance Program: State and Local	14.401	-	-	338,570		338,570
Section 8 Housing Choice Vouchers	14.871	-	-	17,865,602		17,865,602
Healthy Homes Production	14.913	3,038	-	-		3,038
Pass-Through Innovative Housing Institute	14.RD	3,880	-	-		3,880
Pass-Through Economic Systems, Inc	14.RD	51,132	-	-		51,132
Office of Policy Development and Research	14.RD	151,632	-	-		151,632
Office of Healthy Homes and Lead Hazard Control	14.RD	311,411	-	-		311,411
Department of Housing and Urban Development	14.Unknown	-	-	8,433,476		8,433,476
Total Department of Housing & Urban Development		560,037	-	245,510,600		246,070,637
DEPARTMENT OF THE INTERIOR (DOI)						
Contract / Other	15.Unknown	-	-	-		-
Pass-Through University of Washington	15.Unknown	-	-	944		944
Pass-Through Little Traverse Bay Bands of Odawa Indians	15.Unknown	20,549	-	-		20,549
Contract / Other National Park Service	15.12AC10918	-	-	7,110		7,110
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250	-	-	788,609		788,609
Abandoned Mine Land Reclamation (AMLR) Program	15.252	-	-	2,819,701		2,819,701
BOEM Renewable Energy Program	15.423	-	-	220,537		220,537
BOEM Marine Minerals Activities- Hurricane Sandy	15.424	-	-	37,714		37,714
Fish and Wildlife Cluster						
Sport Fish Restoration	15.605	-	-	2,557,735		2,557,735
Wildlife Restoration	15.611	-	-	5,293,300		5,293,300
Total Fish and Wildlife Cluster					7,851,035	
Fish & Wildlife Management Assistance	15.608	-	-	26,449		26,449
Coastal Wetlands Planning, Protection and Restoration Act	15.614	-	-	2,746,144		2,746,144
Cooperative Endangered Species Conservation Fund	15.615	-	-	42,285		42,285
Clean Vessel Act	15.616	-	-	363,134		363,134
North American Wetlands Cons	15.623	-	-	17,024		17,024
Landowner Incentive	15.633	-	-	86,121		86,121
Pass-Through North Dakota Game and Fish Department	15.634	-	-	127		127
State Wildlife Grants	15.634	-	-	673,481		673,481
Endangered Species Conservation-Recov	15.657	-	-	2,717		2,717
U.S. Geological Survey: Research and Data Acquisition	15.808	-	-	18,631		18,631
National Cooperative Geologic Mapping Program	15.810	-	-	17,473		17,473
National Geological and Geophysical Data Preservation Program	15.814	-	-	38,713		38,713
National Geospatial Program	15.817	-	-	70,000		70,000
Historic Preservation Fund Grants-In-Aid	15.904	-	-	827,265		827,265
Outdoor Recreation - Acquisition, Development and Planning	15.916	-	-	719,713		719,713
Civil War Battlefield Land Acquisition Grant	15.928	-	-	283,092		283,092
Chesapeake Bay Gate Grants	15.930	-	-	19,898		19,898
Conservation Activities by Youth Service Organizations	15.931	-	-	126,967		126,967
National Trails System Project	15.935	-	-	17,437		17,437
Cooperative Research and Training Programs – Resources of the National Park System	15.945	-	-	1,189		1,189
Pass-Through National Writing Project	15.954	-	-	2,500		2,500
NPS- Hurricane Sandy	15.957	-	-	60,828		60,828
Pass-Through Aptima, Inc.	15.RD	32	-	-		32
Pass-Through Piedmont South Atlantic Cooperative Ecosystem	15.RD	1,354	-	-		1,354
Pass-Through University of Richmond	15.RD	2,739	-	-		2,739
Pass-Through Florida Fish & Wildlife Commission	15.RD	4,884	-	-		4,884
Pass-Through San Francisco State University	15.RD	7,064	-	-		7,064
Pass-Through Maryland Water Resources Research Center	15.RD	20,399	-	-		20,399
Other Department of Interior - Research and Development	15.RD	25,338	-	-		25,338
Pass-Through Mississippi State University	15.RD	27,149	-	-		27,149
Fish and Wildlife Service	15.RD	159,590	-	-		159,590
Pass-Through University of Texas at Austin	15.RD	177,761	-	-		177,761
Pass-Through Cooperative Ecosystem Studies Units	15.RD	274,411	-	-		274,411
National Park Service	15.RD	434,624	-	-		434,624
U.S. Geological Survey	15.RD	465,191	-	-		465,191
Total Department of the Interior		1,621,085	-	17,886,838		19,507,923

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF JUSTICE (DOJ)						
Contract / Other	16.000	\$ -	\$ -	\$ 2,083,816		\$ 2,083,816
Marijuana Eradication	16.004	-	-	115,655		115,655
Judicial Education Project(G21F5)	16.013	-	-	7,386		7,386
Sexual Assault Services Formula	16.017	-	-	327,315		327,315
Community Based Violence Prevention Program	16.123	-	-	272,400		272,400
Contract / Other National Institute of Justice	16.2014IJR3205	33,061	-	-		33,061
Juvenile Accountability Incentive Block Grants	16.523	-	-	372,684		372,684
Safe Havens for Children	16.527	-	-	128,325		128,325
Juvenile Justice and Delinquency Prevention: Allocation to States	16.540	-	-	578,543		578,543
Missing Children's assistance	16.543	-	-	396,670		396,670
MD Justice Statistics Program - SACS	16.550	-	-	97,131		97,131
National Criminal History Improvement Program (NCHIP)	16.554	-	-	6,412		6,412
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	-	-	44,562		44,562
Crime Victim Assistance	16.575	-	-	8,048,410		8,048,410
Crime Victim Compensation	16.576	-	-	1,139,200		1,139,200
Drug Court Discretionary Grant Program	16.585	-	-	369,252		369,252
Violence Against Women Formula Grants - ARRA	16.588	-	-	2,440,751		2,440,751
Residential Substance Abuse Treatment for State Prisoners	16.593	-	-	131,451		131,451
State Criminal Alien Assistance Program	16.606	-	-	1,120,233		1,120,233
Gun Violence Prosecution Program	16.609	-	-	232,139		232,139
Enforcing Underage Drinking Laws Program	16.727	-	-	47,188		47,188
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735	-	-	25,190		25,190
Edward Byrne Memorial Justice Assistance Grant Program	16.738	-	-	4,174,375		4,174,375
S/W Auto Victim Info Notification	16.740	-	-	392,998		392,998
DNA Capacity Enhancement FY 06(46195)	16.741	-	-	350,867		350,867
Paul Coverdell Nat Forensic-Lab	16.742	-	-	218,564		218,564
Support for Adam Walsh Act Implementation Grant Program	16.750	-	-	117,214		117,214
SMART - 2008	16.751	-	-	175,146		175,146
Gang Elimination Task Force (46345)	16.753	-	-	390,695		390,695
Second Chance Act	16.812	-	-	220,377		220,377
NARIP	16.813	-	-	453,864		453,864
Justice Program	16.816	-	-	61,837		61,837
Equitable Sharing Program	16.922	-	-	1,907,447		1,907,447
Contract / Other Bureau of Justice	16.IPA No. 15031037	-	-	93,705		93,705
Pass-Through Office of the Mayor, Baltimore Maryland	16.RD	21,681	-	-		21,681
Pass-Through Kent State University	16.RD	29,791	-	-		29,791
Bureau of Justice Assistance	16.RD	34,753	-	-		34,753
Pass-Through Institute for Intergovernmental Research	16.RD	85,062	-	-		85,062
Bureau of Justice Statistics	16.RD	98,116	-	-		98,116
Violence Against Women Office	16.RD	100,268	-	-		100,268
Office of Juvenile Justice and Delinquency Prevention	16.RD	251,450	-	-		251,450
National Institute of Justice	16.RD	847,262	-	-		847,262
Contract / Other Bureau of Justice	16.Unknown	580,812	-	1,000		581,812
Total Department of Justice		2,082,256	-	26,542,802		28,625,058
DEPARTMENT OF LABOR (DOL)						
Contract / Other	17.Unknown	-	-	32,965		32,965
Pass-Through University of Louisville Research Foundation	17.Unknown	-	-	32,965		32,965
Contract / Other	17.000	-	-	4,044,124		4,044,124
Labor Force Statistics	17.002	-	-	1,171,134		1,171,134
Compensation and Working Conditions	17.005	-	-	218,552		218,552
Employment Service Cluster						
Employment Service	17.207	-	-	12,256,547		12,256,547
Disabled Veterans' Outreach Program (DVOP)	17.801	-	-	606		606
Disabled Veterans' Outreach Program (DVOP)	17.801	-	-	2,161,378		2,161,378
Local Veterans' Employment Representative Program	17.804	-	-	1,377,756		1,377,756
Total Employment Service Cluster					\$ 15,796,287	
Unemployment Insurance (Note 2)	17.225	-	-	769,472,328		769,472,328
Senior Community Service Employment Program	17.235	-	-	1,241,570		1,241,570
Trade Adjustment Assistance : Workers	17.245	-	-	9,464,161		9,464,161
Workforce Investment Act Cluster (WIA)						
Workforce Investment Act: Adult Program	17.258	-	-	11,600,781		11,600,781
Workforce Investment Act: Youth Activities	17.259	-	-	11,042,321		11,042,321
WIA Dislocate Statewide Contract	17.278	-	-	9,968,790		9,968,790
Total WIA Cluster					32,611,892	
ARRA Dislocated Workers Grant	17.260	-	-	184,074		184,074
Workforce Investment Act: Dislocated Workers	17.260	-	-	3,419,331		3,419,331
Work Opportunity Tax Credit Program	17.271	-	-	343,036		343,036
Labor Certification for Alien Workers	17.273	-	-	671,092		671,092
MARC-BRAC	17.277	-	-	1,710,422		1,710,422
WIA Dislocate EBE	17.280	-	-	36,285		36,285
WIA DLW Technical Assistance & Training	17.281	-	-	8,301		8,301
Occupational Safety & Health	17.503	-	-	3,951,185		3,951,185
Consultation Agreements	17.504	-	-	989,115		989,115
Occupational Illness & Injury Prevention	17.600	-	-	50,509		50,509
Pass-Through Anne Arundel Community College	17.RD	39,645	-	-		39,645
Total Department of Labor		39,645	-	845,416,363		845,456,008
US DEPARTMENT OF STATE (DOS)						
Academic Exchange Programs - Humphrey Fellowship Program	19.010	-	-	192,888		192,888
Antiterrorism Assistance – Domestic Training Programs	19.030	-	-	713,624		713,624
Academic Exchange Programs - English Language Programs	19.421	-	-	72		72
Under Secretary for Public Diplomacy and Public Affairs	19.RD	20,884	-	-		20,884
Bureau of International Security and Nonproliferation	19.RD	249,403	-	-		249,403
Contract / Other	19.SNU70014GR107	-	-	1,968		1,968
Contract / Other	19.Unknown	674,165	-	-		674,165
Total US Department of State		944,452	-	908,552		1,853,004

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF TRANSPORTATION (DOT)						
Contract / Other Federal Highway Administration	20. IPA No. 15113382	\$ -	\$ -	\$ 15,489		\$ 15,489
Airport Improvement Program	20.106	-	-	31,906,492		31,906,492
F-SHRP Research Program HEP	20.200	-	-	64,688		64,688
Pass-Through Minnesota Department of Transportation	20.205	-	-	3,332		3,332
Pass-Through The National Academies - Transportation Research B	20.205	-	-	188,436		188,436
Highway Planning and Construction - ARRA	20.205	-	-	649,032		649,032
Highway Planning and Construction	20.205	-	-	523,662,760		523,662,760
National Recreational Trails. Safety	20.219	-	-	1,210,863		1,210,863
Appalachian Development Highway System	23.003	-	-	912,298		912,298
Total Highway Planning Cluster					\$ 526,626,721	
Highway Training and Education	20.215	-	-	17,000		17,000
Highway Training and Education	20.215	48,558	-	-		48,558
Highway Training and Education	20.215	-	-	417,776		417,776
National Motor Carrier Safety	20.218	-	-	897,825		897,825
Commercial Driver Lic Grant Agreement	20.232	-	-	45,976		45,976
FRA	20.319	-	-	2,268,940		2,268,940
Federal Transit Cluster						
Federal Transit: Capital Investment Grants	20.500	-	-	34,245,300		34,245,300
Federal; Transit: Formula Grants	20.507	-	-	125,601,050		125,601,050
MARC Fixed Guideway	20.525	-	-	56,073,199		56,073,199
SEC 5339 Bus Facilities & Maintenance	20.526	-	-	5,048,172		5,048,172
Total Federal Transit Cluster					220,967,721	
Federal Transit: Metropolitan Planning Grants	20.505	-	-	8,000,426		8,000,426
Formula Grants for Other Than Urbanized Areas	20.509	-	-	5,563,408		5,563,408
Transit Services Programs Cluster						
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	-	-	3,837,560		3,837,560
Job Access: Reverse Commute	20.516	-	-	407,418		407,418
New Freedom Initiative	20.521	-	-	672,820		672,820
Total Transit Services Programs Cluster					4,917,798	
Public Transportation Research, Technical Assistance, and Training	20.514	-	-	7,608		7,608
Evaluate Energy Efficiency & Cost Effect	20.523	-	-	210,774		210,774
Highway Safety Cluster						
State and Community Highway Safety	20.600	-	-	3,355,661		3,355,661
Alcohol Impaired Driv Cou	20.601	-	-	854,565		854,565
Occupant Protection Incen	20.602	-	-	127,374		127,374
State Traffic Safety Info	20.610	-	-	196,735		196,735
Incentive GR PGM Increase	20.612	-	-	9,632		9,632
National Priority Safety Program	20.616	-	-	2,557,651		2,557,651
Total Highway Safety Cluster					7,101,618	
Min Penalty for Rep Off	20.608	-	-	3,488,061		3,488,061
National Highway Traffic Safety Administration	20.614	-	-	11,729		11,729
Pipeline Safety	20.700	-	-	480,808		480,808
University Research Institutes Program	20.702	655,944	-	-		655,944
Interagency Hazardous Materials Public Sector Training and Planning	20.703	-	-	236,110		236,110
Development and Promotion of Ports and Intermodal Transportation	20.801	-	-	1,104,565		1,104,565
Assistance to Small & Disadvantaged Businesses	20.910	4,562	-	-		4,562
Transportation Planning, Research and Education (B)	20.931	9,700	-	-		9,700
St. Mary's College - Safety Improvements and Traffic Calming	20.999	-	-	960,113		960,113
Contract / Other National Highway Traffic Safety Administration	20.DTNH22-10-H-00296	498,366	-	-		498,366
Pass-Through Booze Allen Hamilton, Inc.	20.RD	78,152	-	-		78,152
Pass-Through Weris, Inc.	20.RD	79,113	-	-		79,113
Pass-Through University of North Carolina Chapel Hill	20.RD	103,839	-	-		103,839
Pass-Through Michigan Technological University	20.RD	116,111	-	-		116,111
Pass-Through Battelle Memorial Institute	20.RD	125,038	-	-		125,038
Pass-Through Leidos, Inc.	20.RD	131,018	-	-		131,018
Pass-Through Pennsylvania State University	20.RD	153,405	-	-		153,405
Pass-Through The National Academies- Transportation Research Board	20.RD	390,758	-	-		390,758
Federal Aviation Administration	20.RD	614,007	-	-		614,007
Office of the Secretary (OST) Administration Secretariate	20.RD	2,037,554	-	-		2,037,554
Other Research & Development	20.RD	2,576,185	-	-		2,576,185
Contract / Other	20.Unknown	-	-	16,113		16,113
Contract / Other Federal Highway Administration	20.Unknown	-	-	46,659		46,659
Total US Department of Transportation		7,622,310	-	815,374,418		822,996,728
DEPARTMENT OF THE TREASURY (TREAS)						
Contract / Other	21. IPA No. 151PTDPDIR0004	-	-	44,821		44,821
Contract / Other	21.000	-	-	8,659,445		8,659,445
Low Income Taxpayer Clinics	21.008	-	-	120,958		120,958
Pass-Through University of Baltimore Foundation	21.RD	33,508	-	-		33,508
Total Department of the Treasury		33,508	-	8,825,224		8,858,732
APPALACHIAN REGIONAL COMMISSION (ARC)						
Appalachian Regional Development	23.001	-	-	7,563		7,563
Appalachian Area Development	23.002	-	-	58,789		58,789
Appalachian Local Access Roads	23.008	-	-	33,799		33,799
Pass-Through East Tennessee State University	23.011	-	-	4,000		4,000
Appalachian State Research, Technical Assistance	23.011	-	-	48,159		48,159
Total Appalachian Regional Commission (ARC)		-	-	152,310		152,310
OFFICE OF PERSONAL MANAGEMENT						
Pass-Through Candid Communications	27.Unknown	-	-	7,582		7,582
Pass-Through Space Telescope Science Institute	27.Unknown	-	-	8,160		8,160
Total Office of Personal Management		-	-	15,742		15,742
FEDERAL COMMUNICATIONS COMMISSION (FCC)						
Federal Communications Commission (FCC)	32.RD	121,282	-	-		121,282
Total Federal Communications Commission		121,282	-	-		121,282

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

<u>Program</u>	<u>CFDA Number</u>	<u>Research & Development</u>	<u>Student Financial Assistance</u>	<u>Other</u>	<u>Cluster Total</u>	<u>Total</u>
<u>GENERAL SERVICES ADMINISTRATION (GSA)</u>						
Disposal of Federal Surplus Real Property	39.002	\$ -	\$ -	\$ 365,742		\$ 365,742
Donation of Federal Surplus Property Program (Note 3)	39.003	-	-	102,660		102,660
Pass-Through Landscape Architecture Foundation	39.RD	6,139	-	-		6,139
Total General Services Administration		6,139	-	468,402		474,541
<u>LIBRARY OF CONGRESS</u>						
Books for the Blind and Physically Handicapped	42.001	-	-	-		-
Pass-Through Waynesburg University	42.001	-	-	16,410		16,410
Library of Congress	42.RD	-	-	-		-
Pass-Through University of California, San Diego	42.RD	70,830	-	-		70,830
Total Library of Congress		70,830	-	16,410		87,240
<u>NATIONAL AERONAUTICS & SPACE ADMINISTRATION (NASA)</u>						
Contract / Other IPA	43. IPA No.NNH14IA01P	-	-	118,926		118,926
Pass-Through Universities Space Research Association	43.001	-	-	5,404		5,404
Aerospace Education Services Program	43.001	-	-	391,114		391,114
Science	43.001	1,344,921	-	-		1,344,921
Government Publications Sales and Distribution	43.002	-	-	45,088		45,088
GESTAR	43.002	4,224,820	-	-		4,224,820
Education	43.008	-	-	129,023		129,023
Education	43.008	416,806	-	-		416,806
Cross Agency Support	43.009	-	-	311,795		311,795
Contract / Other IPA	43. IPA No.NNH14IA05P	-	-	153,864		153,864
Pass-Through ASRC Management Services Inc	43.RD	551	-	-		551
Pass-Through Michigan Technological University	43.RD	4,200	-	-		4,200
Pass-Through Science Systems & Application, Inc	43.RD	5,594	-	-		5,594
Pass-Through Aurora Flight Sciences Corporation	43.RD	6,410	-	-		6,410
Pass-Through Atmospheric & Environmental Research Inc.	43.RD	9,247	-	-		9,247
Pass-Through SciberQuest, Inc	43.RD	9,803	-	-		9,803
Pass-Through University of Arizona	43.RD	10,195	-	-		10,195
Pass-Through San Diego University	43.RD	10,355	-	-		10,355
Pass-Through Pennsylvania State University	43.RD	19,280	-	-		19,280
Pass-Through Lowell Observatory	43.RD	19,573	-	-		19,573
Pass-Through University of Virginia	43.RD	23,431	-	-		23,431
Pass-Through Appalachian State University	43.RD	23,469	-	-		23,469
Pass-Through University of Colorado	43.RD	23,860	-	-		23,860
Pass-Through South Dakota State University	43.RD	30,874	-	-		30,874
Pass-Through InnoVital Systems, Inc.	43.RD	33,000	-	-		33,000
Pass-Through Bubbleology Research International, LLC	43.RD	35,402	-	-		35,402
Pass-Through Space Science Institute	43.RD	36,651	-	-		36,651
Pass-Through Intelligent Automation	43.RD	38,162	-	-		38,162
Pass-Through Woods Hole Research Center	43.RD	40,299	-	-		40,299
Pass-Through Delta Group International LLC	43.RD	41,000	-	-		41,000
Pass-Through University of Georgia	43.RD	42,302	-	-		42,302
Pass-Through Fibertek, Inc	43.RD	42,369	-	-		42,369
Pass-Through California Institute of Technology	43.RD	42,974	-	-		42,974
Pass-Through Universities Space Research Association	43.RD	43,536	-	-		43,536
Pass-Through Carnegie Institute of Washington	43.RD	47,259	-	-		47,259
Pass-Through University of Hawaii	43.RD	49,036	-	-		49,036
Pass-Through University of South Carolina	43.RD	50,815	-	-		50,815
Pass-Through City College of New York	43.RD	55,634	-	-		55,634
Pass-Through Planetary Science Institute	43.RD	56,210	-	-		56,210
Pass-Through University of California at Berkley	43.RD	56,503	-	-		56,503
Pass-Through The Jane Goodall Institute	43.RD	62,264	-	-		62,264
Pass-Through Center for Advance of Science in Space	43.RD	64,763	-	-		64,763
Pass-Through University of Wisconsin	43.RD	79,292	-	-		79,292
Pass-Through Battelle Memorial Institute	43.RD	84,351	-	-		84,351
Pass-Through Resources for the Future	43.RD	88,804	-	-		88,804
Pass-Through Boston University	43.RD	88,832	-	-		88,832
Pass-Through University of Washington	43.RD	110,502	-	-		110,502
Pass-Through Massachusetts Institute of Technology	43.RD	132,200	-	-		132,200
Pass-Through Johns Hopkins University/Applied Physics Lab	43.RD	138,355	-	-		138,355
Pass-Through University of Michigan	43.RD	151,288	-	-		151,288
Pass-Through Southwest Research Institute	43.RD	152,680	-	-		152,680
Pass-Through Smithsonian Astrophysical Observatory	43.RD	157,811	-	-		157,811
Pass-Through Universities Space Research Association	43.RD	171,371	-	-		171,371
Pass-Through National Institute of Aerospace	43.RD	296,692	-	-		296,692
Pass-Through Space Telescope Science Institute	43.RD	324,190	-	-		324,190
Pass-Through ASRC Federal Space & Defense	43.RD	416,940	-	-		416,940
Pass-Through California Institute of Technology Jet Propulsion Laboratory	43.RD	912,830	-	-		912,830
NASA	43.RD	54,511,325	-	-		54,511,325
Pass-Through Innovative Health Applications	43.Unknown	-	-	4,833		4,833
Total National Aeronautics & Space Administration		64,839,031	-	1,160,047		65,999,078
<u>NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH)</u>						
Promotion of the Arts: Grants to Organizations and Individuals	45.024	-	-	40,125		40,125
Pass-Through Mid-Atlantic Arts Foundation	45.025	-	-	13,330		13,330
We the people project	45.160	10,315	-	-		10,315
Promotion of the Humanities Research	45.161	463	-	-		463
NEH Colonial Encounters: The Lower Potomac River	45.161	-	-	81,017		81,017
Promotion of the Humanities: Seminars and Institutes	45.163	-	-	6,275		6,275
Pass-Through University of California, Los Angeles	45.169	-	-	5,939		5,939
Pass-Through Dartmouth College	45.169	-	-	35,188		35,188
Promotion of the Humanities Digital Humanities Initiative	45.169	-	-	79,688		79,688

