



A REPORT
TO THE
ARIZONA LEGISLATURE

Financial Audit Division

Single Audit

State of Arizona

Year Ended June 30, 2012



Debra K. Davenport
Auditor General

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State of Arizona
Single Audit Reporting Package
Year Ended June 30, 2012

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DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

**Independent Auditors' Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on
Internal Control over Compliance in Accordance with OMB Circular A-133**

The Honorable Janice K. Brewer, Governor
State of Arizona

The Honorable Andy Biggs, President
Arizona State Senate

The Honorable Andy Tobin, Speaker
Arizona House of Representatives

The Honorable Rebecca White Berch, Chief Justice
Arizona Supreme Court

Compliance

We have audited the State of Arizona's 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 its major federal programs for the year ended June 30, 2012, except for that portion of the federal programs administered by the Arizona Health Care Cost Containment System and the Arizona Department of Transportation. Those entities were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the compliance of those entities with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, is based solely on the reports of the other auditors. The State's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the State's management. Our responsibility is to express an opinion on the State's compliance based on our audit and the reports of the other auditors.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; 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.

We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion. Our audit does not provide a legal determination of the State's compliance with those requirements.

As described in the following table, the State did not comply with certain compliance requirements that are applicable to the following major federal programs. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to those programs.

| <u>Program Title (CFDA Number)</u> | <u>Compliance Requirement</u> | <u>Finding Number</u> |
|---|-------------------------------|-----------------------|
| Military Construction, National Guard (12.400) | Cash Management | 12-120 |
| Vocational Rehabilitation Cluster: Rehabilitation Services—Vocational Rehabilitation Grants to States (84.126) ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act (84.390) | Eligibility | 12-104 |
| TANF Cluster: Temporary Assistance for Needy Families (93.558) ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants (93.716) | Reporting | 12-105 |

In our opinion, based on our audit and the reports of the other auditors, except for the noncompliance described in the preceding table, the State of Arizona complied, in all material respects, with the 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, 2012. The results of our auditing procedures and the reports of the other auditors also disclosed other instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and that are described in the accompanying Schedule of Findings and Questioned Costs as items 12-101, 12-102, 12-103, 12-106, 12-107, 12-108, 12-109, 12-110, 12-111, 12-112, 12-113, 12-114, 12-116, 12-117, 12-118, 12-119, 12-121, 12-122, 12-125, and 12-126.

Internal Control over Compliance

The State's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we and the reports of the other auditors identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be 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 a combination of deficiencies, in internal control over compliance, such that there is 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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 12-104, 12-105, 12-108, 12-109, 12-110, 12-112, 12-113, 12-116, 12-118, 12-120, and 12-122 to be material weaknesses.

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 12-106, 12-107, 12-111, 12-114, 12-115, 12-117, 12-119, 12-121, 12-123, 12-124, 12-125, and 12-126 to be significant deficiencies.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, business-type activities, aggregate discretely presented component units, each major fund, and aggregate remaining fund information of the State as of and for the year ended June 30, 2012, and have issued our report thereon dated January 14, 2013, that contained an unqualified opinion on those financial statements. Our report was modified to include a reference to our reliance on other auditors, for emphasis of a matter relating to the Rio Nuevo Multipurpose Facilities District, and as to consistency because of a change in reporting entity. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of the State's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 U.S. generally accepted auditing standards by us and the other auditors. In our opinion, based on our audit, the procedures performed as described previously, and the reports of the other auditors, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The State's responses to the findings identified in our audit are presented on pages 97 through 115. We did not audit the State's responses, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of the members of the Arizona State Legislature, management of state agencies, others within the State, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Debbie Davenport
Auditor General

March 28, 2013

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|---|-----------------------|----------------------|
| <u>PEACE CORPS</u> | | | |
| 8.PC-11-8-046, PC-11-8-030 | Peace Corps | NAA | \$ 15,712 |
| | Total Peace Corps | | <u>\$ 15,712</u> |
| <u>DEPARTMENT OF AGRICULTURE</u> | | | |
| <u>SNAP Cluster</u> | | | |
| 10.551 | Supplemental Nutritional Assistance Program | DEA | \$ 1,709,716,879 |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | ASA | 20,657 |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | DEA | 46,392,469 |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | HSA | 6,906,906 |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | UAA | 5,247,311 |
| | 10.561 Subtotal | | <u>58,567,343</u> |
| | SNAP Cluster Subtotal | | <u>1,768,284,222</u> |
| <u>Child Nutrition Cluster</u> | | | |
| 10.553 | School Breakfast Program | DCA | 34,141 |
| 10.553 | School Breakfast Program | DJA | 299,385 |
| 10.553 | School Breakfast Program | EDA | 70,100,594 |
| | 10.553 Subtotal | | <u>70,434,120</u> |
| 10.555 | National School Lunch Program | DCA | 52,245 |
| 10.555 | National School Lunch Program | EDA | 266,545,944 |
| 10.555 | National School Lunch Program | SDA | 247,538 |
| | 10.555 Subtotal | | <u>266,845,727</u> |
| 10.556 | Special Milk Program for Children | EDA | 73,531 |
| 10.559 | Summer Food Service Program for Children | EDA | 6,715,147 |
| | Child Nutrition Cluster Subtotal | | <u>344,068,525</u> |
| <u>Emergency Food Assistance Cluster</u> | | | |
| 10.568 | Emergency Food Assistance Program (Administrative Costs) | DEA | 2,259,028 |
| 10.569 | Emergency Food Assistance Program (Food Commodities) | DEA | 10,197,036 |
| | Emergency Food Assistance Cluster Subtotal | | <u>12,456,064</u> |
| <u>Forest Service Schools and Roads Cluster</u> | | | |
| 10.665 | Schools and Roads—Grants to States | GFA | 26,415 |
| | Schools and Roads Cluster Subtotal | | <u>26,415</u> |
| <u>Other Department of Agriculture Programs</u> | | | |
| 10.001 | Agricultural Research—Basic and Applied Research | CRA | 30,000 |
| 10.001 | Agricultural Research—Basic and Applied Research | UAA | 86,299 |
| | 10.001 Subtotal | | <u>116,299</u> |
| 10.025 | Plant and Animal Disease, Pest Control, and Animal Care | AHA | 2,355,215 |
| 10.025 | Plant and Animal Disease, Pest Control, and Animal Care | CRA | 1,953,153 |
| 10.025 | Plant and Animal Disease, Pest Control, and Animal Care | GFA | 49,316 |
| 10.025 | Plant and Animal Disease, Pest Control, and Animal Care | UAA | 16,500 |
| | 10.025 Subtotal | | <u>4,374,184</u> |
| 10.093 | Voluntary Public Access and Habitat Incentive Program | GFA | 521,638 |
| 10.156 | Federal