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
<u>NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH) (continued)</u>						
State Library Program	45.310	\$ -	\$ -	\$ 2,249,055		\$ 2,249,055
National Leadership Grants	45.312	-	-	9,810		9,810
Laura Bush 21 Century Librarian Program	45.313	-	-	494,815		494,815
Pass-Through The Urban Institute	45.RD	2,958	-	-		2,958
Pass-Through New York Public Library	45.RD	16,317	-	-		16,317
National Endowment for the Arts	45.RD	25,731	-	-		25,731
Pass-Through University of Nebraska	45.RD	29,782	-	-		29,782
Pass-Through Howard County Library System	45.RD	62,225	-	-		62,225
Institute of Museum and Library Services	45.RD	131,561	-	-		131,561
Pass-Through American Library Association	45.RD	137,497	-	-		137,497
National Endowment for the Humanities	45.RD	232,977	-	-		232,977
Pass-Through Arts Midwest	45.Unknown	-	-	12,702		12,702
Total National Endowment for the Humanities		649,826	-	3,027,944		3,677,770
<u>NATIONAL SCIENCE FOUNDATION (NSF)</u>						
Contract / Other IPA Agreement	47. IPA No. CMMI1514786	-	-	132,296		132,296
Contract / Other IPA Agreement	47. IPA No. CNS1340688	-	-	213,953		213,953
Contract / Other IPA Agreement	47. IPA.No. IIS1261608	-	-	54,367		54,367
Engineering Grants	47.041	-	-	219,213		219,213
Engineering Grants	47.041	124,741	-	-		124,741
Pass-Through American Physical Society	47.049	-	-	2,653		2,653
Mathematical and Physical Sciences	47.049	-	-	249,737		249,737
Mathematical and Physical Sciences	47.049	255,564	-	-		255,564
Geosciences	47.050	-	-	124,433		124,433
Hyperspec Remote Sensing	47.050	30,629	-	-		30,629
Pass-Through Georgia Institute of Technology	47.070	-	-	3,569		3,569
Computer and Information Science and Engineering	47.070	-	-	328,289		328,289
Biological Sciences	47.074	-	-	1,057,990		1,057,990
Social, Behavioral, and Economic Sciences	47.075	-	-	41,263		41,263
Pass-Through Stevens Institute of Technology	47.076	-	-	10,982		10,982
Pass-Through Museum of Science-Boston	47.076	-	-	55,677		55,677
Education and Human Resources	47.076	-	-	9,796,023		9,796,023
Education and Human Resources	47.076	703,857	-	-		703,857
Education and Human Resources	47.076	-	-	37,153		37,153
Collaborative Research: A Student-Centered Organic Laboratory	47.076	-	-	38,787		38,787
St. Mary's College of Maryland STEM Navigators	47.076	-	-	110,677		110,677
Education and Human Resources	47.076	-	-	356,263		356,263
International Science and Engineering (OISE) (B)	47.079	-	-	-		-
Office of Cyberinfrastructure	47.080	-	-	1,088,589		1,088,589
Trans-NSF Recovery Act Research Support	47.082	-	-	54,220		54,220
Contract / Other	47.HDR-0853418	-	-	1,761		1,761
Contract / Other IPA Agreement	47.IPA Mendelson	-	-	119,715		119,715
Contract / Other IPA Agreement	47.IPA No. ECCS1419091	-	-	277,290		277,290
Pass-Through Johns Hopkins University / Applied Physics Lab	47.RD	238	-	-		238
Pass-Through California Institute of Technology	47.RD	1,505	-	-		1,505
Pass-Through North Carolina State University	47.RD	1,997	-	-		1,997
Pass-Through University of Missouri, Kansas City	47.RD	2,745	-	-		2,745
Pass-Through Association for Institutional Research	47.RD	3,216	-	-		3,216
Pass-Through Illinois Institute of Technology	47.RD	4,374	-	-		4,374
Pass-Through Woods Hole Oceanographic	47.RD	4,762	-	-		4,762
Pass- Through The New York Botanical Garden	47.RD	5,996	-	-		5,996
Pass-Through University of California, Los Angeles	47.RD	6,732	-	-		6,732
Pass-Through Siena College	47.RD	6,852	-	-		6,852
Pass-Through Carnegie Mellon University	47.RD	7,104	-	-		7,104
Pass-Through Wright State University	47.RD	9,513	-	-		9,513
Pass-Through Human Relations Area Files, Inc.	47.RD	11,768	-	-		11,768
Pass-Through Lockheed Martin Corporation	47.RD	12,387	-	-		12,387
Pass-Through University of Massachusetts	47.RD	14,798	-	-		14,798
Pass-Through Michigan State University	47.RD	15,044	-	-		15,044
Pass-Through American Educational Research Association	47.RD	19,534	-	-		19,534
Pass-Through Case Western University	47.RD	19,910	-	-		19,910
Pass-Through Cornell University	47.RD	23,837	-	-		23,837
Pass-Through Research Foundation of State University of New York	47.RD	24,114	-	-		24,114
Pass-Through Remedium Technologies	47.RD	24,457	-	-		24,457
Pass-Through Resources for the Future	47.RD	25,535	-	-		25,535
Pass-Through Ohio State University	47.RD	27,190	-	-		27,190
Pass-Through University of Arizona	47.RD	28,445	-	-		28,445
Pass-Through University of Southern California	47.RD	28,637	-	-		28,637
Pass-Through Oregon Health & Science University	47.RD	32,336	-	-		32,336
Pass-Through Stanford University	47.RD	33,308	-	-		33,308
Pass-Through University of Norte Dame	47.RD	33,882	-	-		33,882
Pass-Through Black Hills State University	47.RD	38,853	-	-		38,853
Pass-Through Duke University	47.RD	39,348	-	-		39,348
Pass-Through University of North Carolina at Chapel Hill	47.RD	45,360	-	-		45,360
Pass-Through University of Michigan	47.RD	45,869	-	-		45,869
Pass-Through MycoInnovation, LLC	47.RD	47,573	-	-		47,573
Pass-Through Howard University	47.RD	52,311	-	-		52,311
Pass-Through University of Georgia	47.RD	52,359	-	-		52,359
Pass-Through University of Wisconsin, Madison	47.RD	54,512	-	-		54,512
Pass-Through Pace University	47.RD	56,733	-	-		56,733
Pass-Through Purdue University	47.RD	58,710	-	-		58,710
Pass-Through Virginia Commonwealth University	47.RD	100,239	-	-		100,239
Pass-Through The City University of New York	47.RD	112,478	-	-		112,478
Pass-Through Raytheon BBN Technologies	47.RD	128,497	-	-		128,497
Pass-Through University of North Carolina at Charlotte	47.RD	135,379	-	-		135,379
Pass-Through University of California, San Diego	47.RD	142,561	-	-		142,561
Pass-Through Vanderbilt University	47.RD	144,859	-	-		144,859
Pass-Through Johns Hopkins University	47.RD	174,839	-	-		174,839

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
<u>NATIONAL SCIENCE FOUNDATION (NSF)</u> (continued)						
Pass-Through Arizona State University	47.RD	\$ 178,202	\$ -	\$ -		\$ 178,202
Pass-Through National Radio Astronomy Observatory	47.RD	342,250	-	-		342,250
Pass-Through Cary Institute of Ecosystem Studies	47.RD	411,508	-	-		411,508
Pass-Through University of Illinois at Urbana-Champaign	47.RD	429,397	-	-		429,397
Pass-Through Princeton University	47.RD	441,777	-	-		441,777
Pass-Through University of Wisconsin	47.RD	720,934	-	-		720,934
National Science Foundation (NSF)	47.RD	62,211,583	-	-		62,211,583
Total National Science Foundation		67,711,138	-	14,374,900		82,086,038
<u>SMALL BUSINESS ADMINISTRATION</u>						
Small Business Development Center	59.037	-	-	1,938,030		1,938,030
Small Business Jobs Act of 2010	59.061	-	-	704,600		704,600
Entrepreneurial Development Disaster Assistance (Disaster Relief Appropriations Act)	59.064	-	-	37,817		37,817
Total Small Business Administration		-	-	2,680,447		2,680,447
<u>DEPARTMENT OF VETERAN AFFAIRS (VA)</u>						
Veterans State Nursing Home Care	64.015	-	-	17,231,872		17,231,872
Veteran Directed Home & Community	64.022	-	-	363,581		363,581
Burial Expenses Allowance	64.101	-	-	1,612,691		1,612,691
Vocational and Educational Counseling for Service Members and Veterans	64.125	-	-	282,202		282,202
State Cemetery Grants	64.203	-	-	488,986		488,986
Contract/Other	64.24513C0056	-	-	124,800		124,800
Contract/Other	64.24514P0771	-	-	9,531		9,531
Contract/Other	64.512C40394	10,764	-	-		10,764
Contract/Other	64.512D35038	-	-	20,437		20,437
Contract/Other IPA Agreement	64.IPA	-	-	5,668,775		5,668,775
Department of Veterans Affairs	64.RD	75,819	-	-		75,819
Total Department of Veteran Affairs		86,583	-	25,802,875		25,889,458
<u>ENVIRONMENTAL PROTECTION AGENCY (EPA)</u>						
Phase 2 NO2 Near Road Monitoring Grant	66.001	-	-	82,315		82,315
Pass-Through Baltimore City Health Department	66.034	-	-	1,254		1,254
Spec. Purpose Activities	66.034	-	-	540,793		540,793
Pass-Through Mid-Atlantic Regional Air Management Association	66.039	-	-	455		455
Maryland Clean Diesel	66.040	-	-	129,703		129,703
Pass-Through Western Maryland Resource Conservation and Development Council	66.050	-	-	40,144		40,144
Congressionally Mandated Projects	66.202	-	-	227,520		227,520
Environmental Finance Center Grants	66.203	-	-	580,996		580,996
Surveys, Studies, Investigations, Training and Special Purpose Activities Relating to Environmental Justice	66.309	-	-	10,340		10,340
Pass-Through University of North Carolina at Chapel Hill	66.424	-	-	123,725		123,725
Water Quality Management Planning	66.454	-	-	322,228		322,228
Nonpoint Source Implementation Grants	66.460	-	-	2,250,716		2,250,716
Nonpoint Source Implementation Grants	66.460	-	-	120,285		120,285
Wetlands Protection: Development Grants	66.461	-	-	8,488		8,488
Pass-Through Chesapeake Bay Trust	66.466	-	-	44,023		44,023
Pass-Through Alliance for the Chesapeake Bay	66.466	-	-	50,802		50,802
Pass-Through National Fish & Wildlife Foundation	66.466	-	-	142,132		142,132
Chesapeake Bay Program	66.466	-	-	142,673		142,673
Chesapeake Bay Program	66.466	-	-	8,875,093		8,875,093
Beach Monitoring and Notification Program Implementation Grants	66.472	-	-	291,538		291,538
Science To Achieve Results (STAR) Research Program	66.509	14,425	-	-		14,425
Science To Achieve Results (STAR) Fellowship Program	66.514	-	-	7,918		7,918
Performance Partnership Grants (PPGs)	66.605	-	-	10,109,077		10,109,077
Environmental Information Exchange Network Grant Program	66.608	-	-	68,131		68,131
EPA-Smart Growth Information Clearinghouse	66.611	-	-	40,000		40,000
Pollution Prevention Grants Program	66.708	-	-	68,547		68,547
Superfund State Site: Specific Cooperative Agreements	66.802	-	-	511,504		511,504
State and Tribal Underground Storage Tanks Program	66.804	-	-	425,896		425,896
Leaking Underground Storage Tank Program	66.805	-	-	1,287,302		1,287,302
Superfund State and Indian Tribe Core Program: Cooperative Agreements	66.809	-	-	296,486		296,486
State and Tribal Response Program Grants	66.817	-	-	97,237		97,237
Pass-Through National Nursing Centers Consortium	66.951	-	-	1,724		1,724
Pass-Through Chesapeake Bay Trust	66.RD	26,093	-	-		26,093
Pass-Through University of South Florida	66.RD	27,766	-	-		27,766
Office of Water	66.RD	42,652	-	-		42,652
Pass-Through University of Georgia	66.RD	46,992	-	-		46,992
Pass-Through University of Illinois at Urbana-Champaign	66.RD	57,165	-	-		57,165
Pass-Through Prince George's County Government	66.RD	57,748	-	-		57,748
Pass-Through Pennsylvania State University	66.RD	66,458	-	-		66,458
Pass-Through Swarthmore College	66.RD	71,787	-	-		71,787
Pass-Through National Fish and Wildlife Foundation	66.RD	344,245	-	-		344,245
Office of Research and Development	66.RD	1,974,431	-	-		1,974,431
Pass-Through CH2M Hill, Inc	66.Unknown	-	-	28,151		28,151
Total Environmental Protection Agency		2,729,762	-	26,927,196		29,656,958
<u>NATIONAL GALLERY OF ART</u>						
CERCLA Section 1289a0 State Resp Coop Agr	68.809	-	-	13,145		13,145
Total National Gallery of Art		-	-	13,145		13,145
<u>NUCLEAR REGULATORY COMMISSION (NRC)</u>						
US Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	-	-	3,353		3,353
Nuclear Education Grant Program - Curricula Development	77.006	-	-	44,508		44,508
US Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008	-	-	76,896		76,896
Other National Regulatory Commission - Research and Development	77.RD	41,441	-	-		41,441
Total Nuclear Regulatory Commission		41,441	-	124,757		166,198

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF ENERGY (DOE)						
State Energy Program	81.041	\$ -	\$ -	\$ 698,868		\$ 698,868
Weatherization Assistance for Low-Income Persons	81.042	-	-	39,592		39,592
Weatherization Assistance for Low-Income Persons	81.042	-	-	4,234,320		4,234,320
Conservation Research and Development	81.086	153,053	-	-		153,053
Renewable Energy Research and Development	81.087	-	-	58,890		58,890
Renewable Energy Research and Development	81.087	-	-	20,145		20,145
State Heating Oil and Propane Programs	81.090	-	-	10,000		10,000
Minority Undergraduate Training for Energy Related Careers	81.098	-	-	100,000		100,000
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	-	-	100,000		100,000
State Energy Program Special Projects	81.119	-	-	536,442		536,442
Electricity Delivery&Energy Reliability - ARRA	81.122	-	-	9,128		9,128
(NNSA) Minority Serving Institutions (MSI) Program	81.123	283,949	-	-		283,949
Energy Efficiency & Conservation Block Grant Program	81.128	-	-	1,405,170		1,405,170
Pass-Through Jefferson Science Associates, LLC/Jefferson Laboratory	81.DEAC0506OR23177	3,320	-	-		3,320
Pass-Through Purdue University	81.RD	5,652	-	-		5,652
Pass-Through AccuStrata, Inc.	81.RD	6,228	-	-		6,228
Pass-Through Green Technology, Inc	81.RD	6,770	-	-		6,770
Pass-Through General Atomics	81.RD	11,713	-	-		11,713
Pass-Through University of Texas - Austin	81.RD	15,495	-	-		15,495
Pass-Through Woodruff Science, Inc	81.RD	17,979	-	-		17,979
Pass-Through Brookhaven National Laboratory	81.RD	18,570	-	-		18,570
Pass-Through University of Virginia	81.RD	23,304	-	-		23,304
Pass-Through Argonne National Lab	81.RD	24,471	-	-		24,471
Pass-Through UT Battelle LLC	81.RD	25,891	-	-		25,891
Pass-Through University of Kansas	81.RD	26,739	-	-		26,739
Pass-Through MassTech	81.RD	27,900	-	-		27,900
Pass-Through National Renewable Energy Laboratory	81.RD	28,873	-	-		28,873
Pass-Through Oak Ridge National Laboratory	81.RD	34,883	-	-		34,883
Pass-Through Los Alamos National Security, LLC	81.RD	55,600	-	-		55,600
Pass-Through United Technologies Research Center	81.RD	61,215	-	-		61,215
Pass-Through University of South Carolina	81.RD	120,657	-	-		120,657
Pass-Through Lawrence Berkeley National Laboratory	81.RD	125,636	-	-		125,636
Pass-Through University of Michigan	81.RD	175,444	-	-		175,444
Pass-Through Sandia National Laboratories	81.RD	187,442	-	-		187,442
Pass-Through Calabazas Creek Research, Inc.	81.RD	190,203	-	-		190,203
Pass-Through Ames Laboratory	81.RD	192,803	-	-		192,803
Pass-Through University of Wisconsin	81.RD	282,749	-	-		282,749
Pass-Through Redox Power Systems, LLC	81.RD	414,786	-	-		414,786
Pass-Through Battelle Memorial Institute	81.RD	674,957	-	-		674,957
Department of Energy – Research and Development	81.RD	13,880,247	-	-		13,880,247
Pass-Through Lawrence Berkeley National Laboratory	81.Unknown	-	-	7,079		7,079
Contract / Other	81.Unknown	-	-	14,080		14,080
Pass-Through URS Corporation	81.Unknown	-	-	30,510		30,510
Total Department of Energy		17,076,529	-	7,264,224		24,340,753
FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)						
College Access Challenge Grant Program	83.378	-	-	895,656		895,656
Total Federal Emergency Management Agency		-	-	895,656		895,656
DEPARTMENT OF EDUCATION (ED)						
Adult Education - State Grant Program	84.002	-	-	969,110		969,110
Adult Education: State Grant Program	84.002	-	-	9,391,872		9,391,872
Federal Supplemental Educational Opportunity Grants	84.007	-	4,172,887	-		4,172,887
Federal Supplemental Educational Opportunity Grants	84.007	-	780,109	-		780,109
Federal Supplemental Educational Opportunity Grant	84.007	-	1,107,787	-		1,107,787
Federal Supplemental Education Opportunity Grant	84.007	-	-	53,128		53,128
Title I Grants to Local Educational Agencies	84.010	-	-	194,695,385		194,695,385
Migrant Education: State Grant Program	84.011	-	-	364,857		364,857
Migrant Education: State Grant Program	84.011	-	-	518,738		518,738
Title I Program for Neglected and Delinquent Children	84.013	-	-	1,221,266		1,221,266
International Research & Studies	84.017	-	-	51,606		51,606
International: Overseas: Group Projects Abroad	84.021	-	-	111,777		111,777
IDEA Part B Cluster						
Pass-Through Government of the District of Columbia	84.027	-	-	207,880		207,880
Special Education: Grants to States	84.027	-	-	194,658,419		194,658,419
Special Education: Preschool Grants	84.173	-	-	6,202,349		6,202,349
Total IDEA Part B Cluster					\$ 201,068,648	
Higher Education: Institutional Aid	84.031	-	-	16,839,478		16,839,478
Higher Education Institutional Aid	84.031	-	-	7,993,381		7,993,381
Higher Education Institutional Aid	84.031	-	-	285,856		285,856
Federal Family Educational Loan	84.032	-	-	9,895,816		9,895,816
Federal Work-Study Program	84.033	-	4,406,574	-		4,406,574
Federal Work-Study Program	84.033	-	610,774	-		610,774
Federal Work-Study Program	84.033	-	615,710	-		615,710
Federal Work-Study Program	84.033	-	54,612	-		54,612
Loan Cancellations	84.037	-	-	539,303		539,303
Federal Perkins Loan Cancellations	84.037	-	-	4,240		4,240
Federal Perkins Loan Program: Federal Capital Contributions	84.038	-	69,867,300	-		69,867,300
Federal Perkins Loan Program - Federal Capital Contribution	84.038	-	3,318,910	-		3,318,910
Federal Perkins Loan Program	84.038	-	71,800	-		71,800
TRIO Cluster						
TRIO: Student Support Services	84.042	-	-	1,605,257		1,605,257
TRIO - Student Support Services	84.042	-	-	349,626		349,626
Talent Search	84.044	-	-	90,190		90,190
TRIO - Talent Search	84.044	-	-	366,563		366,563
TRIO: Upward Bound	84.047	-	-	3,330,813		3,330,813
TRIO Upward Bound	84.047	-	-	567,208		567,208

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF EDUCATION (ED) (continued)						
TRIO Cluster (continued)						
TRIO - Upward Bound	84.047	\$ -	\$ -	\$ 270,522		\$ 270,522
TRIO: Educational Opportunity Centers	84.066	-	-	300,445		300,445
TRIO: McNair Post – Baccalaureate Achievement	84.217	-	-	595,944		595,944
Total TRIO Cluster					\$ 7,476,568	
Vocational, Education - Basic Grants to the State	84.048	-	-	189,008		189,008
Vocational Education: Basic Grants to States	84.048	-	-	16,206,685		16,206,685
Automotive Technology Program	84.051	-	-	166,032		166,032
Federal Pell Grant Program	84.063	-	146,342,757	-		146,342,757
Federal Pell Grant Program	84.063	-	12,269,725	-		12,269,725
Federal Pell Grant Program	84.063	-	16,638,929	-		16,638,929
Federal Pell Grant	84.063	-	-	1,371,837		1,371,837
Fund for the Improvement of Postsecondary Education	84.116	-	-	45,670		45,670
Minority Science and Engineering Improvement	84.120	-	-	142,356		142,356
Rehabilitation Services: Vocational Rehabilitation Grants to States	84.126	-	-	41,097,208		41,097,208
Rehabilitation Long-Term Training	84.129	-	-	304,724		304,724
National Institute on Disability and Rehabilitation Research	84.133	-	-	-		-
Pass-Through TransCen, Inc	84.133	-	-	172,373		172,373
Rehabilitation Services: Client Assistance Program	84.161	-	-	175,539		175,539
Independent Living: State Grants	84.169	-	-	273,071		273,071
Rehabilitation Service: Independent Living Services for Older Blind Individuals	84.177	-	-	765,858		765,858
Special Education: Grants for Infants and Families with Disabilities	84.181	-	-	7,464,830		7,464,830
Safe and Drug-Free Schools and Communities National Programs	84.184	-	-	2,281,981		2,281,981
Supported Employment Services for Individuals with Severe Handicaps	84.187	-	-	533,343		533,343
Bilingual Education: Professional Development	84.195	-	-	386,589		386,589
Education of Homeless Children & Youth	84.196	-	-	751,924		751,924
Graduate Assistance in Areas of National Need	84.200	-	-	702,015		702,015
Pass-Through Anne Arundel County Public Schools	84.215	-	-	1,936		1,936
Pass-Through Howard Co Public Schools	84.215	-	-	54,968		54,968
Fund for the Improvement of Education	84.215	-	-	86,934		86,934
Pass-Through Casa De Maryland, Inc.	84.215	-	-	548		548
Centers for International Business Education	84.220	-	-	159,508		159,508
Assistive Technology	84.224	-	-	455,737		455,737
Pass-Through University of California, Los Angeles	84.229	-	-	562		562
Pass-Through Duke University	84.229	-	-	6,826		6,826
Rehabilitation Training: State Vocational Rehabilitation Unit In-Service Training	84.265	-	-	169,035		169,035
Federal Direct Student Loans	84.268	-	833,365,236	-		833,365,236
Federal Direct Loan	84.268	-	60,246,160	-		60,246,160
Twenty-First Century Community Learning Centers	84.287	-	-	13,268,056		13,268,056
Education Research Development and Dissemination	84.305	-	-	60,218		60,218
Pass-Through Boston College	84.305	-	-	131,848		131,848
Special Education: State Program Improvement Grants for Children with Disabilities	84.323	-	-	1,070,096		1,070,096
Pass-Through University of Kansas	84.324	-	-	11,654		11,654
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325	-	-	779,848		779,848
Special Education: Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	-	-	182,300		182,300
Advanced Placement Incentive Program	84.330	-	-	674,503		674,503
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	-	-	116,587		116,587
Child Care Access Means Parents in School	84.335	-	-	177,162		177,162
Underground Railroad Educational and Cultural Program	84.345	-	-	15,289		15,289
Transition to Teaching	84.350	-	-	146,189		146,189
Rural and Low-Income Schools	84.358	-	-	299,667		299,667
English Language Acquisition Grants	84.365	-	-	9,715,970		9,715,970
Pass-Through Multicultural Intern Program Inc.	84.366	-	-	125,886		125,886
Mathematics and Science Partnerships	84.366	-	-	1,446,196		1,446,196
Improving Teacher Quality State Grants	84.367	-	-	9,810		9,810
Pass-Through National Writing Project	84.367	-	-	11,345		11,345
Pass-Through Multicultural Intern Program Inc.	84.367	-	-	22,494		22,494
Improving Teacher Quality State Grants pass thru MHEC	84.367	-	-	23,206		23,206
Improving Teacher Quality State Grants	84.367	-	-	33,006,767		33,006,767
Guide Accessibility & Access Proj (GAAP)	84.368	-	-	1,341,196		1,341,196
Grants for State Assessments and Related Activities	84.369	-	-	5,905,278		5,905,278
Statewide Longitudinal Data System	84.372	-	-	1,125,624		1,125,624
School Improvement Grants Cluster						
School Improvement Grants	84.377	-	-	3,917,095		3,917,095
Stimulus-School Improvement Grants	84.388	-	-	1,046,374		1,046,374
Total School Improvement Grants Cluster					4,963,469	
College Access Challenge Grant Program	84.378	-	-	40,122		40,122
Teacher Education Assistance for College and High Education Grants (TEACH Grants)	84.379	-	279,986	-		279,986
Strengthening Minority-Servicing Institutions	84.382	-	-	36,603		36,603
Strengthening Minority-Servicing Institutions	84.382	-	-	613,347		613,347
Stimulus-SFSF-Race to the Top Incentive	84.395	-	-	132,987,804		132,987,804
Pass-Through Baltimore City Public Schools	84.395	-	-	3,499		3,499
Pass-Through Casa de Maryland, Inc.	84.411	-	-	58,296		58,296
Pass-Through Maryland Family Network	84.412	-	-	37,319		37,319
RTTF-ELC Maryland Excels	84.412	-	-	14,520,687		14,520,687
Pass-Through TransCen, Inc.	84.418	-	-	32,465		32,465
Prom readiness of Minors in Suppl Security Income	84.418	-	-	4,358,586		4,358,586
Pass-Through Washington, DC Office of the State Superintendent of Education, Career and Technical Education	84.RD	21,114	-	-		21,114
Institute of Education Sciences	84.RD	38,914	-	-		38,914
Pass-Through Carnegie-Mellon University	84.RD	115,247	-	-		115,247
Special Education and Rehabilitative Services	84.RD	130,360	-	-		130,360
Other Research & Development	84.RD	237,391	-	-		237,391
Postsecondary Education	84.RD	266,833	-	-		266,833
Contract/Other	84.unknown	-	-	9,331		9,331

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF EDUCATION (ED) (continued)						
Contract/Other Office of Assistant Secretary for Innovation& Improvement	84.unknown	\$ -	\$ -	\$ 148,959		\$ 148,959
Total Department of Education		809,859	1,154,149,256	752,925,802		1,907,884,917
SMITHSONIAN INSTITUTION						
Contract/Other	85.13PO3300000280807	-	-	25,005		25,005
Contract/Other	85.13PO3320000284913	-	-	5,222		5,222
Contract/Other	85.13PO3320000287824	-	-	14,146		14,146
Contract/Other	85.14PO3340000294478	-	-	5,875		5,875
Contract/Other Conservation Biology Institute	85.14PO3530000290039	-	-	7,324		7,324
Contract/Other	85.15PO3320000328089	-	-	994		994
Morris K. Udall Scholarship Program	85.400	-	-	1,000		1,000
Smithsonian Institution Fellowship Program	85.601	-	-	147,671		147,671
Smithsonian Institution	85.RD	301,946	-	-		301,946
Total Smithsonian Institute		301,946	-	207,237		509,183
NATIONAL ARCHIVES & RECORDS ADMINISTRATION						
National Historical Publications & Records Grants	89.003	-	-	10,424		10,424
National Archives and Records Administration – Research and Development	89.RD	108,930	-	-		108,930
Oah/NPS National UGRR Network to Freedom	89.Unknown	-	-	4,573		4,573
Total National Archives & Records Administration		108,930	-	14,997		123,927
US ELECTION ASSISTANCE COMMISSION (EAC)						
Help America Vote Act	90.401	-	-	639,988		639,988
Pass-Through Information Technology and Innovation Foundation	90.RD	1,131	-	-		1,131
Total US Election Assistance Commission		1,131	-	639,988		641,119
US INSTITUTE OF PEACE						
Contract / Other	91.PC148065	-	-	11,239		11,239
Total US Institute of Peace		-	-	11,239		11,239
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)						
Contract / Other Food and Drug Administration	93HHSF223201400847P	13,266	-	-		13,266
Pass-Through Healthcare Management Solutions, LLC	93HHSM500201300169C	92,118	-	-		92,118
Pass-Through Synectics	93.000	-	-	14,842		14,842
Pass-Through National Association of County & City Health Officials Public Health Information	93.000	-	-	20,000		20,000
Contract / Other	93.000	-	-	3,728,321		3,728,321
Pass-Through Prince Georges Co. Health Dpt	93.003	-	-	137,536		137,536
Pass-Through National Association of Counties and Cities Health Officials	93.008	-	-	1,460		1,460
Demonstration Proj For Med Reserve Corporation	93.008	-	-	15,698		15,698
Programs for Prevention of Elder Abuse	93.041	-	-	124,244		124,244
Long term care ombudsman services for older individuals	93.042	-	-	477,244		477,244
Special Programs for the Aging: Title III, Part F: Disease Prevention and Health Promotion Services	93.043	-	-	324,869		324,869
Aging Cluster						
Special Programs for the Aging: Title III, Part B: Grants for Supportive Services and senior Centers	93.044	-	-	9,056,043		9,056,043
Special Programs for the Aging: Title III, Part C: Nutrition Services	93.045	-	-	9,376,992		9,376,992
Nutrition Services Incentive Program	93.053	-	-	1,295,967		1,295,967
Total Aging Cluster					\$ 19,729,002	
Special Programs for the Aging: Title IV: Training, Research and Discretionary Projects & Programs	93.048	-	-	261,515		261,515
Nation Family Caregiver Support Program	93.052	-	-	2,240,257		2,240,257
Public Health Emergency Preparedness	93.064	-	-	29,329		29,329
Pass-Through Kenya Episcopal Conference-Catholic Services	93.067	-	-	42,197		42,197
Pass-Through Health Strat Kenya	93.067	-	-	161,266		161,266
Pass-Through University of Zambia	93.067	-	-	264,289		264,289
Pass-Through University of Nairobi	93.067	-	-	805,285		805,285
Pass-Through Institute of Human Virology, Nigeria	93.067	-	-	1,408,128		1,408,128
Pass-Through Center for Clinical Care and Research	93.067	-	-	1,668,701		1,668,701
Pass-Through Catholic Relief Services	93.067	-	-	4,672,680		4,672,680
Global AIDS	93.067	-	-	13,555,283		13,555,283
Pass-Through Johns Hopkins University	93.069	-	-	76,684		76,684
Public Health Emergency Preparedness	93.069	-	-	11,148,265		11,148,265
Asthma- From a Public Health Perspective	93.070	-	-	850,152		850,152
Dept of HHS LIS/MSP (MIPPA)	93.071	-	-	231,128		231,128
Phep Supp EBOLA Preparedness & Response	93.074	-	-	384,122		384,122
Futures Without Violence Project	93.088	-	-	160,838		160,838
IVE-Guardianship	93.090	-	-	2,166,986		2,166,986
Personal Responsibility Education	93.092	-	-	871,536		871,536
Pass-Through IMPAQ International, LLC	93.103	-	-	73,953		73,953
Food and Drug Administration: Research	93.103	-	-	1,023,866		1,023,866
Comprehensive Community Mental Health Services for SED	93.104	-	-	556,780		556,780
Maternal and Child Health Federal Consolidated Programs	93.110	-	-	318,993		318,993
Maternal and Child Health Federal Consolidated Programs	93.110	-	-	256,925		256,925
Maternal and Child Health Federal Consolidated Programs	93.110	2,052	-	-		2,052
Biological Response to Environmental Health Hazards	93.113	-	-	42,098		42,098
Project Grants and Cooperative agreements for Tuberculosis Control Programs	93.116	-	-	1,164,476		1,164,476
Oral Diseases and Disorders Research	93.121	-	-	55,307		55,307
Emergency Medical Services for Children	93.127	-	-	116,633		116,633
Primary Care Services: Resource Coordination and Development: Primary Care Offices	93.130	-	-	173,159		173,159
Injury Prevention and Control Research and State and Community Based Programs	93.136	-	-	869,365		869,365
Pass-Through University of Pittsburg	93.145	-	-	328,906		328,906
Project for Assistance in Transition from Homelessness (PATH)	93.150	-	-	1,106,376		1,106,376
Coordinated HIV Services and Access to Research for Children, Youth, Women and Families	93.153	-	-	936,766		936,766
Grants for State Loan Repayments	93.165	-	-	475,000		475,000

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (continued)						
Pass-Through Institute of Human Virology, Nigeria	93.172	\$ -	\$ -	\$ 5,444		\$ 5,444
Research related to Deafness and Communication Disorders	93.173	-	-	117,202		117,202
Contract / Other Center for Disease Control	93.200-2011-42064	392,757	-	-		392,757
Pass-Through Baltimore City Health Department	93.217	-	-	10,431		10,431
Family Planning: Services	93.217	-	-	4,105,629		4,105,629
Research on Healthcare Costs, Quality and Outcomes	93.226	-	-	47,130		47,130
Research on Healthcare Costs, Quality and Outcomes	93.226	5,211	-	-		5,211
Abstinence Education	93.235	-	-	444,648		444,648
Oral Health Workforce Activities	93.236	-	-	602,609		602,609
Mental Health Research Grants	93.242	-	-	51,211		51,211
Pass-Through University of Pittsburgh	93.243	-	-	14,445		14,445
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	-	-	300,660		300,660
Pass-Through American Institutes for Research	93.243	-	-	402,417		402,417
Substance Abuse and Mental Health Services	93.243	708,700	-	-		708,700
Substance Abuse and Mental Health Services	93.243	-	-	9,492,590		9,492,590
Universal Newborn Hearing Screening	93.251	-	-	244,732		244,732
Poison Center Support and Enhancement Grant Program	93.253	-	-	81,440		81,440
Pass-Through Morehouse University	93.260	-	-	6,628		6,628
Maryland Occupational Hlth surveillance	93.262	-	-	110,640		110,640
Nurse Faculty Loan Program (NFLP)	93.264	-	98,548	-		98,548
Nurse Faculty Loan Program (NFLP)	93.264 ARRA	-	296	-		296
Immunization Grants	93.268	-	-	5,075,644		5,075,644
Adult Viral Hepatitis Prevention Coord	93.270	-	-	354,696		354,696
Drug-Free Communities Support Program Grants	93.276	-	-	74,329		74,329
Drug Free Communities Support Program	93.276	-	-	307,934		307,934
Drug Abuse Research Programs: Pass-Through Louisiana State University	93.279	-	-	183,626		183,626
Mental Health National Research Service Awards for Research Training	93.282	-	-	65,436		65,436
Centers for Disease Control and Prevention: Investigations and Technical Assistance	93.283	-	-	85,617		85,617
Pass-Through ASTHO	93.283	-	-	34,472		34,472
Center for Disease Control and Prevention: Investigations and Technical Assistance	93.283	-	-	10,811,925		10,811,925
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	-	-	29,089		29,089
Strengthening Public Health Infrastruct. Improvement	93.292	-	-	217,133		217,133
HIV/AIDS Community Outreach Proj.	93.295	26,785	-	-		26,785
Minority Hlth State Partnership Grant	93.296	-	-	135,670		135,670
Small Rural Hospital Improvement Grants	93.301	-	-	33,048		33,048
Comprehensive Tobacco Control Program	93.305	-	-	170,496		170,496
Minority Health and Health Disparities Research	93.307	149,278	-	-		149,278
Pass-Through University of Wisconsin	93.310	-	-	83,959		83,959
The Affordable Care Act: Centers for Disease Control and Prevention Investigations and Technical Assistance	93.310	828,438	-	-		828,438
Emerging Infect Prg Support SUP PPF2014	93.317	-	-	18,515		18,515
Building Epidemiology Lab(ELC)Non-PPHF	93.323	-	-	810,633		810,633
Dept. of HHS SHICAP	93.324	-	-	590,233		590,233
BRFSS/Behavioral Risk Factor Surv Sys	93.336	-	-	52,631		52,631
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	-	10,934,805	-		10,934,805
Common Fund Research Support	93.350	8,129	-	-		8,129
Advanced Education Nursing Traineeships	93.358	-	-	353,375		353,375
Nursing Student Loans	93.364	-	1,187,840	-		1,187,840
Contract / Other Training	93.3726916	-	-	2,364		2,364
Food Safety and Security Monitoring Project	93.448	-	-	222,489		222,489
Maternal Infant & Early Childhd HME VIS	93.505	-	-	4,192,895		4,192,895
Affordable Care Act	93.511	-	-	2,109,066		2,109,066
Dept of HHS - ADRC - Options Counseling	93.517	-	-	340,903		340,903
Affordable Health Care	93.519	-	-	274,885		274,885
Affordable Care Act Bld Epidemiology Lab	93.521	-	-	1,340,248		1,340,248
Oral Health - APHA the Power of Policy	93.524	-	-	50,000		50,000
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.525	-	-	54,000,737		54,000,737
Pass-Through Seaco	93.525	-	-	228,921		228,921
Healthiest MD Bldg Support Comm Change	93.531	-	-	818,694		818,694
MD Emergency Psychiatric Demonstration	93.537	-	-	10,030,000		10,030,000
Environmental Public Health Tracking	93.538	-	-	251,332		251,332
Immunization Grant Prevent & Pub Hlth	93.539	-	-	5,714		5,714
Pass-through Baltimore City Department of Social Services	93.556	-	-	33,639		33,639
Promoting Safe and Stable Families	93.556	-	-	3,357,349		3,357,349
Temporary Assistance for Needy Families (TANF)	93.558	-	-	240,221,714		240,221,714
Child Support Enforcement (CSE)	93.563	-	-	84,928,418		84,928,418
Refugee and Entrant Assistance- State Administrated Programs	93.566	-	-	355,071		355,071
Refugee and Entrant Assistance: State Administered Programs	93.566	-	-	10,492,350		10,492,350
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	-	-	306,708		306,708
Low-Income Home Energy Assistance (LIHEAP)	93.568	-	-	63,664,491		63,664,491
Community Services Block Grant (CSBG)	93.569	-	-	7,810,992		7,810,992
Child Care and Development Block Grant	93.575	-	-	-		-
Pass-through Maryland Family Network	93.575	-	-	147,755		147,755
Child Care and Development Block Grant	93.575	-	-	37,037,837		37,037,837
Refugee and Entrant Assistance- Discretionary Grants	93.576	-	-	10,225		10,225
Refugee and Entrant Assistance: Discretionary Grants	93.576	-	-	306,653		306,653
Refugee and Entrant Assistance- Targeted Assistance	93.584	-	-	115,614		115,614
Targeted Assist	93.584	-	-	860,710		860,710
State Court Improvement Program	93.586	-	-	574,706		574,706
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	-	-	47,159,229		47,159,229
Grants to States for Access and Visitation Programs	93.597	-	-	142,075		142,075
Education and Training Vouchers	93.599	-	-	940,418		940,418
Head Start Program	93.600	-	-	141,890		141,890

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (continued)						
Pass Through - Maryland Family Network	93.600	\$ -	\$ -	\$ 376,508		\$ 376,508
Voting access for Individual with Disabilities	93.617	-	-	192,701		192,701
TEFT in Community Based Long Term Ser	93.627	-	-	72,000		72,000
Development Disabilities Basic Support and Advocacy Grants	93.630	-	-	746,830		746,830
Children's Justice Grants to States	93.643	-	-	300,153		300,153
Child Welfare Services: State Grants	93.645	-	-	3,756,507		3,756,507
Foster Care: Title IV-E	93.658	-	-	47,607,487		47,607,487
Adoption Assistance	93.659	-	-	23,133,424		23,133,424
Social Services Block Grant (SSBG)	93.667	-	-	52,707,368		52,707,368
Child Abuse and Neglect State Grants	93.669	-	-	874,666		874,666
Child Abuse and Neglect Discretionary Activities	93.670	-	-	99,614		99,614
Family Violence Prevention and Services/Grants for Battered Women's Shelters:						
States & Indian Tribes	93.671	-	-	1,596,793		1,596,793
Chafee Foster Care Independent Living	93.674	-	-	2,301,730		2,301,730
ARRA - Trans-NIH Recovery Act Research Support	93.701 ARRA	-	-	262,550		262,550
Chronic Disease Self-Management Education	93.734	-	-	410,033		410,033
Pub Hlth Approaches Ensuring Quitline	93.735	-	-	178,414		178,414
Behavioral Risk Factor Surveillance Sys	93.745	-	-	235,893		235,893
Nat Breast & Cancer Early Det (NBCCEDP)	93.752	-	-	4,236,296		4,236,296
Childhood Lead Poisoning Prevention (YR 1 of 3)	93.753	-	-	141,728		141,728
Healthiest MD Sus/Enhance Hlth(PPHF)	93.757	-	-	2,985,368		2,985,368
Prevent Hlth & Hlth Ser Block Grant-PPHF	93.758	-	-	2,057,920		2,057,920
State Children's Insurance Program (CHIP)	93.767	-	-	107,045,272		107,045,272
Medicaid Cluster						
State Medicaid Fraud Control Units	93.775	-	-	2,786,050		2,786,050
State Survey and Certification of Health Care Providers and Suppliers	93.777	-	-	6,024,965		6,024,965
Pass-Through New Mexico Human Services Department	93.778	-	-	1,109		1,109
Medical Assistance Program (Medicaid)	93.778	-	-	6,175,160,333		6,175,160,333
Total Medicaid Cluster					\$ 6,183,972,457	
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	-	-	217,866		217,866
Operations Grant High Risk Hlth Pools	93.780	-	-	12,232		12,232
Alternatives to Psychiatric Residential Treatment Facilities for Children	93.789	-	-	4,663,380		4,663,380
Money Follows the Person	93.791	-	-	11,350,534		11,350,534
ELC Supplement for Domestic EBOLA Resp	93.815	-	-	489		489
Cardiovascular Diseases Research	93.837	-	-	93,578		93,578
Blood Diseases and Resources Research	93.839	-	-	537,647		537,647
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	-	136,842		136,842
Allergy, Immunology, & Transplantation Research	93.855	-	-	117,673		117,673
Biomedical Research and Research Training	93.859	-	-	1,409,562		1,409,562
Marc U Star/RISE	93.859	618,053	-	-		618,053
Child Health and Human Development Extramural Research	93.865	-	-	307,791		307,791
Child Health and Human Development Extramural Research	93.865	355,150	-	-		355,150
Aging Research	93.866	-	-	218,138		218,138
Vision Research	93.867	-	-	38,610		38,610
National Bioterrorism Hospital Preparedness	93.889	-	-	71,682		71,682
Grants to States for Operation of Offices of Rural Health	93.913	-	-	142,707		142,707
Pass-Through Associated Black Charities	93.914	-	-	2,970,122		2,970,122
HIV Emergency Relief Project Grants	93.914	-	-	41,014		41,014
Pass-Through PG County Health Department	93.914	-	-	243,143		243,143
Pass-Through Associated Black Charities	93.914	-	-	323,215		323,215
Pass-Through Delaware HIV Consortium	93.917	-	-	6,520		6,520
HIV Care Formula Grants	93.917	-	-	14,525,199		14,525,199
Public Health Service Act - AIDS	93.938	-	-	61,113		61,113
HIV Prevention Activities: Health Department Based	93.940	-	-	7,722,806		7,722,806
Pass-Through Baltimore City Health Department	93.940	-	-	171,324		171,324
HIV/AIDS Surveillance	93.944	-	-	1,935,356		1,935,356
Healthiest MD Sustaing/Enhancing Health	93.945	-	-	1,168,273		1,168,273
Pregnancy Risk Assessment	93.946	-	-	126,783		126,783
Pass-Through Behavioral Health System Baltimore	93.958	-	-	1,767		1,767
Block Grants for Community Mental Health Services	93.958	-	-	7,508,188		7,508,188
Pass-Through Allegany County Health Department	93.959	-	-	254,404		254,404
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	-	32,410,854		32,410,854
Preventive Health Services: Sexually Transmitted Diseases Control Grants	93.977	-	-	1,335,649		1,335,649
Cooperative Agreements for State-Based Diabetes Control Programs & Evaluation of Surveillance Systems	93.988	-	-	18,460		18,460
National Health Promotion	93.990	-	-	-		-
Pass-Through Baltimore City Health Department	93.991	-	-	3,561		3,561
Preventive Health & Health Services Block Grant	93.991	-	-	445,267		445,267
Maternal and Child Health Services Block Grant to the States	93.994	-	-	11,371,739		11,371,739
Pass-Through Countervail Corporation	93.HHS0100201100030C	1,361,860	-	-		1,361,860
Contract / Other Food and Drug Administration	93.HHSF22301211330P	80,855	-	-		80,855
Contract / Other Food and Drug Administration	93.HHSF223200810041C	7,622	-	-		7,622
Contract / Other Food and Drug Administration	93.HHSF223201010144A	70,938	-	-		70,938
Contract / Other Food and Drug Administration	93.HHSF223201310109C	516,122	-	-		516,122
Pass-Through Harvard University	93.HHSF223201400115C	1,881	-	-		1,881
Contract / Other Food and Drug Administration	93.HHSF223201400188C	194,189	-	-		194,189
Pass-Through Econometrica, Inc	93.HHSM500201100035G	-	-	4,208		4,208
Contract / Other National Institute of Health	93.HHSN231201300438P	22,862	-	-		22,862
Contract / Other National Institute of Health	93.HHSN261201000117C	1,294,491	-	-		1,294,491
Pass-Through University of Chicago	93.HHSN261201100071C	-	-	75,831		75,831
Contract / Other National Institute of Health	93.HHSN263201400737P	17,167	-	-		17,167
Contract / Other National Institute of Health	93.HHSN268201000004P	47,649	-	-		47,649
Contract / Other National Institute of Health	93.HHSN268201200035C	807,664	-	-		807,664
Pass-Through Radiological Society of North America	93.HHSN268201200078C	184,343	-	-		184,343
Contract / Other National Institute of Health	93.HHSN268201500034P	8,121	-	-		8,121
Contract / Other National Institute of Health	93.HHSN269201400012C	607,069	-	-		607,069
Pass-Through Rsch Foundation for Mental Hlth Hygiene	93.HHSN271201200007I	2,091	-	-		2,091

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (continued)						
Contract / Other National Institute of Health	93.HHSN271201300717P	\$ -	\$ -	\$ 35,657	\$ -	\$ 35,657
Contract / Other National Institute of Health	93.HHSN271201400045C	1,354,058	-	-	-	1,354,058
Contract / Other National Institute of Health	93.HHSN271201400102C	33,980	-	-	-	33,980
Contract / Other National Institute of Health	93.HHSN271201400336P	-	-	24,000	-	24,000
Contract / Other National Institute of Health	93.HHSN271201400726P	787	-	-	-	787
Contract / Other National Institute of Health	93.HHSN271201500163P	-	-	3,995	-	3,995
Contract / Other National Institute of Health	93.HHSN272200800057C	1,170,815	-	-	-	1,170,815
Contract / Other National Institute of Health	93.HHSN272201000046C	10,748,630	-	-	-	10,748,630
Pass-Through EMMES Corporation	93.HHSN272201000049I	284,644	-	-	-	284,644
Contract / Other National Institute of Health	93.HHSN272201300022I	1,052,215	-	-	-	1,052,215
Contract / Other National Institute of Health	93.HHSN275200900011C	189,341	-	-	-	189,341
Pass-Through Duke University	93.HHSN-275201000003I	871	-	-	-	871
Contract / Other National Institute of Health	93.HHSN276201100004	-	-	257,192	-	257,192
Contract / Other National Institute of Health	93.HHSN27620110004C	-	-	1,539,733	-	1,539,733
Contract / Other National Institute of Health	93.HHSN276201300570P	-	-	57,414	-	57,414
Contract / Other National Institute of Health	93.HHSN276201400419P	194,468	-	-	-	194,468
Contract/Other Substance Abuse and Mental Health Services Administration	93.HHSS280201300002C	-	-	3,519,901	-	3,519,901
Pass-Through Countervail Corporation	93.HHSS280201300002C	174	-	-	-	174
Contract / Other Center for Disease Control	93.IPA	-	-	3,080	-	3,080
Contract/Other Substance Abuse and Mental Health Services Administration	93.IPA	-	-	6,005	-	6,005
Contract / Other Agency for Health Care Research and Quality	93.IPA	-	-	22,744	-	22,744
Contract / Other Food and Drug Administration	93.IPA	-	-	109,717	-	109,717
Contract / Other National Institute of Health	93.IPA	-	-	425,548	-	425,548
Contract / Other National Institute of Health	93.IPA No. 14061708	-	-	45,358	-	45,358
Contract / Other Centers for Medicare and Medicaid Services	93.IPA Stockwell	5,665	-	-	-	5,665
Pass-Through University of California, San Francisco	93.N01-A1-15416	21,212	-	-	-	21,212
Pass-Through Children's Hospital of Los Angeles	93.RD	540	-	-	-	540
Pass-Through Cleveland Clinic Found.	93.RD	1,037	-	-	-	1,037
Pass-Through AxioMx, Inc.	93.RD	1,483	-	-	-	1,483
Pass-Through Children's Hospital of Philadelphia	93.RD	2,548	-	-	-	2,548
Pass-Through Hugo W Moser Research at Kennedy Krieger, Inc.	93.RD	3,552	-	-	-	3,552
Pass-Through Johns Hopkins University	93.RD	5,115	-	-	-	5,115
Pass-Through Research Foundation of State University of New York, Buffalo	93.RD	5,909	-	-	-	5,909
Pass-Through Teens Have Choices: Washington County Teen Pregnancy Prevention Coalition	93.RD	6,865	-	-	-	6,865
Pass-Through Kennedy Krieger Institute	93.RD	7,794	-	-	-	7,794
Pass-Through Health Research, Inc	93.RD	8,662	-	-	-	8,662
Pass-Through University of Wisconsin Madison	93.RD	8,920	-	-	-	8,920
Pass-Through GPB Scientific LLC	93.RD	9,129	-	-	-	9,129
Pass-Through Beth Israel Deaconess Medical Center	93.RD	10,835	-	-	-	10,835
Pass-Through Dartmouth College	93.RD	10,944	-	-	-	10,944
Pass-Through University Nottingham	93.RD	11,631	-	-	-	11,631
Pass-Through Advanced Circulatory System, Inc	93.RD	11,962	-	-	-	11,962
Pass-Through University of Minnesota	93.RD	14,028	-	-	-	14,028
Pass-Through University of North Texas Health Sciences	93.RD	14,216	-	-	-	14,216
Pass-Through Seattle Children's Research Institute	93.RD	14,517	-	-	-	14,517
Pass-Through Program for Appropriate Technology	93.RD	14,667	-	-	-	14,667
Pass-Through Ohio State University	93.RD	15,317	-	-	-	15,317
Pass-Through Delmarva Foundation for Medical Care, Inc.	93.RD	15,419	-	-	-	15,419
Pass-Through Yale New University	93.RD	15,906	-	-	-	15,906
Pass-Through The Ohio State University Research Foundation	93.RD	15,927	-	-	-	15,927
Pass-Through SilcsBio LLC	93.RD	15,959	-	-	-	15,959
Pass-Through Colorado School of Mines	93.RD	16,300	-	-	-	16,300
Pass-Through Georgia State University	93.RD	17,771	-	-	-	17,771
Pass-Through University of Rochester Medical Center	93.RD	19,163	-	-	-	19,163
Pass-Through University of California, Davis	93.RD	19,619	-	-	-	19,619
Pass-Through Discovery BioMed, Inc	93.RD	21,851	-	-	-	21,851
Pass-Through Community Connections	93.RD	22,181	-	-	-	22,181
Pass-Through Countervail Corporation	93.RD	23,543	-	-	-	23,543
Pass-Through SRI International	93.RD	24,226	-	-	-	24,226
Pass-Through LeukoSight, Inc	93.RD	24,593	-	-	-	24,593
Pass-Through University of California, Irvine	93.RD	24,843	-	-	-	24,843
Pass-Through University of Michigan Medical School	93.RD	25,328	-	-	-	25,328
Pass-Through Minneapolis Medical Research Foundation	93.RD	25,552	-	-	-	25,552
Pass-Through L2 Diagnostics LLC	93.RD	26,858	-	-	-	26,858
Pass-Through Duke Clinical Research Institute	93.RD	27,039	-	-	-	27,039
Pass-Through University of Massachusetts	93.RD	28,633	-	-	-	28,633
Pass-Through Research Foundation of State University of New York, Binghamton	93.RD	28,668	-	-	-	28,668
Pass-Through Harvard University	93.RD	29,106	-	-	-	29,106
Pass-Through Child Trends	93.RD	29,213	-	-	-	29,213
Pass-Through Sigmovir Biosystems, Inc	93.RD	29,412	-	-	-	29,412
Pass-Through Sheppard Pratt Health System	93.RD	30,118	-	-	-	30,118
Pass-Through Benaroya Research Institute	93.RD	30,809	-	-	-	30,809
Pass-Through Children's National Medical Center	93.RD	31,342	-	-	-	31,342
Pass-Through University of Southern California	93.RD	31,408	-	-	-	31,408
Pass-Through National Capital Consortium for Pediatric Device Innovation	93.RD	32,173	-	-	-	32,173
Pass-Through University of California, San Francisco	93.RD	33,605	-	-	-	33,605
Pass-Through University of Texas Southwestern Medical Center	93.RD	33,752	-	-	-	33,752
Pass-Through Radiant Creative Group, LLC	93.RD	35,085	-	-	-	35,085
Pass-Through Trustees of Boston University	93.RD	36,494	-	-	-	36,494
Pass-Through Brigham and Women's Hospital	93.RD	36,967	-	-	-	36,967
Pass-Through University of Utah	93.RD	37,054	-	-	-	37,054
Pass-Through Integrated BioTherapeutics, Inc	93.RD	38,103	-	-	-	38,103
Pass-Through Sam Houston State University	93.RD	38,660	-	-	-	38,660
Pass-Through University of Missouri-St Louis	93.RD	38,812	-	-	-	38,812
Pass-Through Kaiser Permanente Southern California	93.RD	39,349	-	-	-	39,349
Pass-Through Medical, Science, & Computing, LLC	93.RD	39,819	-	-	-	39,819
Pass-Through Wake Forest University	93.RD	41,329	-	-	-	41,329

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (continued)						
Pass-Through University of Zambia	93.RD	\$ 41,798	\$ -	\$ -	\$ -	\$ 41,798
Pass-Through Emory University	93.RD	43,012	-	-	-	43,012
Pass-Through Children's Research Institute	93.RD	43,651	-	-	-	43,651
Pass-Through Rutgers, the State University of New Jersey	93.RD	43,872	-	-	-	43,872
Pass-Through Communication Disorders Technology, Inc	93.RD	45,127	-	-	-	45,127
Pass-Through Baylor College of Medicine	93.RD	45,571	-	-	-	45,571
Pass Through Johns Hopkins University	93.RD	46,572	-	-	-	46,572
Pass-Through University of Delaware	93.RD	48,338	-	-	-	48,338
Pass-Through University of Washington	93.RD	48,400	-	-	-	48,400
Pass-Through National Opinion Research Center	93.RD	48,480	-	-	-	48,480
Pass-Through University of Louisville Research Foundation	93.RD	48,535	-	-	-	48,535
Pass-Through Institute of Human Virology, Nigeria	93.RD	48,810	-	-	-	48,810
Pass-Through Fluorometrix Corporation	93.RD	49,632	-	-	-	49,632
Pass-Through Dana Farber Cancer Institute	93.RD	50,711	-	-	-	50,711
Pass-Through Children & Families First	93.RD	51,440	-	-	-	51,440
Pass-Through New York University	93.RD	52,368	-	-	-	52,368
Pass Through Schaefer Center	93.RD	53,533	-	-	-	53,533
Pass-Through University of Wisconsin	93.RD	53,615	-	-	-	53,615
Pass-Through Profectus Biosciences	93.RD	57,759	-	-	-	57,759
Pass-Through University of Michigan, Ann Arbor	93.RD	58,004	-	-	-	58,004
Pass-Through Kent State University	93.RD	60,375	-	-	-	60,375
Pass-Through University of Houston	93.RD	61,136	-	-	-	61,136
Pass-Through NRG Oncology Foundation, Inc.	93.RD	61,488	-	-	-	61,488
Pass-Through Rand Corporation	93.RD	62,171	-	-	-	62,171
Pass-Through Medigen Inc	93.RD	62,386	-	-	-	62,386
Pass-Through The Scripps Research Institute	93.RD	62,473	-	-	-	62,473
Pass-Through Truven Health Analytics	93.RD	64,483	-	-	-	64,483
Pass-Through University of Texas Medical Branch	93.RD	66,910	-	-	-	66,910
Pass-Through Ariadne Diagnostics, LLC	93.RD	69,011	-	-	-	69,011
Pass-Through Washington University	93.RD	69,687	-	-	-	69,687
Pass-Through Weinberg Medical Physics, LLC	93.RD	71,103	-	-	-	71,103
Pass-Through Henry M Jackson Foundation	93.RD	71,530	-	-	-	71,530
Pass-Through Sanaria Incorporated	93.RD	80,300	-	-	-	80,300
Pass-Through Dartmouth College	93.RD	80,317	-	-	-	80,317
Pass-Through The Research Foundation of State University of New York (SUNY)	93.RD	80,423	-	-	-	80,423
Pass-Through Virginia Polytechnic and State University	93.RD	81,418	-	-	-	81,418
Pass-Through Thomas Jefferson University	93.RD	83,246	-	-	-	83,246
Pass-Through University of Kentucky Research FDN	93.RD	87,024	-	-	-	87,024
Pass-Through University of Miami	93.RD	88,616	-	-	-	88,616
Pass-Through Geisinger Clinic	93.RD	92,817	-	-	-	92,817
Pass-Through University of Arizona	93.RD	94,338	-	-	-	94,338
Pass-Through Westat Incorporated	93.RD	95,698	-	-	-	95,698
Pass-Through Leidos Bio Medical Research	93.RD	97,505	-	-	-	97,505
Pass-Through Texas A&M University	93.RD	98,845	-	-	-	98,845
Pass-Through The Mind Research Network	93.RD	99,235	-	-	-	99,235
Pass-Through California Pacific Medical Center Research Institute	93.RD	101,822	-	-	-	101,822
Pass-Through Humanetics Corp	93.RD	107,095	-	-	-	107,095
Pass-Through University of Texas Health Science Center	93.RD	107,450	-	-	-	107,450
Pass-Through Pennsylvania State University	93.RD	110,758	-	-	-	110,758
Pass-Through American College of Radiology	93.RD	111,512	-	-	-	111,512
Pass-Through Northwestern University Medical School	93.RD	112,504	-	-	-	112,504
Pass-Through Case Western University	93.RD	114,457	-	-	-	114,457
Pass-Through National Institute for Pharmaceutical Technology and Education	93.RD	115,214	-	-	-	115,214
Pass-Through University of New Mexico	93.RD	121,435	-	-	-	121,435
Pass-Through Children's Hospital Boston	93.RD	125,271	-	-	-	125,271
Pass-Through University of Texas- Houston	93.RD	125,980	-	-	-	125,980
Pass-Through Boston University	93.RD	126,405	-	-	-	126,405
Pass-Through Temple University	93.RD	126,875	-	-	-	126,875
Pass-Through University of Cincinnati	93.RD	134,278	-	-	-	134,278
Pass-Through CASE, Center for Adoption Support & Educ	93.RD	135,317	-	-	-	135,317
Pass-Through Research Circle Associates	93.RD	141,300	-	-	-	141,300
Pass-Through Johns Hopkins University	93.RD	143,976	-	-	-	143,976
Pass-Through Brigham and Women's Hospital	93.RD	144,960	-	-	-	144,960
Pass-Through Howard University	93.RD	145,502	-	-	-	145,502
Pass-Through Division for Research University at Albany, State University of New York	93.RD	154,063	-	-	-	154,063
Pass-Through Carnegie Mellon University	93.RD	154,439	-	-	-	154,439
Pass-Through New York University Medical School	93.RD	154,919	-	-	-	154,919
Pass-Through Georgia Regents University	93.RD	155,910	-	-	-	155,910
Pass-Through University of Alabama at Birmingham	93.RD	160,642	-	-	-	160,642
Pass-Through University of Iowa	93.RD	161,439	-	-	-	161,439
Pass-Through University of Nairobi	93.RD	163,509	-	-	-	163,509
Pass-Through Tufts University	93.RD	164,792	-	-	-	164,792
Pass-Through University of Kansas Center for Research	93.RD	171,341	-	-	-	171,341
Pass-Through Duke University Medical Center	93.RD	176,407	-	-	-	176,407
Pass-Through Robin Medical, Inc	93.RD	177,461	-	-	-	177,461
Pass-Through Michigan State University	93.RD	192,684	-	-	-	192,684
Pass-Through University of North Carolina Charlotte	93.RD	192,976	-	-	-	192,976
Pass-Through Children's National Medical Center	93.RD	218,926	-	-	-	218,926
Pass-Through Baltimore City, Department of Social Services	93.RD	222,766	-	-	-	222,766
Pass-Through Action for Child Protection, Inc	93.RD	231,374	-	-	-	231,374
Pass-Through Wayne State University	93.RD	240,622	-	-	-	240,622
Pass-Through University of Texas Health Science Center at San Antonio	93.RD	262,426	-	-	-	262,426
Pass-Through Duke University	93.RD	266,432	-	-	-	266,432
Pass-Through Mayo Clinic Jacksonville	93.RD	286,403	-	-	-	286,403
Pass-Through Geneva Foundation	93.RD	286,804	-	-	-	286,804

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	CFDA Number	Research & Development	Student Financial Assistance	Other	Cluster Total	Total
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (continued)						
Pass-Through University of Virginia	93.RD	\$ 290,113	\$ -	\$ -		\$ 290,113
Pass-Through George Washington University	93.RD	305,969	-	-		305,969
Pass-Through University of Michigan	93.RD	335,989	-	-		335,989
Pass-Through University of Pennsylvania	93.RD	371,953	-	-		371,953
Pass-Through Massachusetts General Hospital	93.RD	408,567	-	-		408,567
Pass-Through Virginia Commonwealth University	93.RD	418,482	-	-		418,482
Pass-Through Stanford University	93.RD	446,146	-	-		446,146
Pass-Through Georgetown University	93.RD	534,058	-	-		534,058
Pass-Through University of North Carolina at Chapel Hill	93.RD	573,100	-	-		573,100
Pass-Through Countervail Corporation	93.RD	584,924	-	-		584,924
Pass-Through Mount Sinai School of Medicine	93.RD	665,785	-	-		665,785
Pass-Through University of California	93.RD	690,581	-	-		690,581
Pass-Through Vanderbilt University	93.RD	761,312	-	-		761,312
Center for Disease Control and Prevention	93.RD	852,239	-	-		852,239
Pass-Through University of Florida	93.RD	997,257	-	-		997,257
Pass-Through University of Pittsburgh	93.RD	1,088,645	-	-		1,088,645
Substance Abuse and Mental Health Services Administration	93.RD	1,141,884	-	-		1,141,884
Pass-Through Aeolus Pharmaceuticals, Inc	93.RD	1,544,574	-	-		1,544,574
Other Research and Development	93.RD	1,568,506	-	-		1,568,506
Health Resources and Services Administration	93.RD	1,669,817	-	-		1,669,817
Administration for Children and Families	93.RD	2,094,735	-	-		2,094,735
Agency for Healthcare Research and Quality	93.RD	2,213,308	-	-		2,213,308
Pass-Through Johns Hopkins University	93.RD	3,381,731	-	-		3,381,731
Food and Drug Administration	93.RD	4,653,642	-	-		4,653,642
National Institutes of Health	93.RD	193,086,816	-	-		193,086,816
Pass-Through Electronic Health, Inc.	93.Unknown	-	-	44,392		44,392
Contract / Other	93.Unknown	-	-	79,539		79,539
Total Department of Health and Human Services		254,943,723	12,221,489	7,224,582,383		7,491,747,595
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CNCS)						
State Commissions	94.003	-	-	347,294		347,294
AmeriCorps	94.006	-	-	34,894		34,894
Pass-Through Public Allies, Inc	94.006	-	-	336,723		336,723
AmeriCorps	94.006	-	-	3,271,334		3,271,334
Planning and Program Development Grants	94.007	-	-	1,176		1,176
Foster Grandparents	94.011	-	-	306,665		306,665
Volunteer Generation Fund	94.021	-	-	226,211		226,211
CCDF - Mandatory and Matching	94.596	-	-	186		186
Corporation for National and Community Service	94.RD	1,633,033	-	-		1,633,033
Total Corporation for National and Community Service		1,633,033	-	4,524,483		6,157,516
EXECUTIVE OFFICE OF THE PRESIDENT						
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	-	-	1,965,708		1,965,708
Executive Office of the President	95.RD	6,030,430	-	-		6,030,430
Total Executive Office of the President		6,030,430	-	1,965,708		7,996,138
SOCIAL SECURITY ADMINISTRATION (SSA)						
Disability Insurance/SSI Cluster						
Social Security: Disability Insurance	96.001	-	-	34,989,914		34,989,914
Supplemental Security Income (SSI)	96.006	-	-	6,661,661		6,661,661
Total Disability Insurance/SSI Cluster					\$ 41,651,575	
Other Research and Development	96.RD	41,595	-	-		41,595
Contract / Other	96.Unknown	-	-	2,805		2,805
Total Social Security Administration		41,595	-	41,654,380		41,695,975
DEPARTMENT OF HOMELAND SECURITY						
State and Local Homeland Security National Training Program	97.005	-	-	150,280		150,280
NRC - Safeguards Information	97.005	-	-	782		782
Urban Areas Security Initiative	97.008	-	-	7,470,440		7,470,440
Citizenship Education and Training	97.010	-	-	87,880		87,880
Boating Safety Financial Assistance	97.012	-	-	776,707		776,707
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	-	-	118,536		118,536
Public Assistance Grants	97.036	-	-	7,244,337		7,244,337
Hazard Mitigation Grant (HMGP)	97.039	-	-	2,771,037		2,771,037
National Dam Safety Program	97.041	-	-	1,195,941		1,195,941
Emergency Management Performance Grants	97.042	-	-	7,186,534		7,186,534
State Fire Training Systems Grants	97.043	-	-	22,000		22,000
Assistance to Firefighters Grant	97.044	-	-	500,058		500,058
Emergency Management - Cooperating Technical Partners	97.045	-	-	1,316,939		1,316,939
Pre-Disaster Mitigation	97.047	-	-	84,747		84,747
Presidential Declared Disaster Assistance to Individuals and Households	97.050	-	-	5,841		5,841
Citizen Corps	97.053	-	-	8,258		8,258
Port Security Grant Program for Critical National Seaports	97.056	-	-	968,781		968,781
Centers for Homeland Security	97.061	-	-	1,212		1,212
Centers for Homeland Security	97.061	-	-	10,994		10,994
Scientific Leadership Awards	97.062	-	-	248,118		248,118
Pass-Through J. Craig Venter Institute	97.067	-	-	24,370		24,370
Pass-Through District of Columbia Government	97.067	-	-	624,009		624,009
Homeland Security Grant Program	97.067	-	-	11,734,981		11,734,981
K-9 Grant	97.072	-	-	938,105		938,105
Homeland Security - MDOT Grant	97.075	-	-	11,253,342		11,253,342
Buffer Zone Protection Program	97.078	-	-	371,871		371,871
Real ID FY 2008	97.089	-	-	1,248,648		1,248,648
Law Enforcement Officer Reimb.	97.090	-	-	292,000		292,000
Biowatch Laboratory Support	97.091	-	-	50,000		50,000
Homeland Security-related Science, Technology, Engineering and						

The accompanying notes are an integral part of this schedule.

STATE OF MARYLAND
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

<u>Program</u>	<u>CFDA Number</u>	<u>Research & Development</u>	<u>Student Financial Assistance</u>	<u>Other</u>	<u>Cluster Total</u>	<u>Total</u>
<u>DEPARTMENT OF HOMELAND SECURITY</u> (continued)						
Mathematics (HS STEM) Career Development Program	97.104	\$ -	\$ -	\$ 90,343		\$ 90,343
Regional Catastrophic Prep Grant Program-FY2008	97.111	-	-	6,122		6,122
Contract / Other	97.HSFLGL15P00053	45,233	-	-		45,233
Contract / Other Domestic Nuclear Detection Office	97.HSHQDC14J00181	98,491	-	-		98,491
Pass-Through University of North Carolina at Chapel Hill	97.RD	49,422	-	-		49,422
Pass-Through Cyber Innovation Center	97.RD	112,549	-	-		112,549
Pass-Through University of Southern California	97.RD	119,347	-	-		119,347
Pass-Through Worcester Polytechnic Institute	97.RD	125,475	-	-		125,475
Pass-Through National Integrated Cyber Education Research Center (NICERC)	97.RD	135,125	-	-		135,125
Pass-Through District of Columbia Office of Homeland Security and Emergency Management Agency	97.RD	444,497	-	-		444,497
Department of Homeland Security	97.RD	9,064,913	-	-		9,064,913
Contract / Other	97.Unknown	-	-	121,843		121,843
Statewide Catalog Number-Miscellaneous	97.Unknown	-	-	540,334		540,334
Total Department of Homeland Security		<u>10,195,052</u>	<u>-</u>	<u>57,465,390</u>		<u>67,660,442</u>
<u>UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)</u>						
USAID Foreign Assistance for Programs Overseas	98.001	-	-	-		-
Pass-Through Johns Hopkins University	98.001	-	-	35,743		35,743
Pass-Through Partnership for Supply Chain Management System	98.001	-	-	116,074		116,074
Pass-Through African Medical and Research Foundation	98.001	-	-	1,238,074		1,238,074
USAID Development Partnerships for University Cooperation and Development	98.012	-	-	25,738		25,738
Research & Development	98.RD	15,303	-	-		15,303
Pass-Through African Wildlife Foundation	98.RD	68,806	-	-		68,806
Total United States Agency for International Development		<u>84,109</u>	<u>-</u>	<u>1,415,629</u>		<u>1,499,738</u>
TOTAL		<u>\$ 610,760,630</u>	<u>\$ 1,166,370,745</u>	<u>\$ 11,875,295,479</u>		<u>\$ 13,652,426,854</u>

The accompanying notes are an integral part of this schedule.

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STATE OF MARYLAND

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

1. SINGLE AUDIT REPORTING ENTITY

The State of Maryland (State) includes expenditures in its Schedule of Expenditures of Federal Awards (SEFA) for all Federal programs administered by the funds, agencies, boards and commissions, including component units, included in the State's reporting entity used for its basic financial statements, including the component unit higher education funds—the University System of Maryland, the Baltimore City Community College, Morgan State University, and St. Mary's College of Maryland. However, the Schedule of Expenditures of Federal Awards excludes the Maryland Water Quality Financing Administration, an administration of the Maryland Department of the Environment, and the Maryland Transportation Authority, an enterprise fund of the State. Separate single audits are conducted for these entities.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards has been presented on the accrual basis of accounting. Expenditures are recorded, accordingly, when incurred rather than when paid.

The expenditures for Federal awards under the American Recovery and Reinvestment Act of 2009 (the Recovery Act) are separately identified on the accompanying Schedule of Expenditures of Federal Awards with the letters ARRA.

The non-cash expenditures of approximately \$19,973,000, reported under CFDA No. 10.550, Food Donation, represent the value of food commodity distributions calculated using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2014. These food commodities were received by the Maryland Department of Education from the U.S. Department of Agriculture for the year ended June 30, 2015.

The non-cash expenditures of approximately \$5,974,000 relating to the Emergency Food Assistance Program reported under CFDA No. 10.569, Emergency Food Assistance Program (Food Commodities), represent the value of food commodity distributions calculated using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2014. The food commodities were received by the Maryland Department of Human Resources from the U.S. Department of Agriculture for the year ended June 30, 2015.

Expenditures of approximately \$1,147,618,000 reported under CFDA No. 10.551, Supplemental Nutrition Assistance Program (SNAP), represent the fair market value of food stamps distributed for participants' food-stamp purchases during the year ended June 30, 2015.

STATE OF MARYLAND

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

2. BASIS OF ACCOUNTING (continued)

The non-cash expenditures of approximately \$103,000 for CFDA No. 39.003, Donation of Federal Surplus Property Program, represents the average fair market value percentage, per the General Services Administration (GSA) of 25 percent of the Federal government original acquisition cost (OAC) of the Federal property transferred to recipients by the State during the year ended June 30, 2015.

3. CATEGORIZATION OF EXPENDITURES

The accompanying Schedule of Expenditures of Federal Awards reflects Federal expenditures for all individual grants that were active during the year. The categorization of expenditures by program included in the accompanying Schedule of Expenditures of Federal Awards is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year. In accordance with the State's policy, the accompanying Schedule of Expenditures of Federal Awards for the year ended June 30, 2015, reflects CFDA changes issued through June 2015.

4. STATE NONMONETARY FEDERAL FINANCIAL ASSISTANCE

The State distributes Federal surplus food to the institutions (schools, hospitals, and prisons) and to the needy. The total inventory balance of Federal surplus food on hand as of June 30, 2015, was \$0 for CFDA No. 10.550, Food Donation Program and approximately \$1,203,000 for CFDA No. 10.569, Emergency Food Assistance Program (Food Commodities), and they are not considered current year Federal expenditures. The surplus food was valued using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2014.

When surplus property is transferred to recipients, it is valued at 25 percent of its OAC, which represents an estimated fair market value of the property transferred. There was no donated Federal surplus property on hand as of June 30, 2015, for CFDA No. 39.003, Donation of Federal Surplus Property Program.

5. OTHER AUDIT FINDINGS

Other audit reports exist that have also identified findings and questioned costs affecting the State's various Federal programs during the year ended June 30, 2015. Because those issues have been previously reported to the affected Federal agencies, the issues identified in other audit reports have not been repeated in the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2015.

The State believes that none of the matters questioned will have a significant impact on the Schedule of Expenditures of Federal Awards.

STATE OF MARYLAND

**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015**

6. UNEMPLOYMENT INSURANCE

In accordance with the Department of Labor, Office of Inspector General instructions, the State recorded State Regular Unemployment Compensation (UC) benefits under CFDA No. 17.225, on the accompanying Schedule of Expenditures of Federal Awards. The individual State and Federal portions are as follows:

State Regular UC benefits	\$ 671,122,104
Federal UC benefits	22,726,160
Federal UC administrative costs	<u>75,624,064</u>
Total Benefits	<u><u>\$ 769,472,328</u></u>

7. FEDERAL MORTGAGE PLANS

The State operates several programs that purchase Federally guaranteed loans, primarily mortgages, from the originators. As the State has no responsibility for determining eligibility or compliance, these guarantees are not considered Federal financial assistance for purposes of the single audit.

8. LOAN PROGRAMS

St. Mary's College of Maryland

St. Mary's College of Maryland (the College) administers the Federal Perkins Loan Program: Federal Capital Contributions (CFDA No. 84.038) (the Program). The College received no Federal funds under the Program for the year ended June 30, 2015. The new loans made in the year ended June 30, 2015, relating to this program are considered current-year Federal expenditures. The Schedule of Expenditures of Federal Awards includes \$71,800 for loans issued during the year ended June 30, 2015.

During the year ended June 30, 2015, the College processed the following amount of new loans under the Federal Family Education Loan Program (CFDA No. 84.032), which includes the Stafford Loan and PLUS Loan. Since this program is administered by outside financial institutions, new loans made during the year ended June 30, 2015, relating to this program are considered current-year Federal expenditures, whereas the outstanding loan balances are not. The new loans made during the year ended June 30, 2015, are reported in the Schedule of Expenditures of Federal Awards.

STATE OF MARYLAND

**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015**

8. LOAN PROGRAMS (continued)

St. Mary's College of Maryland (continued)

CFDA Number	Program Name	Loan Expenditures For the Year Ended June 30, 2015
84.032	Stafford Loan Program	\$ 5,356,269
84.032	PLUS Loans	4,539,547
Total		\$ 9,895,816

Baltimore City Community College

Baltimore City Community College (the College) administers the Federal Perkins Loan Program: Federal Capital Contributions (CFDA No. 84.038) and Nursing Student Loans (CFDA No. 93.364). The outstanding loan balances as of June 30, 2015, were \$0 for both. There were no new loans made in the year ended June 30, 2015. The outstanding balances are considered current-year Federal expenditures. These amounts are reported in the Schedule of Expenditures of Federal Awards.

Morgan State University

Morgan State University (the University) administers the Federal Perkins Loan Program: Federal Capital Contributions (CFDA NO. 84.038). The outstanding loan balances of \$3,121,126, as of June 30, 2014, the loan expenditures of \$188,366, for the year ended June 30, 2015, and the year 2015 administrative cost allowance of \$9,418, are considered current-year Federal expenditures. These amounts are reported in summary in the Schedule of Expenditures of Federal Awards.

During the year ended June 30, 2015, the University processed \$60,246,160 of new loans under the Federal Direct Student Loan Program (CFDA No. 84.268). Since this program is administered by outside financial institutions, the new loans made in the year ended June 30, 2015 relating to this program are considered current-year Federal expenditures, whereas the outstanding loan balances are not. The new loans made in the year ended June 30, 2015, are reported in the Schedule of Expenditures of Federal Awards.

STATE OF MARYLAND

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

8. LOAN PROGRAMS (continued)

University System of Maryland

During the year ended June 30, 2015, University System of Maryland (the System) processed the following amount of new loans under the Direct Loan Program, which includes the Federal Stafford and Plus Loan program. Since these loan programs are administered by the Federal government, new loans made in the year ended June 30, 2015, are reported in the Schedule of Expenditures of Federal Awards, whereas the outstanding loan balances are not.

<u>CFDA Number</u>	<u>Program Name</u>	<u>Loan Expenditures For the Year Ended June 30, 2015</u>
84.268	Federal Direct Student Loans	<u>\$ 833,365,236</u>

The System also administers loans under the Economic Adjustment Assistance Program (CFDA No. 11.307). Under this program, the System uses revolving loan funds to enhance economic activity. The Revolving Loan Fund (RLF) assists business development and expansion. Below is the detail to support the calculation of Total Federal Awards expended as included in the Schedule of Expenditures of Federal Awards:

Economic Development Administration (EDA) Award Number(s)	<u>014903420-</u> <u>01490342001</u>	<u>014903271</u>	<u>011903134</u>
1. Balance of RLF loans outstanding at the end of the fiscal year, <i>plus</i>	\$ 3,879,582	\$ 1,105,809	\$ 1,011,583
2. Cash and investment balance in the RLF at the end of the fiscal year, <i>plus</i>	330,040	862,140	98,457
3. Administrative expenses paid out of RLF income during the fiscal year, <i>plus</i>	26,684	-	-
4. The unpaid principal of all loans written off during the fiscal year, <i>and then multiply this sum (1+2+3+4) by</i>	-	-	-
5. The Federal share of the RLF	<u>75%</u>	<u>75%</u>	<u>57.4713%</u>
6. Total Federal Awards Expended	<u>\$ 3,177,230</u>	<u>\$ 1,475,962</u>	<u>\$ 637,954</u>

STATE OF MARYLAND

**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015**

8. LOAN PROGRAMS (continued)

University System of Maryland (continued)

The System administers the following Federal Student Financial Assistance Programs:

<u>CFDA Number</u>	Outstanding Balance as of June 30, 2014	Loan Expenditures For the Year Ended June 30, 2015
84.038 Perkins Loan Programs	\$ 59,563,081	\$ 10,304,219
93.264 Nurse Faculty Loan Program- ARRA	296	-
93.264 Nurse Faculty Loan Program	98,548	-
93.364 Federal Nursing Loan – Undergraduate	805,394	156,600
93.364 Federal Nursing Loan – Graduate	187,846	38,000
93.342 Health Professional Loan – Dental	5,379,179	774,197
93.342 Health Professional Loan – Pharmacy	1,239,933	287,750
93.342 Health Professional Loan - Primary Care	3,253,746	-
Total	\$ 70,528,023	\$ 11,560,766

The outstanding loan balances as of June 30, 2014, and loan expenditures for the year ended June 30, 2015 are considered current-year Federal expenditures. These amounts are reported on the Schedule of Expenditures of Federal Awards.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

STATE OF MARYLAND

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

Section I – Summary of Independent Public Accountants’ Results

Financial Statements

Type of Independent Public Accountant’s report issued	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Type of Independent Public Accountant’s report issued on compliance for major programs	Unmodified
Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	None reported
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

STATE OF MARYLAND

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

Section I – Summary of Independent Public Accountants’ Results (continued)

Identification of Major Programs

Major Program	CFDA No.	Federal Expenditures
SNAP Cluster	10.551/10.561	\$ 1,216,177,530
Unemployment Insurance	17.225	769,472,328
WIA Cluster	17.258/17.259 /17.278	32,611,892
US-DOT-FAA	20.106	31,906,492
Highway Planning & Construction Cluster	20.205/20.219/23.003	526,626,721
Federal Transit Cluster	20.500/20.507/20.525/20.526	220,967,721
Title I Grants to Local Educational Agencies (LEAs)	84.010	194,695,385
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	41,097,208
State Planning and Establishment Grants for the Affordable	93.525	54,229,658
Temporary Assistance for Needy Families (TANF)	93.558	240,221,714
Low-Income Home Energy Assistance (LIHEAP)	93.568	63,664,491
Foster Care: Title IV-E	93.658	47,607,487
State Children's Insurance Program (CHIP)	93.767	107,045,272
Medicaid Cluster	93.775/93.777/93.778	6,183,972,457
HIV Care Formula Grants	93.917	14,531,719
Disability Insurance/SSI Cluster	96.001/96.006	41,651,575
Student Financial Assistance Cluster	84.007/84.033	
	84.038/84.063/84.268	
	84.379/84.408/93.264	
	93.342/93.364/93.925	1,166,370,745
Research and Development Cluster (R&D)	Various	610,760,630
Passenger Facility Charges	Unknown	81,728,453
Total		\$ 11,645,339,478

STATE OF MARYLAND

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

Section I – Summary of Independent Public Accountant’s Results (continued)

The Passenger Facility Charge relates to collections by the Maryland Aviation Administration in accordance with Section 158.67 of 14 Code of Federal Regulations Part 158, “Passenger Facility Charge” and is not technically considered to be Federal Financial Assistance as defined by OMB Circular A-133, but have been included in the scope of this single audit.

Dollar threshold used to distinguish between type A and type B programs: \$30,000,000

Auditee qualified as low-risk Auditee? No

Section II Financial Statement Findings

None

Section III Federal Awards Findings and Questioned Costs

See findings 2015-001 through 2015-010

Section IV Summary Schedule of Prior Year Findings

See findings 2014-001 through 2014-015

See findings 2013-012 and 2013-013

See finding 2012-011

See finding 2011-008

See finding 2010-010

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

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STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding No.	Funding Department	Title of Finding
2015-001	U.S. Department of Health and Human Services	Internal Control Deficiency over Subrecipient Monitoring
2015-002	U.S. Department of Education	Compliance and Significant Deficiency over Eligibility
2015-003	U.S. Department of Education	Compliance and Significant Deficiency over Special Tests and Provisions - Completion of Individualized Plan for Employments (IPEs)
2015-004	U.S. Department of Education	Compliance and Significant Deficiency over Special Tests and Provisions - Student Enrollment Reporting
2015-005	U.S. Department of Education	Compliance and Significant Deficiency over Special Tests and Provisions - Borrower Data Transmission and Reconciliation (Direct Loan)
2015-006	U.S. Department of Education	Compliance and Significant Deficiency over Special Tests and Provisions - Student Enrollment Reporting
2015-007	U.S. Department of Education	Compliance and Significant Deficiency over Special Tests and Provisions - Disbursements To or On Behalf of Students
2015-008	U.S. Department of Health and Human Services	Compliance and Significant Deficiency over Reporting
2015-009	U.S. Department of Health and Human Services	Compliance and Material Weakness over Special Tests and Provisions - Child Support Non-Cooperation
2015-010	U.S. Department of Health and Human Services	Compliance and Significant Deficiency over Eligibility

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 001

Maryland Health Benefit Exchange (MHBE)

CFDA No. 93.525 - State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges

U.S. Department of Health and Human Services (HHS)

Internal Control Deficiency over Subrecipient Monitoring

Condition:

During our testing of Subrecipient Monitoring at the Maryland Health Benefit Exchange (MHBE), we noted that MHBE did not have proper procedures in place to timely obtain and review subrecipient's audit report. For two of two selected subrecipients, the audit reports were obtained after they were requested by the auditor.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB Circular A-133 for Subrecipient Monitoring:

A pass-through entity is responsible for Subrecipient Audits – (1) Ensuring that subrecipients expending \$500,000 or more in Federal awards during the subrecipient's fiscal year for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the end of the subrecipient's audit period; (2) issuing a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 001 (continued)

Cause:

MHBE was not aware of the Federal requirements to obtain and review audit report for subrecipients. MHBE did not have proper procedures in place for subrecipient audits during Fiscal Year 2015.

Effect:

MHBE does not have proper controls to ensure subrecipient audit reports are obtained and reviewed in a timely manner to determine if subrecipient is in compliance with the applicable federal requirements.

Questioned Costs:

None.

Recommendation:

We recommend that MHBE establish internal controls to ensure proper procedures are in place to timely obtain subrecipient audit reports for proper review and documentation.

Auditee Response and Corrective Action Plan:

MHBE requested and received external independent audit reports for Fiscal Year 2015 from applicable subrecipients in February 2016. MHBE will perform a gap analysis and implement any necessary internal controls to ensure, (1) subrecipient compliance with OMB Circular A-133 audit requirements, including but not limited to, required audits being completed within nine months of the end of the subrecipient's audit period; and, (2) the subrecipient's timely and appropriate corrective actions on their external audit findings. MHBE will issue a management decision to subrecipients on audit findings within six months after receipt of the subrecipient's audit report and perform monitoring, thereafter. The corrective actions will be fully implemented by June 30, 2016.

Auditor Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 002

Maryland State Department of Education (MSDE)

CFDA 84.126 – Rehabilitation Services – Vocational Rehabilitation Grants to States

U.S. Department of Education (ED)

Compliance and Significant Deficiency over Eligibility

Condition:

During our testing of Eligibility at the Maryland State Department of Education (MSDE), we selected 60 files to review for eligibility determination. For three of the participant files selected, we noted that the eligibility determination was not made within 60 days after the individual submitted an application for the services.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Section 102(a)(6) of Title I of the Rehabilitation Act of 1973, as amended (29 USC 722(a)(6)) requires that the State Vocational Rehabilitation (VR) agency must determine whether an individual is eligible for VR services within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless:

- a. Exceptional and unforeseen circumstances beyond the control of the State VR agency preclude making an eligibility determination within 60 days and the State agency and the individual agree to a specific extension of time; or
- b. The State VR agency is exploring an individual's abilities, capabilities, and capacity to perform in work situations through trial work experiences.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 002 (continued)

Cause:

MSDE did not have proper controls in place to ensure that all eligibility determinations were made timely.

Effect:

MSDE is not in compliance with the Eligibility requirement for the Rehabilitation Services – Vocational Rehabilitation Grants to States program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE improve internal controls to ensure that all eligibility determinations are made timely in accordance with Federal regulations.

Auditee Response and Corrective Action Plan:

The Division of Rehabilitation Services (DORS) has reviewed its existing policies and procedures and has found them to be in compliance with Federal regulations concerning eligibility determination requirements. DORS continues to experience turnover in counseling staff, which requires Unit Supervisors not only to manage the daily operation of the office but also to carry a case load or in some cases multiple caseloads as a result of counselor vacancies. DORS has recognized this issue and last year created a new position in four of the five Regions called an Administrative Supervisor, whose responsibility is to assist Unit Supervisors in staying on top of compliance issues. Three of the four positions have been filled and the remaining position is expected to be filled during the next five to six months based on current recruitment time frames. The smallest Region was not assigned an Administrative Supervisor position; however, the Regional Support Staff will monitor activity reports and alert the Regional Director and Unit Supervisors of any issues.

As an additional control, in the four largest Regions, the Regional Support Staff will also be responsible for reviewing reports which identify prior to the 60 day eligibility deadline cases where eligibility has not been determined. The Regional Director, Administrative Supervisor, and Unit Supervisors will be alerted of any cases where action needs to be taken.

Auditor Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 003

Maryland State Department of Education (MSDE)

CFDA 84.126 – Rehabilitation Services – Vocational Rehabilitation Grants to States

U.S. Department of Education (ED)

Compliance and Significant Deficiency over Special Tests and Provisions - Completion of Individualized Plan for Employments (IPEs)

Condition:

We performed testing to determine if the Individualized Plan for Employments (IPEs) are completed within the required deadlines. During our testing, we noted that for four of the 21 files selected, the IPEs were not developed within 90 days of the eligibility determination. For those four selections, there was no agreement to extend the deadline.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

When an IPE is required for the provision of Vocational Rehabilitation (VR) services under Section 103(a) of the Act, it must be done as soon as possible, but not later than 90 days after the date of the determination of eligibility by the State VR agency, unless the State VR agency and the eligible individual agree to an extension of that deadline to a specific date by which the Plan for Employment (IPE) must be completed (Section 102(b)(3)(F) of the Act (29 USC 722(b)(3)(F))).

Cause:

MSDE did not have proper controls in place to ensure that all IPEs are completed in a timely manner.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 003 (continued)

Effect:

MSDE is not in compliance with the Eligibility requirement for the Rehabilitation Services – Vocational Rehabilitation Grants to States program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE improve internal controls to ensure that all IPEs are completed in a timely manner in accordance with Federal regulations.

Auditee Response and Corrective Action Plan:

The Division of Rehabilitation Services (DORS) has reviewed its existing policies and procedures and has found them to be in compliance with Federal regulations concerning Individualized Plan for Employment (IPE) development. DORS continues to experience turnover in counseling staff, which requires Unit Supervisors not only to manage the daily operation of the office but also to carry a case load or in some cases multiple caseloads as a result of counselor vacancies. DORS has recognized this issue and last year created a new position in four of the five Regions called an Administrative Supervisor, whose responsibility is to assist Unit Supervisors in staying on top of compliance issues. Three of the four positions have been filled and the remaining position is expected to be filled during the next five to six months based on current recruitment time frames. The smallest Region was not assigned an Administrative Supervisor position; however, the Regional Support Staff will monitor activity reports and alert the Regional Director and Unit Supervisors of any issues.

As an additional control, in the four largest Regions, the Regional Support Staff will also be responsible for reviewing reports which identify prior to the 90 day plan development deadline cases that have not yet had a plan developed. The Regional Director, Administrative Supervisor, and Unit Supervisors will be alerted of any cases where action needs to be taken.

Auditor Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 004

University System of Maryland – Coppin State University (CSU)

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)
CFDA No. 84.379	Teacher Education Assistance for College and Higher Education Grants
CFDA No. 93.264	Nurse Facility Loan Program
CFDA No. 93.342	Health Professional Student Loans (HPSL/PCL/LDS)
CFDA No. 93.364	Nursing Student Loans

U.S. Department of Education (ED)

Compliance and Significant Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we reviewed the enrollment status of forty students. We noted that for two out of 30 of the students selected, CSU did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in Internal Control – Integrated Framework (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 004 (continued)

Criteria: *(continued)*

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

CSU did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in student's enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that CSU establish a procedure to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 004 (continued)

Auditee Response and Corrective Action Plan

The University acknowledges that the 2 exceptions that have been cited were reported to the National Student Clearinghouse after the 60 day period. A procedure will be put in place to ensure timely reporting of students who withdraw from the University at the end of a semester or session and may not be captured on the Clearinghouse regular submissions. The following steps will be implemented:

- The Office of Records and Registration (ORR) will report withdrawals to the Clearinghouse on a bi-monthly basis. This process will allow ORR to more accurately monitor withdrawal adjustments to student records.
- The ORR will continue to run a (W) Grade Report during the Clearinghouse verification process to capture students that have dropped classes and received the grade of (W) that could change their initial enrollment from full to half time, less than half time or no units (totally withdrawn from the University).

Auditor's Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 005

University System of Maryland - Coppin State University

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)
CFDA No. 84.379	Teacher Education Assistance for College and Higher Education Grants
CFDA No. 93.264	Nurse Facility Loan Program
CFDA No. 93.342	Health Professional Student Loans (HPSL/PCL/LDS)
CFDA No. 93.364	Nursing Student Loans

U.S. Department of Education (ED)

**Compliance and Significant Deficiency over Special Tests and Provisions - Borrower Data
Transmission and Reconciliation (Direct Loan)**

Condition:

During our testing of the borrower data transmission and reconciliations for fiscal year 2015, we noted that the required monthly borrower reconciliations were not performed for all the months in fiscal year 2015.

Criteria:

Per 34 CFR Section 685.102, 301, and 3939 an Institution must report all loan disbursements and submit required records to the Direct Loan Servicing System (DLSS) via the Common Origination and Disbursement (COD) within 30 days of disbursement. Each month, the COD provides institutions with a School Account Statement (SAS) data file which consists of a Cash Summary, Cash Detail, and (optional at the request of the school) Loan Detail records. The school is required to reconcile these files to the institution's financial records.

Per OMB A-133:

Institutions must report all loan disbursements and submit required records to the Direct Loan Servicing System (DLSS) via the COD within 30 days of disbursement (*OMB No. 1845-0021*). Each month, the COD provides institutions with a School Account Statement (SAS) data file which consists of a Cash Summary, Cash Detail, and (optional at the request of the school) Loan Detail records. The school is required to reconcile these files to the institution's financial records. Since up to three Direct Loan program years may be open at any given time, schools may receive three SAS data files each month (34 CFR sections 685.102(b), 685.301, and 303).

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 005 (continued)

Cause:

CSU did not have proper procedures in place to reconcile the institutions records with the Direct Loan Servicing System on a monthly basis starting from the beginning of the fiscal year.

Effect:

Without proper reconciliation controls in place, there is no assurance that loan disbursements are properly reported in the loan servicing system.

Questioned Costs:

None.

Recommendation:

We recommend that CSU consistently follow its internal controls established within fiscal year 2015 to ensure that reconciliations are performed and reviewed to ensure all reconciling items are adequately addressed on a monthly basis in accordance with the Federal regulations.

Auditee Response and Corrective Action Plan

The University agrees with the recommendation and implemented within fiscal year 2015 procedures to perform the required monthly reconciliations and ensure all reconciling items are adequately addressed. Upon completion the financial aid office will forward monthly a scanned copy of the reconciliation to the Controller and Assistant Controller.

Auditor's Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 006

University System of Maryland – University of Maryland Eastern Shore (UMES)

Student Financial Assistance Cluster

- CFDA No. 84.007 Federal Supplemental Educational Opportunity Grants (FSEOG)**
- CFDA No. 84.033 Federal Work- Study Program (FWS)**
- CFDA No. 84.038 Federal Perkins Loan (FPL) – Federal Capital Contributions**
- CFDA No. 84.063 Federal Pell Grant Program (Pell)**
- CFDA No. 84.268 Federal Direct Student Loans (Direct Loan)**
- CFDA No. 84.379 Teacher Education Assistance for College and Higher Education Grants**
- CFDA No. 93.264 Nurse Facility Loan Program**
- CFDA No. 93.342 Health Professional Student Loans (HPSL/PCL/LDS)**
- CFDA No. 93.364 Nursing Student Loans**

U.S Department of Education (ED)

Compliance and Significant Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we reviewed the enrollment status of twenty students. We noted that for two of the students selected, UMES did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in Internal Control – Integrated Framework (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 006 (continued)

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

UMES did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in the student's enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that UMES establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 006 (continued)

Auditee Response and Corrective Action Plan

Although the effective date of the administrative withdrawal for the two students referenced in the testing was February 6, 2015, the decision to administratively withdraw the two students was not rendered and submitted for processing until March 30, 2015. The change in enrollment status was reported in the very next submission to the Clearinghouse on April 20, 2015, 22 days from March 30th and subsequently to NSLDS on May 3, 2015 which was 35 days from March 30th, the day the change was officially processed. UMES has established procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

Auditor's Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 007

University System of Maryland – University of Maryland, Eastern Shore (UMES)

Student Financial Assistance Cluster

- CFDA No. 84.007 Federal Supplemental Educational Opportunity Grants (FSEOG)**
- CFDA No. 84.033 Federal Work- Study Program (FWS)**
- CFDA No. 84.038 Federal Perkins Loan (FPL) – Federal Capital Contributions**
- CFDA No. 84.063 Federal Pell Grant Program (Pell)**
- CFDA No. 84.268 Federal Direct Student Loans (Direct Loan)**
- CFDA No. 84.379 Teacher Education Assistance for College and Higher Education Grants**
- CFDA No. 93.264 Nurse Facility Loan Program**
- CFDA No. 93.342 Health Professional Student Loans (HPSL/PCL/LDS)**
- CFDA No. 93.364 Nursing Student Loans**

U.S. Department of Education (ED)

Compliance and Significant Deficiency over Special Tests and Provisions - Disbursements To or On Behalf of Students

Condition:

During our testing of disbursements to or on behalf of students, we reviewed the disbursements to or on behalf of forty students. We noted that for six disbursements selected, UMES credited the student’s account before 10 days before the first day of classes. We also noted the disbursement dates per student accounts, for those six same students, were different from the disbursement dates on Common Origination and Disbursement (COD) System.

Criteria:

Per OMB A-133:

The institution must deliver the proceeds to the student or borrower or credit the student’s account, notifying the student or parent borrower in writing (34 CFR section 668.165). The earliest an institution may disburse SFA funds (other than FWS) (either by paying the student directly or crediting the student’s account) is 10 days before the first day of classes of the payment period for which the disbursement is intended (34 CFR section 668.164(f)).

34 CFR § 685.303:

Before disbursing a loan, a school must determine that all information required by the promissory note has been provided by the borrower and, if applicable, the student. An institution must disburse the loan proceeds on a payment period basis in accordance with 34 CFR section 668.164(b).

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 007 (continued)

34 CFR§ 668.164:

Except as provided in paragraph (a)(2) of this section, an institution makes a disbursement of title IV, HEA program funds on the date that the institution credits a student's account at the institution or pays a student or parent directly with — (i) Funds received from the Secretary; (ii) Funds received from a lender under the FFEL Programs; or (iii) Institutional funds used in advance of receiving title IV, HEA program funds.

Except as provided under paragraph (f)(3) of this section— (1) If a student is enrolled in a credit-hour educational program that is offered in semester, trimester, or quarter academic terms, the earliest an institution may disburse title IV, HEA program funds to a student or parent for any payment period is 10 days before the first day of classes for a payment period. If a student is enrolled in a credit-hour educational program that is not offered in semester, trimester, or quarter academic terms, or in a clock hour educational program the earliest an institution may disburse title IV, HEA program funds to a student or parent for any payment period is the later of— (i) Ten days before the first day of classes of the payment period; or (ii) The date the student completed the previous payment period for which he or she received title IV, HEA program funds, except that this provision does not apply to the payment of Direct Loan or FFEL program funds under the conditions described in 34 CFR section 685.301 (b)(3)(ii), (b)(5), and (b)(6) and 34 CFR 682.604 (c)(6)(ii), (c)(7), and (c)(8), respectively. (3) The earliest an institution may disburse the initial installment of a loan under the Direct Loan or FFEL programs to a first-year, first-time borrower as described in 34 CFR section 682.604(c) and 34 CFR section 685.303(b)(4) is 30 days after the first day of the student's program of study.

Cause:

UMES did not have proper procedure in place to review disbursements to students and verify that they were made or returned in accordance with required time frames.

Effect:

The disbursements to students were not made in accordance with required time frames, and the dates of disbursement do not agree to the date in the COD system.

Questioned Costs:

None.

Recommendation:

We recommend that UMES establish procedures to ensure the disbursements to students are made in accordance with required time frames and the dates reported in the COD system agree to the student account.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 007 (continued)

Auditee Response and Corrective Action Plan:

UMES agrees with the recommendation, and has established procedures to ensure that the scheduled disbursement dates to students are made in accordance with the required time frames as set forth by the U. S. Department of Education and that the dates reported in the COD system agree with the student account. UMES will take a corrective action by setting up the 2016-2017 Aid Year disbursement dates based upon the Academic Calendars. Noting that if the Academic Calendars change, we will adjust the dates within our software accordingly.

Auditor Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 008

Department of Human Resources (DHR)

**Temporary Assistance for Needy Families (TANF) Cluster
CFDA 93.558 Temporary Assistance for Needy Families (TANF)**

U.S. Department of Health and Human Services

Compliance and Significant Deficiency over Reporting

Condition:

During our audit, management could not provide the supporting documentation from their accounting system to support the expenditure amounts reported on Report ACF-204, *Annual Report including the Annual Report on State Maintenance-of-Effort Programs* (OMB No. 0970-0248) for the period of October 1, 2013 thru September 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB Circular A-133 for Reporting:

The required reports for Federal awards should be supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

Cause:

DHR did not have adequate procedures in place related to the special reporting of ACF-204 to ensure the information reported is accurate and properly supported by its accounting records.

Effect:

The lack of tracking and/or maintenance of records may lead to inaccurate or fraudulent reporting.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 008 (continued)

Questioned Costs:

Unknown

Recommendation:

We recommend DHR develop procedures for the reporting process to ensure all reports are supported by the accounting records. The reports should be reviewed and reconciled to the accounting system and the records should be properly maintained to support the reports.

Auditee Response and Corrective Action Plan:

The Department agrees with the finding. The Family Investment Administration (FIA), in consultation with Budget and Finance, will develop detailed guidance outlining how the TANF Maintenance of Effort report is completed and standards for supporting documentation and record retention will be developed.

Auditor Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 009

Department of Human Resources (DHR)

Temporary Assistance for Needy Families (TANF) CFDA No. 93.558

U.S. Department of Health and Human Services

Compliance and Material Weakness over Special Tests and Provisions - Child Support Non-Cooperation

Condition:

We selected a sample to test whether payments are being reduced to individuals in cases where it is reported to the State TANF agency that an individual is not complying with the State child support program. We tested 10 cases where notification was received that an individual was not complying with Child Support Enforcement (CSE). Of these 10 cases selected, we noted that benefit payments were not reduced for 9 cases that received an alert that they were not in compliance with child support. During our testing we noted that the CARES system used in the TANF program was not always updated after an alert was issued.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control-Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB Circular A-133, June 2015:

If the State agency responsible for administering the State plan approved under Title IV-D of the Social Security Act determines that an individual is not cooperating with the State in establishing paternity, or in establishing, modifying or enforcing a support order with respect to a child of the individual, and reports that information to the State agency responsible for TANF, the State TANF agency must (1) deduct an amount equal to not less than 25 percent from the TANF assistance that would otherwise be provided to the family of the individual, and (2) may deny the family any TANF assistance. HHS may penalize a State for up to five percent of the SFAG for failure to substantially comply with this required State child support program (42 USC 608(a)(2) and 609(a)(8); 45 CFR sections 264.30 and 264.31).

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 009 (continued)

Cause:

DHR did not ensure that benefit payments were reduced by at least 25% after being notified of an individual's failure to comply with CSE.

Effect:

This resulted in individuals receiving TANF assistance that was not reduced.

Questioned Costs:

Unknown

Recommendation:

SBC recommends that TANF establish and implement controls to ensure that when an alert of non-compliance from CSE is received, the case is investigated to determine if benefits should be reduced. We also recommend the investigation notes are clearly documented in CARES and if a reduction of benefits is determined to be required, they are reduced timely in accordance with the compliance requirements.

Auditee Response and Corrective Action Plan:

After reviewing the nine assistance units (AUs) identified in the audit, the Department agrees that the non-cooperation alerts (code 956 or 957) were not addressed by the local department at the time of alert generation. Three of the AUs identified in the audit are currently in a closed status. The remaining six AUs are being reviewed, and appropriate action will be taken.

The Family Investment Administration (FIA) will issue reminders on alert processing for child support generated alerts and provide additional training to the local departments on the child support cooperation requirements and procedures. In addition, FIA will create a monthly report for local departments to identify outstanding child support non-cooperation alerts.

Auditor's Conclusion:

Based on the above, finding remains as stated.

STATE OF MARYLAND

Schedule of Current Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2015 - 010

Department of Human Resources (DHR)

Temporary Assistance for Needy Families (TANF) CFDA No. 93.558

U.S. Department of Health and Human Services

Compliance and Significant Deficiency over Eligibility

Condition:

We selected a sample size of 40 transactions to test that payments are not being paid beyond 60 months, unless documented. During our testing, we noted that TANF benefits were paid after 60 months for 5 out of 40 selections. There was no documentation in the CARES system noting a basis for extension of benefits. For 2 out of the 40 tested, we noted the number of payments actually made per the system did not agree with number of payments made per the counter in the CARES system.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control-Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB Circular A-133, June 2015:

Any family that includes an adult or minor child head of household or a spouse of the head of household who has received assistance under any State program funded by Federal TANF funds for 60 months (whether or not consecutive) is ineligible for additional federally funded TANF assistance. However, the State may extend assistance to a family on the basis of hardship, as defined by the State, or if a family member has been battered or subjected to extreme cruelty.

Cause:

DHR did not ensure that benefit payments were stopped after 60 months.

Effect:

Benefits were paid past 60 months, without valid documented basis for extending the benefits.

STATE OF MARYLAND

**Schedule of Current Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2015 - 010 (continued)

Questioned Costs:

\$36,613

Recommendation:

SBC recommends that DHR establish and implement controls to ensure that benefits are not paid to families beyond 60 months unless there is a valid reason in accordance with Federal guidelines and is the basis documented. We further recommend that DHR develop and maintain controls to ensure that the system is properly counting all monthly payments that are made.

Auditee Response and Corrective Action Plan:

DHR has reviewed and agrees with the auditor's findings on several of the cases that received TANF benefits for more than 60 months and will implement the recommendation accordingly. The Department will establish controls to ensure there is a documented valid reason.

In the two cases in which the auditors found an incorrect count of months, both had been employed during the time they received benefits. Per §5-313 and COMAR 07.03.03.20, the Department does not count months that a recipient is employed toward the 60 month limit.

In two cases that received TANF benefits for more than 60 months there is documentation of the basis for extension in the Electronic Case Management System (ECMS). One customer is caring for an ill family member, thus the case meets the hardship requirement. In one family there is a child under the age of one making the customer exempt, as well as medical documentation of the customer's disability in ECMS.

Auditor's Conclusion:

Documentation was not provided to support the hardship requirement. Finding remains as stated.

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SECTION IV – SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 001

Maryland Health Benefit Exchange (MHBE)

CFDA No. 93.525 - State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges

U.S. Department of Health and Human Services (HHS)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland Health Benefit Exchange (MHBE), we noted that MHBE did not report subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) for subawards subject to the Transparency Act. MHBE incurred \$15,060,699 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 001 (continued)

Criteria: *(continued)*

For grants and cooperative agreements, the effective date is October 1, 2010 for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MHBE did not ensure the proper reports were submitted through the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Effect:

MHBE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges.

Questioned Costs:

None.

Recommendation:

We recommend that MHBE implement procedures to ensure subawards subject to the Transparency Act are properly and timely reported through FSRS.

Auditee Response and Corrective Action Plan:

MBHE concurs with the finding.

MHBE will take the following corrective actions by the end of fiscal year 2015:

- 1) Register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 001 (continued)

Auditee Response and Corrective Action Plan: (continued)

2) Create procedures for the purpose of reporting each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred. The Procurement Officer has the responsibility to report into the FSRS.

3) MHBE's Procurement Officer will report compliance with Federal Funding Accountability and Transparency reporting requirements to MHBE's Compliance Committee on a quarterly basis.

Auditee Update - October 2015:

Maryland Health Benefit Exchange created an internal policy, MHBE 03.02.01 Subaward Recipient Requirements Under Transparency Act, to address the corrective action plan. The policy was implemented by registering in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and, requiring MHBE's Procurement Officer to ensure that each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds is reported in the FSRS by the end of the month following the month in which the reportable action occurred.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 002

Maryland Health Benefit Exchange (MHBE)

CFDA No. 93.525 - State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges

U.S. Department of Health and Human Services (HHS)

Compliance and Internal Control Deficiency over Subrecipient Monitoring

Condition:

During our testing of Subrecipient Monitoring at the Maryland Health Benefit Exchange (MHBE), we noted that MHBE did not have evidence that applicants for subawards provided a Dun and Bradstreet Data Universal Number System (DUNS) number as part of its subaward application or before award. We also noted that at the time of the subaward, MHBE did not identify to the subrecipients the Federal award information (i.e., CFDA title and number; award name and number; and name of the Federal awarding agency) and applicable requirements. Prior to the second year of the award, MHBE notified recipients of the Federal award information via email.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB Circular A-133 and 31 USC 7502(f)(2)(B):

A pass-through entity is responsible for:

Determining Subrecipient Eligibility – In addition to any programmatic eligibility criteria under E., “Eligibility for Subrecipients,” determining whether an applicant for a subaward has provided a Dun and Bradstreet Data Universal Numbering System (DUNS) number as part of its subaward application or, if not, before award (2 CFR section 25.110 and Appendix A to 2 CFR part 25).

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 002 (continued)

Criteria: (continued)

Award Identification – At the time of the subaward, identifying to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; and name of Federal awarding agency) and applicable compliance requirements.

Cause:

MHBE was not aware of the Federal requirements to obtain a DUNS number before award and to identify to the subrecipient the CFDA title and number, award name and number, and name of the Federal agency.

Effect:

MHBE is not in compliance with the Subrecipient Monitoring requirement for the State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges.

Questioned Costs:

None.

Recommendation:

We recommend that MHBE establish internal controls to ensure that the DUNS number is included as part of subaward applications and MHBE should identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is research and development, and name of Federal agency in the grant agreements.

Auditee Response and Corrective Action Plan:

MHBE concurs with the finding.

MHBE will take the following corrective actions by the end of fiscal year 2015:

- 1) Include a request for each subrecipient's DUNS number in subaward applications.
- 2) Inform each subrecipient of the CFDA title and number, award name and number, award year, if the award is research and development, and name of the Federal agency.
- 3) Create an internal control mechanism to ensure each subrecipient provides its DUNS number on its subaward application and is informed of the CFDA title and number, award name and number, award year, if the award is research and development, and name of Federal agency in the grant agreement.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 002 (continued)

Auditee Response and Corrective Action Plan: (continued)

4) MHBE's Procurement Officer will report compliance with this corrective action to MHBE's Compliance Committee on a quarterly basis, as necessary.

Auditee Update - October 2015:

Maryland Health Benefit Exchange created and implemented an internal control policy, 03.02.01 Subaward Recipient Requirements Under Transparency Act, which requires incorporation of (1) a request for the applicant's DUNS number; and, (2) the CFDA title and number, award name and number, award year, if the award is research and development, and name of the Federal agency into Federal grant subaward applications. Inclusion of the information in (2) above as part of the grant subaward application ensures that all applicants, and hence, subrecipients, receive notification as required. The procedure designates the Procurement Officer as responsible to ensure each subrecipient provides a DUNS number upon application or, if the subrecipient does not have a DUNS number, provide one to MHBE prior to the award.

Auditor Conclusion:

No exceptions noted during the 2015 testing. Finding is resolved.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 003

Department of Health and Mental Hygiene (DHMH)

CFDA No. 93.917–HIV Care Formula Grants (Ryan White HIV / AIDS Program Part B)

U.S. Department of Health and Human Services (HHS)

Compliance and Internal Control Deficiency over Level of Effort – *Maintenance of Effort*

Condition:

During our testing of Level of Effort – *Maintenance of Effort* (MOE) at the Department of Health and Mental Hygiene (DHMH), we noted that DHMH did not maintain sufficient documentation to support the expenditure amounts included in the MOE report submitted to the Federal agency. During our review of expenditure reports that DHMH provided to support the MOE requirement, we noted that the actual expenditure amounts were greater than the amounts reported and there was no documented methodology to support the amounts reported versus the actual expenditures.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in Internal Control – Integrated Framework (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate controls that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Ryan White HIV / AIDS Treatment Extension Act of 2009 (42 USC 300ff-27(b)(7)(E)) requires that the State will maintain HIV-related activities at a level that is equal to not less than the level of such expenditures by the State for the 1-year period preceding the fiscal year for which the State is applying for Part B funds.

Per the Ryan White HIV / AIDS Program Part B Manual, Section VII, Chapter 7:

Funds that States may use to demonstrate compliance with MOE requirements are those that have, at a minimum, an identifiable line item in State budgets and expenditure reports from State agencies.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 003 (continued)

Criteria: (continued)

Per the Ryan White HIV / AIDS Program Part B Manual, Section VII, Chapter 7: (continued)

To demonstrate compliance with MOE provisions, States and Territories must maintain adequate systems for consistently tracking and reporting on HIV-related expenditure data from year-to-year. The system must define the methodology used, be written and auditable, and must ensure that Federal funds do not supplant State spending but instead expand and enrich HIV-related activities.

The State/Territory must provide documentation proving that the overall level of HIV-related expenditures has been maintained year-to-year for the previous two complete fiscal years (based on the grantee's fiscal year).

Cause:

DHMH did not maintain sufficient documentation to support the methodology used in the MOE computation as the actual expenditures incurred are not reported on the MOE calculation.

Effect:

SBC cannot conclude that DHMH met the level of effort – maintenance of effort requirement due to inadequate documentation support.

Questioned Costs:

Unknown.

Recommendation:

We recommend that DHMH apply a consistent methodology to calculate and compile HIV-related expenditures from State-funded agencies and that DHMH maintain supporting documentation from the general ledger to support the amounts used in the maintenance of effort computation. We also recommend that the methodology utilized by the program be documented and obtain approval from the Federal agency.

Auditee Response and Corrective Action Plan:

DHMH concurs with the finding. DHMH proposes to establish a new Program Cost Account (PCA) in fiscal year 2016 for recording MOE expenditures. A dedicated PCA would facilitate the reporting of MOE expenditures in future Federal grant applications and provide documentation by enabling MOE-designated expenditures to be directly traceable in Financial Management Information System. DHMH will submit this plan for approval, including a description of the methodology used, to the Health Resources and Services Administration.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 003 (continued)

Auditee Update - October 2015:

Effective State Fiscal Year 2015, the State of Maryland has established a new Program Cost Account (PCA) within the State's Financial Management Information System (FMIS) for recording Maintenance of Effort (MOE) expenditures in order to demonstrate compliance with MOE requirements for receiving a Ryan White HIV/AIDS Program (RWHAP) Part B grant award. This new PCA will facilitate the reporting of MOE expenditures in future RWHAP Part B grant applications and provide documentation for audit purposes by enabling MOE-designated expenditures to be directly traceable in FMIS.

In April 2015, Maryland received written notification of acceptance from the Health Resources and Services Administration of the State's proposed MOE calculation methodology.

Auditor Conclusion:

No exceptions noted during the 2015 testing. Finding is resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 004

Maryland State Department of Education (MSDE)

Child Nutrition Cluster

CFDA 10.553 School Breakfast Program (SBP)

CFDA 10.555 National School Lunch Program (NSLP)

CFDA 10.556 Special Milk Program for Children (SMP)

CFDA 10.559 Summer Food Service Program for Children (SFSP)

U.S. Department of Agriculture (USDA)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland State Department of Education (MSDE), we noted that for 30 out of 40 selected subawards subject to the Transparency Act, MSDE did not report subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) in a timely manner. Additionally, 1 of the subawards was not reported in the FSRS. MSDE incurred \$204,734,902 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 004 (continued)

Criteria: (continued)

For grants and cooperative agreements, the effective date is October 1, 2010, for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MSDE did not have proper controls in place to ensure that all subawards subject to the Transparency Act were reported in the FSRS on a timely basis.

Effect:

MSDE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the Child Nutrition Cluster program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE establish procedures to ensure that all subawards subject to the Transparency Act are reported in the FSRS on a timely basis.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 004 (continued)

Auditee Response and Corrective Action Plan:

MSDE reviewed and revised its Federal Funding Accountability and Transparency Act (FFATA) reporting procedures during May, 2014 to provide compliance with FFATA reporting requirements and during June, 2014 the revised procedures were disseminated throughout the Agency for implementation. Training was also provided at this time regarding the revised procedures. The revised procedures provide specific timeframes when data needs to be provided by the Divisions to the Local Financial and Reporting Office which is responsible for inputting data to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). At the time of the audit, Fiscal Year 2014 was almost at its conclusion and the noted exceptions had occurred. All exceptions have been investigated and information has been input to the FSRS. The Division responsible for managing this CFDA will continue to adhere to MSDE's revised FFATA reporting procedures.

Auditee Update - October 2015:

Procedures used by the Office of School and Community Nutrition Programs to identify amounts reported to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) follow FFATA Reporting requirements. The MSDE Internal Audit Office reviewed the reporting of data for the months of September 2014, April 2015, May 2015 and August 2015 and found that data was reported on a timely basis.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 005

Maryland State Department of Education (MSDE)

CFDA No. 84.010 – Title I Grants to Local Educational Agencies

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland State Department of Education (MSDE), we selected 13 subawards subject to the Transparency Act and noted that for all 13 of the selections MSDE did not report subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) in a timely manner. MSDE incurred \$194,408,564 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 005 (continued)

Criteria: (continued)

For grants and cooperative agreements, the effective date is October 1, 2010, for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MSDE did not have proper controls in place to ensure that all subawards subject to the Transparency Act were reported in the FSRS on a timely basis.

Effect:

MSDE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the Title I Grants to Local Educational Agencies program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE establish procedures to ensure that all subawards subject to the Transparency Act are reported in the FSRS on a timely basis.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 005 (continued)

Auditee Response and Corrective Action Plan:

MSDE reviewed and revised its Federal Funding Accountability and Transparency Act (FFATA) reporting procedures during May, 2014 to provide compliance with FFATA reporting requirements and during June, 2014 the revised procedures were disseminated throughout the Agency for implementation. Training was also provided at this time regarding the revised procedures. The revised procedures provide specific timeframes when data needs to be provided by the Divisions to the Local Financial and Reporting Office which is responsible for inputting data to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). At the time of the audit, Fiscal Year 2014 was almost at its conclusion and the noted exceptions had occurred. All exceptions have been investigated and information has been input to the FSRS. The Division responsible for managing this CFDA will continue to adhere to MSDE's revised FFATA reporting procedures.

Auditee Update - October 2015:

To address the Finding, during March, 2015 MSDE's FFATA Reporting Procedures were reviewed with Title 1 Staff emphasizing the importance and need to report FFATA data on a timely basis. During October 2015, the MSDE Internal Audit Office tested a sample of nine grants having an award date during the period 7/23/2014 through 6/19/2015 for timely FFATA reporting. In this regard, it should be noted that the Corrective Action for this Finding was developed during March 2015 almost nine months into Fiscal Year 2015. Data for seven sampled grants, all of which had an award date before 12/6/2014, was reported albeit not on a timely basis. Data for two of the sampled grants, which had award dates during May and June 2015, was reported on a timely basis.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 006

Maryland State Department of Education (MSDE)

Special Education Cluster (IDEA)

CFDA 84.027 Special Education – Grants to States (IDEA, Part B)

CFDA 84.173 Special Education – Preschool Grants (IDEA Preschool)

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland State Department of Education (MSDE), we selected 40 subawards subject to the Transparency Act and noted that for 17 of the subawards, MSDE did not report subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Additionally, 14 of the subawards were not filed in a timely manner. MSDE incurred \$182,627,434 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 006 (continued)

Criteria: (continued)

For grants and cooperative agreements, the effective date is October 1, 2010, for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MSDE did not have proper controls in place to ensure that all subawards subject to the Transparency Act were reported in the FSRS on a timely basis.

Effect:

MSDE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the Special Education Cluster (IDEA).

Questioned Costs:

None.

Recommendation:

We recommend that MSDE establish procedures to ensure that all subawards subject to the Transparency Act are reported in the FSRS on a timely basis.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 006 (continued)

Auditee Response and Corrective Action Plan:

MSDE reviewed and revised its Federal Funding Accountability and Transparency Act (FFATA) reporting procedures during May, 2014 to provide compliance with FFATA reporting requirements and during June, 2014 the revised procedures were disseminated throughout the Agency for implementation. Training was also provided at this time regarding the revised procedures. The revised procedures provide specific timeframes when data needs to be provided by the Divisions to the Local Financial and Reporting Office which is responsible for inputting data to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). At the time of the audit, Fiscal Year 2014 was almost at its conclusion and the noted exceptions had occurred. All exceptions have been investigated and information has been input to the FSRS. The Division responsible for managing this CFDA will continue to adhere to MSDE's revised FFATA reporting procedures.

Auditee Update - October 2015:

The MSDE Internal Audit Office reviewed a sample of 41 grants with an award date occurring between 7/11/2014 through 8/25/2015. In this regard, it should be noted that the Corrective Action for this Finding was developed during March 2015 almost nine months into FY15. Data for 23 grants was reported on a timely basis. Data for six grants, all of which had an award date during July or August 2014, was reported albeit not on a timely basis. Data for the remaining 12 sampled grants, one of which had an award date prior to March 2015, was incompletely reported. Data for the incomplete grants will be reported by November 30, 2015. The Division has developed and implemented a protocol to ensure future accuracy of the reporting of FFATA data and will reemphasize the importance and need to adhere to FFATA reporting requirements.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 007

Maryland State Department of Education (MSDE)

CFDA 84.126 – Rehabilitation Services – Vocational Rehabilitation Grants to States

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Eligibility

Condition:

During our testing of Eligibility at the Maryland State Department of Education (MSDE), we selected 40 files to review for eligibility determination. For two of the participant files selected, we noted that the eligibility determination was not made within 60 days after the individual submitted an application for the services.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Section 102(a)(6) of Title I of the Rehabilitation Act of 1973, as amended (29 USC 722(a)(6)) requires that the State Vocational Rehabilitation (VR) Agency must determine whether an individual is eligible for VR services within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless:

- a. Exceptional and unforeseen circumstances beyond the control of the State VR agency preclude making an eligibility determination within 60 days and the State agency and the individual agree to a specific extension of time; or
- b. The State VR Agency is exploring an individual's abilities, capabilities, and capacity to perform in work situations through trial work experiences in order to determine the eligibility of the individual or the existence of clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome from VR services.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 007 (continued)

Cause:

MSDE did not have proper controls in place to ensure that all eligibility determinations were made timely.

Effect:

MSDE is not in compliance with the Eligibility requirement for the Rehabilitation Services – Vocational Rehabilitation Grants to States program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE improve internal controls to ensure that all eligibility determinations are made timely.

Auditee Response and Corrective Action Plan:

The Division of Rehabilitation Services (DORS) has satisfactory controls regarding compliance to the 60 day eligibility determination requirement. In this regard, all counselors are required to complete a client’s eligibility determination within 60 days of the date when the client submitted an application. Furthermore, supervisors are required to follow up on the counselors’ adherence to this requirement. The two cited exceptions occurred as a result of unforeseen and extraordinary personnel situations. DORS will continue to look at the eligibility determination in accordance with 29 USC 722(a)(6) and as needed provide either individual or district training to address any future instances where the 60 day eligibility requirement is not met.

Auditee Update - October 2015:

As reported at the close of the FY14 Single Audit, the Division of Rehabilitation Services (DORS) has satisfactory controls regarding compliance to the 60 day eligibility determination requirement. Per DORS procedure 501.07 (Required Timeline) “counselors shall determine eligibility for services within a reasonable amount of time not to exceed 60 days”. Furthermore, the Aware Case Management System provides two reports to assist counselors and supervisors in tracking compliance with the 60 day eligibility determination requirement. The MSDE Internal Audit Office reviewed a sample of forty applications received during April and May 2015. Each of the applications was processed within required eligibility determination requirements.

Auditor Conclusion:

Based on the testing performed during 2015, the finding is a repeat finding. See finding 2015-002.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 008

Maryland State Department of Education (MSDE)

CFDA 84.367 – Improving Teacher Quality State Grants

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland State Department of Education (MSDE), we selected 11 subawards subject to the Transparency Act and noted that for all 11 of the selections MSDE did not report subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) in a timely manner. MSDE incurred \$28,573,383 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 008 (continued)

Criteria: (continued)

For grants and cooperative agreements, the effective date is October 1, 2010, for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MSDE did not have proper controls in place to ensure that all subawards subject to the Transparency Act were reported in the FSRS on a timely basis.

Effect:

MSDE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the Improving Teacher Quality State Grants program.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE establish procedures to ensure that all subawards subject to the Transparency Act are reported in the FSRS on a timely basis.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 008 (continued)

Auditee Response and Corrective Action Plan:

MSDE reviewed and revised its Federal Funding Accountability and Transparency Act (FFATA) reporting procedures during May, 2014 to provide compliance with FFATA reporting requirements and during June, 2014 the revised procedures were disseminated throughout the Agency for implementation. Training was also provided at this time regarding the revised procedures. The revised procedures provide specific timeframes when data needs to be provided by the Divisions to the Local Financial and Reporting Office which is responsible for inputting data to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). At the time of the audit, Fiscal Year 2014 was almost at its conclusion and the noted exceptions had occurred. All exceptions have been investigated and information has been input to the FSRS. The Division responsible for managing this CFDA will continue to adhere to MSDE's revised FFATA reporting procedures.

Auditee Update - October 2015:

The MSDE Internal Audit Office reviewed a sample of 11 grants subject to FFATA reporting with a date of award occurring during the period 9/24/2014 through 8/18/2015. While a FFATA Data Collection form was developed for each of the sampled grants, the forms were not submitted to the Local Financial Reporting Office (LFRO) for input to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). The Division of Curriculum, Assessment and Accountability is reviewing all grants issued with Fiscal Year 2015 CFDA 84.367 funds and will provide to the LFRO by November 15, 2015 FFATA Data Collection Forms for all grants subject to FFATA reporting.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 009

Maryland State Department of Education (MSDE)

Child Care and Development Fund Cluster (CCDF)

CFDA 93.575 Child Care and Development Block Grant

CFDA 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Reporting – Subaward Reporting Under the Transparency Act

Condition:

During our testing of Subaward Reporting under the Transparency Act at the Maryland State Department of Education (MSDE), we noted that for 1 out of 7 selected subawards subject to the Transparency Act, MSDE reported the subaward data in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at the incorrect amount. MSDE incurred \$50,187,760 in subaward expenditures during the year ended June 30, 2014.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), implementing requirements in 2 CFR part 170, and the Federal Acquisition Regulation (FAR), require recipient reporting of each first-tier subaward or subaward amendment that results in an obligation of \$25,000 or more in Federal funds by the end of the month following the month in which the reportable action occurred.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 009 (continued)

Criteria: (continued)

For grants and cooperative agreements, the effective date is October 1, 2010, for all discretionary and mandatory awards equal to or exceeding \$25,000 made with a new Federal Assistance Identification Number (FAIN) on or after that date. The FAIN is the unique award number assigned to a particular grant or cooperative agreement by the Federal awarding agency (as opposed to the CFDA number, which pertains to a program generally). As it appears on the prime award document (e.g., pre-printed form, letter, or electronically generated format), this number also may be termed “award number”, “grant number”, or be indicated by some other terminology, but its purpose is to identify that particular award. The FAIN may include both letters and numbers. The Federal Government does not specify any requirements for numbering of subawards.

Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Cause:

MSDE made a typographical error to include the incorrect amount for one subaward.

Effect:

MSDE is not in compliance with the Subaward Reporting under the Transparency Act requirement for the Child Care and Development Fund Cluster.

Questioned Costs:

None.

Recommendation:

We recommend that MSDE establish procedures to ensure that all subawards subject to the Transparency Act are reported in the FSRS accurately.

Auditee Response and Corrective Action Plan:

MSDE agrees that the amount for one of the tested subawards was incorrectly reported to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). This reporting error was caused by a typographical error on a form used to input data into the FSRS. Procedures have been developed so that in the future data on the input form will be independently verified by another employee before the data is entered in the FSRS.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 009 (continued)

Auditee Update - October 2015:

Procedures have been developed and implemented so that data on the input form is independently verified by another employee before the data is entered in the FSRS. The MSDE Internal Audit Office reviewed a sample of 11 grants with an award date occurring between 7/14/2014 through 7/27/2015. In this regard, it should be noted that the Corrective Action for this Finding was developed during March 2015 almost nine months into Fiscal Year 2015. Data for eight sampled grants, all of which had an award date before 12/2/2014, was reported albeit not on a timely basis. Data for two other sampled grants, having an award date during July 2014, was incompletely reported. The incomplete data will be entered into the FSRS by November 30, 2015. Data for one of the sampled grants, which had an award date of 7/27/2015 was reported on a timely basis. The Division will reemphasize the importance and need to adhere to FFATA reporting requirements.

Auditor Conclusion:

Subaward Reporting under the Transparency Act is no longer an OMB Circular A-133 requirement, thus finding resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 010

Maryland Department of Transportation (MDOT)

Federal Transit Cluster

CFDA 20.500 Federal Transit – Capital Investment Grants

CFDA 20.507 Federal Transit – Formula Grants (Urbanized Area Formula Program)

CFDA 20.525 State of Good Repair Grants

Federal Transit Administration (FTA)

Compliance and Internal Control Deficiency over Procurement and Suspension and Debarment

Condition:

During our testing of Procurement and Suspension and Debarment at the Maryland Transit Administration (MTA), MTA was not able to locate contract files for two of the 14 procurements selected. Additionally, there was no evidence that MTA performed a verification check for covered transactions by checking the Excluded Parties List System (EPLS) for one of the 14 vendors.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215.27) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate controls that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The code of Maryland regulations (COMAR 21.05.01.07) “Procurement Record” requires that a procurement file on each procurement for contracts in excess of \$25,000, shall include: a) a record of solicitation of inquiries; b) a listing of every bidder or offeror solicited; c) all bids or offers received; d) all internal and external correspondence regarding the procurement; e) written documentation from the procurement officer describing efforts to confirm the information in the affidavits submitted by the successful bidder or offeror, including, at a minimum, verification that the business has not been suspended or debarred by the State or Federal government; and f) the final contract.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 010 (continued)

Cause:

MTA had inadequate controls in place over document retention.

Effect:

MTA is not in compliance with the Procurement and Suspension and Debarment requirements for the Federal Transit Cluster.

Questioned Costs:

Unknown.

Recommendation:

We recommend that MTA establish internal controls to ensure they maintain adequate documentation to support that the Federal and State laws and procedures were followed for procurement.

Auditee Response and Corrective Action Plan:

To ensure the required procurement documentation is complete, MTA distributed a new checklist to all procurement officers during the second quarter of fiscal year 2015. MTA procurement officers will review all contract files and sign off on the checklist. In addition, the Director of Procurement, or a designee, will conduct periodic reviews to ensure these procedures are being followed. Based on the auditor's recommendation, the checklist has been modified to include a checkbox to indicate a verification of the vendor's status. MTA will ensure a contractor's good standing by reviewing the Excluded Parties List System for Federally funded contracts and reviewing the Board of Public Works debarment list for State funded contracts.

Auditee Update - October 2015:

The MTA's Office of Procurement incorporated the checklist in the MTA's Procurement Policies and Procedures Manual (updated on September 11, 2015). The Procurement Officers are verifying and validating that all recommended awardees whether in Federally or State funded are in good standing with either the State of Maryland and or Federal Excluded Parties List System (SAM.gov).

Auditor Conclusion:

No exceptions noted during the 2015 testing. Finding is resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 011

University System of Maryland – Bowie State University (BSU)

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.032	Federal Family Education Loans (FFEL)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.037	Perkins Loan Cancellations
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we reviewed the enrollment status of 40 students. We noted that for eight of the students selected, BSU did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days; and for two of the students selected, the enrollment status per the institution's PeopleSoft system did not match the enrollment status per NSLDS.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 011 (continued)

Criteria: *(continued)*

Per OMB A-133: (continued)

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

BSU did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in student's enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that BSU establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 011 (continued)

Auditee Response and Corrective Action Plan:

The University agrees with this finding. The following procedures will be implemented by April 30, 2015:

1. The Financial Aid Coordinator will reconcile discrepancies between Enrollment and Financial Aid on a monthly basis to identify all students that should be updated at NSLDS. The reconciliation will be reviewed and signed off monthly by the Director of Financial Aid.
 - a. Students that complete an official withdraw form will be reported to NSLDS at the end of each month.
 - b. Students that unofficially withdraw (stop outs or no shows) will be reported to NSLDS at the conclusion of the late registration period each semester.
2. The Financial Aid Coordinator will ensure that all changes to student enrollment status are reported to NSLDS within the required time frame.
3. The Financial Aid Coordinator will maintain an updated list of all students reported to NSLDS.

Auditee Update - October 2015:

Due to operational and personnel changes in the Office of Financial Aid our procedures have been revised as follows, with an implementation date of November 1, 2015:

1. The Assistant Director of Financial Aid will reconcile discrepancies between Enrollment (Registrar's Office) and Financial Aid on a monthly basis to identify all students that should be updated at NSLDS. The reconciliation will be reviewed and signed off monthly by the Director of Financial Aid.
 - a. Students that complete an official withdraw form will be reported to NSLDS at the end of each month.
 - b. Students that unofficially withdraw (stop outs or no shows) will be reported to NSLDS at the conclusion of the late registration period each semester.
2. The Assistant Director of Financial Aid will ensure that all changes to student enrollment status are reported to NSLDS within the required time frame.
3. The Assistant Director of Financial Aid will maintain an updated list of all students reported to NSLDS

Auditor Conclusion:

Based on the above, the finding was not resolved for fiscal year 2015, thus is a repeat finding.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 012

University System of Maryland – University of Maryland, Baltimore County (UMBC)

Student Financial Assistance Cluster

CFDA No. 84.007 Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.032 Federal Family Education Loans (FFEL)
CFDA No. 84.033 Federal Work- Study Program (FWS)
CFDA No. 84.037 Perkins Loan Cancellations
CFDA No. 84.038 Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063 Federal Pell Grant Program (Pell)
CFDA No. 84.268 Federal Direct Student Loans (Direct Loan)

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we noted that for 24 out of 40 students selected, UMBC did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 012 (continued)

Criteria: (continued)

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

UMBC did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in students' enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment were not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that UMBC establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 012 (continued)

Auditee Response and Corrective Action Plan:

UMBC has established and implemented procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database. Specifically, previously we had utilized a report generated from a data warehouse reporting application that had program limitations resulting in untimely reporting of some student enrollment records. However, in Fall 2014 UMBC began utilizing a more accurate PeopleSoft (PS) report to update required enrollment information via our third party service. The new report output has been reviewed by management for data quality and verified as accurate.

Auditee Update – October 2015:

UMBC implemented the Corrective Action Plan as reported previously and it continues to be working properly. Enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

Auditor Conclusion:

Based on the follow-up testing performed in 2015, the finding is resolved.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 013

Baltimore City Community College (BCCC)

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.032	Federal Family Education Loans (FFEL)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.037	Perkins Loan Cancellations
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we reviewed the enrollment status of forty students. We noted that for six of the students selected, BCCC did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days; for sixteen of the students selected, the enrollment status per the institution's PeopleSoft system did not match the enrollment status per NSLDS; and for three of the students selected, support that the enrollment status was submitted to NSLDS was unable to be obtained.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 013 (continued)

Criteria: (continued)

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, 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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

BCCC did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in students' enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 013 (continued)

Questioned Costs:

None.

Recommendation:

We recommend that BCCC establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

Auditee Response and Corrective Action Plan:

BCCC has corrected the program reporting enrollment data to the Clearinghouse that will enable the College to report student enrollment status changes in a timely manner.

BCCC's Information Technology (IT) staff identified a programming error that caused the 20% freeze date to be selected as the date for reporting a student's current enrollment status. The error was corrected during the programming overhaul that was required by the Department of Education (ED) in their February 27, 2014, version of the NSLDS Enrollment Reporting File Layout and guidance. IT programming staff corrected the data element selection to ensure that the student's capture data is selected from the correct field. The programming changes were completed during October, 2014 after the auditor's review.

Additionally, on the 10th of every month, the College reports student status changes to the Clearinghouse to ensure that timely information is updated to the NSLDS database. Our records show that the three students who were not recorded on the NSLDS database were actually included on the College's report to the Clearinghouse. The College is currently evaluating its existing processes to develop a method to ensure or at least identify student information that is reported to the Clearinghouse, yet does not appear in the NSLDS database. We believe that the programming change coupled with the monthly reporting will eliminate the risk of reporting in excess of 60 days after the student's enrollment status change date. These controls will ensure that enrollment status changes are updated and accurately reported in a timely manner and reported to the Clearinghouse.

Finally, the College does not currently process student loans; however, the enrollment status and effective dates have been corrected in our Student Information Management System's (SIMS) program to ensure that the NSLDS can properly determine repayment date, grace period and deferment.

Auditee Update - October 2015:

The College's internal auditors performed a follow-up review of its reporting process to the Clearinghouse for Enrollment Status Compliance Reporting. A programming overhaul and an evaluation of existing processes were completed.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2014 - 013 (continued)

Auditee Update - October 2015: (continued)

The College submits monthly reports to the Clearinghouse on or about the 10th day of each month. Updates to the Clearinghouse records appear within 1-2 days after the College's submission as evidenced by the NSDLS report dates.

Student enrollment information per the College's submission agrees to the Clearinghouse and NSLDS records.

The College's monthly reporting timeline is in compliance with the 60 day requirement of the Federal Regulation CFR 682.610(c) and 685.309(b).

Thus, the corrective actions for internal controls and reporting as outlined in Single Audit Response are effective and working as intended.

Auditor Conclusion:

No exceptions noted during the 2015 testing. Finding is resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 014

Morgan State University (MSU)

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.032	Federal Family Education Loans (FFEL)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.037	Perkins Loan Cancellations
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)

U.S. Department of Education (ED)

Compliance and Internal Control Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we noted that for 24 out of 40 students selected, MSU did not submit the students' updated status to the National Student Loan Data System (NSLDS) within 60 days.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 014 (continued)

Criteria: (continued)

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

MSU did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in students' enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment were not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that MSU establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 014 (continued)

Auditee Response and Corrective Action Plan:

The University has consistently reported student enrollment status information to NSLDS via the National Student Clearinghouse (NSC) on a monthly basis. However, NSC did not report the data to NSLDS for the summer months in 2014. The Federal reporting guidelines now require NSC to remit enrollment information to NSLDS for the summer months as well. Accordingly, the isolated period of a break in service has been eliminated and this finding will not recur. However, as of January 2015, the University has implemented an additional review to help ensure that NSC relays enrollment data to NSLDS in a timely fashion.

Auditee Update - October 2015:

The University has ensured that its student enrollment is reported to NSC and NSLDS timely as previously reported. Enrollment reported the NSC which in turn ensures that the data is transmitted to NSLDS. As indicated in our previous explanation, the University has continued monthly reporting since the change in NSC guidelines as of September 2014.

Auditor Conclusion:

Based on the follow-up testing performed during 2015, the finding is a repeat finding.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 015

Morgan State University (MSU)

Research and Development Cluster

CFDA No. 93.307 Minority Health and Health Disparities Research (HHS107)

U.S. Department of Health and Human Services (HHS)

Compliance and Internal Control Deficiency over Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Condition:

During our testing of Activities Allowed or Unallowed and Allowable Costs/Cost Principles at Morgan State University (MSU), we reviewed the indirect cost allocation for the HHS107 grant. We noted that direct costs for consortium/contractual were improperly included in the indirect cost pool above the \$25,000 maximum allowed by the grant agreement.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

The Notice of Award from HHS for Grant #2R24MD002803-06 REVISED issued August 20, 2013, includes Federal Direct Costs and Federal Facilities and Administrative (F&A) Costs. The grant operates under a modified indirect cost rate of 48.5% of the F&A Costs base, which included salaries and wages, fringe benefits, personnel costs, and supplies. The F&A Costs base do not include consortium/contractual costs over \$25,000.

Cause:

MSU did not have functioning controls in place to ensure that consortium/contractual direct costs over \$25,000 were not included in the direct cost pool from which indirect costs are calculated and charged to the grant.

Effect:

MSU overstated expenditures to the grant and overcharged the awarding agency.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2014 - 015 (continued)

Questioned Costs:

\$156,507

Recommendation:

We recommend that MSU establish procedures to ensure that indirect cost allocation is calculated and charged correctly.

Auditee Response and Corrective Action Plan:

The University agrees that the internal control surrounding indirect cost (IDC) calculation needs to be enhanced. Currently, the financial accounting system does not provide the necessary automated control to help ensure that IDC is applied for the first \$25,000 of the sub-award expenditures only. The manual process is prone to error and is conducted in a shadow system. The University will work with the vendor to explore the possibility of modifying the system's capabilities to automate that calculation. In addition, as a result of the audit, the University has implemented a rigorous manual process to independently verify the accuracy of all IDC calculations.

The majority of the questioned costs was removed in the shadow system and was not charged to the sponsor; however, the financial accounting system was not adjusted accordingly. Specifically, only \$53,402 was overcharged to the sponsor for the given fiscal year, but has now been reversed in the current year to yield no overcharge overall (this is an active multi-year award). An adjusting journal entry has been executed to bring the invoice and draw down data to match the financial accounting system. Therefore, all expenditures are now allowable and in compliance with governing regulations.

Auditee Update - October 2015:

The University's enterprise resource planner (ERP), Banner, has been reconfigured to cut-off additional calculations of Facilities and Administrative indirect cost recoveries so no expense above the \$25,000 threshold, will be uploaded into the grants management financial system.

Auditor Conclusion:

Based on the follow-up testing performed in 2015, the finding is resolved.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 012

Morgan State University (MSU)

Student Financial Assistance Cluster

CFDA 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA 84.032	Federal Family Education Loans (FFEL)
CFDA 84.033	Federal Work- Study Program (FWS)
CFDA 84.037	Perkins Loan Cancellations
CFDA 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA 84.063	Federal Pell Grant Program (Pell)
CFDA 84.268	Federal Direct Student Loans (Direct Loan)

U.S Department of Education (ED)

Compliance and Internal Control Deficiency Over Special Tests and Provisions - Student Enrollment Reporting

Condition:

Fifteen out of forty students tested were not reported in the database and nine out of forty were reported late. Fifteen of the students could not be found in NSLDS. It took MSU more than 60 days to update nine of the students' status within NSLDS.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (*OMB No. 1845-0035*). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 012 (continued)

Criteria: (continued)

Per OMB A-133: (continued)

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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall — (1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loans for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

MSU did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in the student's enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

Questioned Costs:

None.

Recommendation:

We recommend that MSU establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 012 (continued)

Auditee Response and Corrective Action Plan:

This recommendation has been implemented. With the arrival of the new Registrar, as of October 2013, the Office of Records and Registration has established and implemented procedures to correct the identified reporting deficiencies. Since that time, the University has been reporting the enrollment status of its students to the National Student Clearinghouse (NSC) in an accurate and timely manner. After the University submits the report, management receives notification from NSC that the transmission was successful. Therefore, changes in the students' enrollment are now properly reported to the National Student Loan Data System database via NSC.

Auditee Update - October 2015:

The Office of Records and Registration has established and implemented procedures to correct the identified reporting deficiencies. The University has ensured that its student enrollment is reported to NSC and NSLDS timely as previously reported. Enrollment is reported to the NSC which in turn ensures that the data is transmitted to NSLDS. The University has continued monthly reporting since the change in NSC guidelines as of September 2014.

Auditor Conclusion:

Based on the follow-up testing performed during 2015, the finding is a repeat finding.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 013

Saint Mary's College of Maryland (St. Mary's)

Student Financial Assistance Cluster

CFDA 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA 84.032	Federal Family Education Loans (FFEL)
CFDA 84.033	Federal Work- Study Program (FWS)
CFDA 84.037	Perkins Loan Cancellations
CFDA 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA 84.063	Federal Pell Grant Program (Pell)
CFDA 84.268	Federal Direct Student Loans (Direct Loan)

U.S Department of Education (ED)

Compliance and Internal Control Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

Thirty-four out of forty students tested were reported in the database incorrectly. Thirty-three of the students' status change date was incorrectly reported and one of the students withdrew from St. Mary's but was incorrectly reported as full-time.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate controls that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via National Student Loan Data System (NSLDS) (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, but the minimum is twice a year.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 013 (continued)

Criteria: *(continued)*

Per OMB A-133: (continued)

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 NSLDS web site.

Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall—(1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loans for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

St. Mary's did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid.

Effect:

The change in the student's enrollment is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment is not properly determined.

Questioned Costs:

None.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2013 - 013 (continued)

Recommendation:

We recommend that St. Mary's establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

Auditee Response and Corrective Action Plan:

The College agrees with this recommendation and has taken appropriate action to ensure that accurate data is reported to NSLDS in a timely manner. The College will adjust its procedures to include a supervisory review of data submitted to NSLDS to ensure that changes made to a student's enrollment status and dates are accurate.

Auditee Update- October 2015:

The College understands the date of completion reported to NSDLS should match the final date of class in our system. We continue to work on staff training in the office of the Registrar to institutionalize these changes as vacancies in the office are filled with new employees.

Previously the College used to report the commencement date as the date of departure from the College. Moving forward, the College will now use the last date of classes as the departure date from the College. For students who receive federal financial aid, the change will eliminate using two reporting dates on our system (i.e. the date the student completes their degree work and the commencement date as the departure date). Therefore, using the last date of classes will match the Clearing-House reporting system which retrieves the last date of the semester as the graduation date. The Clearing-House graduation date is also used to determine when a student goes into repayment of loans. The change will improve reporting at both the College and the Clearing-House.

Auditor Conclusion:

Based on follow-up testing performed during 2015, the finding is a repeat finding.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2012 - 011

University System of Maryland - Coppin State University

Student Financial Assistance Cluster

CFDA No. 84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
CFDA No. 84.032	Federal Family Education Loans (FFEL)
CFDA No. 84.033	Federal Work- Study Program (FWS)
CFDA No. 84.037	Perkins Loan Cancellations
CFDA No. 84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions
CFDA No. 84.063	Federal Pell Grant Program (Pell)
CFDA No. 84.268	Federal Direct Student Loans (Direct Loan)

U.S. Department of Education (ED)

Internal Control and Compliance Deficiency over Special Tests and Provisions - Student Enrollment Reporting

Condition:

During our testing of student enrollment reporting, we reviewed the enrollment status of forty students. We noted forty of the students selected were incorrectly classified and reported in the National Student Loan Database System (NSLDS) database. Forty of the students withdrew from classes and thus took zero credits, but fifteen were incorrectly reported as attending half-time, twenty-three were incorrectly reported as attending full-time, and two were incorrectly reported as less than half-time.

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

The characteristics of internal control are presented in the context of the components of internal control discussed in *Internal Control – Integrated Framework* (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission. The COSO Report provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2012 - 011 (continued)

Criteria: (continued)

Per OMB A-133:

Under the FFEL and Direct Loan programs, schools must complete and return within 30 days the Enrollment Reporting roster file [formerly the Student Status Confirmation Report (SSCR)] placed in their Student Aid Internet Gateway (SAIG) mailboxes sent by ED via the NSLDS (OMB No. 1845-0035). The institution determines how often it receives the Enrollment Reporting roster file with the default set at every two months, 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 NSLDS web site. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency 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 (FFEL, 34 CFR section 682.610; Direct Loan, 34 CFR section 685.309).

Per 34 CFR § 682.610(c):

A school shall—(1) Upon receipt of a student status confirmation report form from the Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and (2) Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days — (i) If it discovers that a Stafford, Supplemental Loan for Students (SLS), or Parent Loan for Undergraduate Students (PLUS) loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; (ii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; (iii) If it discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis; or (iv) If it discovers that a student who is enrolled and who has received a Stafford or SLS loan has changed his or her permanent address.

Cause:

The university did not have proper controls in place to review and update enrollment status changes for students receiving student financial aid. The University considers a grade of “W” to be a valid grade and student still enrolled. Therefore a grade of “W” was not reported to NSLDS.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2012 - 011 (continued)

Effect:

The change in the student's enrollment to less than half time is not properly reported in the NSLDS database, thus, repayment date, grace period, and deferment are not properly determined.

Questioned Costs:

Unknown.

Recommendation:

We recommend that the University establish procedures to ensure that enrollment status changes are updated and accurately reported in a timely manner in the NSLDS database.

Auditee Response and Corrective Action Plan:

The University's initial transmissions and subsequent transmissions of students' enrollment are reported to the National Student Clearinghouse in a timely manner each semester. In accordance with the University's policies and procedures on students' enrollment and withdrawal, the information reported to the Clearinghouse was correct.

We acknowledge that we have not reported to the Clearinghouse the adjustments in the number of credits when students withdraw from courses. Staff members in Records and Registration, Financial Aid and Information Technology have met to determine how to correct this problem and we have a solution to the reporting problem. The next transmission to the Clearinghouse will reflect students' withdrawals.

Auditee Update - October 2015:

The University continues to monitor the steps that were developed to accurately report withdrawal adjustments to the National Student Clearinghouse. The staff members of Office of Records and Registration (ORR), and Information Technology (OIT) have made additional adjustments to catch the inaccuracies in reporting.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2012 - 011 (continued)

Auditee Update - October 2015: (continued)

Updates on the steps that have been implemented to address withdrawal adjustment reporting are as follows:

1. All students who initiate a *Request to Withdraw from the University Form* complete an *Official Class Withdrawal Form*. After these forms have been processed they are given to the Technology Manager to update EagleLinks and the National Student Clearinghouse (NSC). This process will also be used when students come to the ORR to withdraw from one or more classes during the semester. When students come to the ORR to withdraw from the class or from the university, those are processed within 24 hours of receipt and the NSC is updated within 2-3 business days.
2. An Administrative Withdrawal Program Action Code (WADM) is being used as the Program Reason when students are officially withdrawing from the University. The Program Action Code is being placed on the student academic program plan screen reflecting the date and the effective term of the action. A report can be run to double check all students who have the WADM during the withdrawal period. The students' withdrawal status is reported to the NSC within 2-3 business days.
3. The ORR continues to use the additional step of running a (W) Grade Report in the Clearinghouse verification process to capture students who have dropped classes and received a grade of (W) that could change their initial enrollment of full to half time, less than half time or no units (totally withdrawn from the University). This query is run weekly after the drop/add period to capture student who have withdrawn classes

Auditor Conclusion:

Based on testing performed during 2015, the finding is a repeat finding. See finding 2015-004.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2011 - 008

Department of Human Resources (DHR)

Emergency Food Assistance Cluster (TEFAP)

CFDA No. 10.568 Emergency Food Assistance Program (Administrative Costs)

CFDA No. 10.569 Emergency Food Assistance Program (Food Commodities)

U.S. Department of Agriculture (USDA)

Compliance and Significant Deficiency over Accountability for Commodities

Condition:

During our audit, we noted that DHR does not have a consistent system of taking periodic inventory counts. We were unable to test the accountability of commodities as the required physical inventory records were not maintained by DHR.

Criteria:

Per 7 CFR sections 250.16(a)(6) and 250.15(c):

Accurate and complete records shall be maintained with respect to the receipt, distribution/use, and inventory of donated foods, including end products processed from donated foods. Failure to maintain records required by 7 CFR section 250.16 shall be considered prima facie evidence of improper distribution or loss of donated foods, and the agency, processor, or entity is liable for the value of the food or replacement of the food in kind.

Per 7 CFR section 250.14(e):

Distributing and recipient agencies shall take a physical inventory of all storage facilities. Such inventory shall be reconciled annually with the storage facility's inventory records and maintained on file by the agency which contracted with or maintained the storage facility. Corrective action shall be taken immediately on all deficiencies and inventory discrepancies and the results of the corrective action forwarded to the distributing agency.

Cause:

DHR did not have adequate procedures in place related to the accountability of commodities.

Effect:

The lack of tracking and maintaining records of the physical inventory allows the potential for abuse, including fraud and other defalcation, to exist and not be detected.

Questioned Costs:

Unknown.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2011 - 008 (continued)

Recommendation:

We recommend that physical counts of inventory should be performed at least annually. The results should be reviewed and reconciled to the accounting system. The perpetual inventory listing should be reconciled to the general ledger, with any large discrepancies investigated and explained. Any adjustments, along with the cost of goods sold entries, should be made and a procedure should be implemented to allow for these adjustments to occur on an annual basis.

Auditee Response and Corrective Action Plan:

DHR agrees that at one time, its oversight of commodity food inventories needed improvement.

The USDA reviewed this program in FY 2010, and found some shortcomings regarding the inventory process. Subsequent to June 2011, new processes were implemented by the DHR TEFAP staff.

The unit responsible for commodities and related contracts were previously located in the DHR Office of Grants Management (OGM). A reorganization of some modals within DHR took place effective February 28, 2012, and the OGM personnel responsible for TEFAP administration were transferred to the Family Investment Administration (FIA) Bureau of Policy, Reporting and Training. FIA management is currently reviewing all prior policies and procedures and will work with the TEFAP staff to ensure that the process approved by the USDA remains in place.

Auditee Update - October 2015:

The TEFAP program was significantly restructured to improve accountability and oversight of the program's operation. The Maryland Food Bank and Capital Area Food Bank (MFB and CAFB) now serve as Sponsoring Agencies responsible for managing and executing aspects of the program, including receipt, delivery and distribution of all foods, warehousing and inventory accountability. Both CAFB and MFB maintain accounting and inventory tracking systems that meet USDA's criteria.

DHR conducts an annual facility review with both CAFB and MFB. The Federal Fiscal Year (FFY) 2014 reviews were conducted in September 2014 (9/11 and 9/24) and FFY 2015 reviews were completed in August 2015 (8/25 and 8/27). In both reviews, sample commodities were tested to identify discrepancies between physical inventory and system reports. No discrepancies were identified in either monitoring.

Additionally, MFB and CAFB are required to conduct 100% annual monitoring reviews of each Eligible Recipient Agency (ERA) contracted to administer TEFAP. Both CAFB and MFB complied with this requirement in Fiscal Year 2015.

Auditor Conclusion:

Based on follow-up testing performed in 2015, the finding is resolved.

STATE OF MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015**

Finding 2010 - 010

Department of Human Resources (DHR)

Emergency Food Assistance Cluster

CFDA No. 10.568 Emergency Food Assistance Program (Administrative Costs)

CFDA No. 10.569 Emergency Food Assistance Program (Food Commodities)

U.S. Department of Agriculture (USDA)

Compliance and Significant Deficiency over Accountability for Commodities

Condition:

During our audit, we noted that DHR does not have a consistent system of taking periodic inventory counts. We were unable to test the accountability of commodities due to the required physical inventory records were not maintained by DHR.

Criteria:

Per 7 CFR sections 250.16(a)(6) and 250.15(c):

Accurate and complete records shall be maintained with respect to the receipt, distribution/use, and inventory of donated foods, including end products processed from donated foods. Failure to maintain records required by 7 CFR section 250.16 shall be considered prima facie evidence of improper distribution or loss of donated foods, and the agency, processor, or entity is liable for the value of the food or replacement of the food in kind.

Per 7 CFR section 250.14(e):

Distributing and recipient agencies shall take a physical inventory of all storage facilities. Such inventory shall be reconciled annually with the storage facility's inventory records and maintained on file by the agency which contracted with or maintained the storage facility. Corrective action shall be taken immediately on all deficiencies and inventory discrepancies and the results of the corrective action forwarded to the distributing agency.

Cause:

DHR did not have needed staff to perform functions related to the accountability of commodities.

Effect:

The lack of tracking and maintaining records of the physical inventory allows the potential for abuse, including fraud and other defalcation, to exist and not be detected.

Questioned Costs:

Unknown.

STATE OF MARYLAND

Schedule of Prior Year Findings and Questioned Costs Year Ended June 30, 2015

Finding 2010 - 010 (continued)

Recommendation:

We recommend that physical counts of inventory should be performed at least annually. The results should be reviewed and reconciled to the accounting system. The perpetual inventory listing should be reconciled to the general ledger, with any large discrepancies investigated and explained. Any adjustments, along with the cost of goods sold entries, should be made and a procedure should be implemented to allow for these adjustments to occur on an annual basis.

Auditee Response and Corrective Action Plan:

DHR concurs with the recommendation. The Office of Grants Management (OGM) is developing an automated and improved inventory system to replace the current outdated Excel spreadsheets. This system will reconcile the inventory to the general ledger. Reports will be reviewed monthly and any large discrepancies investigated and explained. Adjustments, along with the cost of goods, will be made and procedures implemented to allow for these adjustments to occur on an annual basis.

The Office of Grants Management will conduct physical inventories to correspond with both the State and the federal fiscal year. The inventories will occur on August 15th for the prior State fiscal year and November 15th for the prior federal fiscal year. Inventories will be conducted at all warehouses that contained Emergency Food Assistance Program (TEFAP) food at the end of the appropriate fiscal year.

Auditee Update - October 2015:

The TEFAP program was significantly restructured to improve accountability and oversight of the program's operation. The Maryland Food Bank and Capital Area Food Bank (MFB and CAFB) now serve as Sponsoring Agencies responsible for managing and executing aspects of the program, including receipt, delivery and distribution of all foods, warehousing and inventory accountability. Both CAFB and MFB maintain accounting and inventory tracking systems that meet USDA's criteria.

DHR conducts an annual facility review with both CAFB and MFB. The Federal Fiscal Year (FFY) 2014 reviews were conducted in September 2014 (9/11 and 9/24) and FFY 2015 reviews were completed in August 2015 (8/25 and 8/27). In both reviews, sample commodities were tested to identify discrepancies between physical inventory and system reports. No discrepancies were identified in either monitoring.

Additionally, MFB and CAFB are required to conduct 100% annual monitoring reviews of each Eligible Recipient Agency (ERA) contracted to administer TEFAP. Both CAFB and MFB complied with this requirement in Fiscal Year 2015.

Auditor Conclusion:

Based on follow-up testing performed in 2015, the finding is resolved.

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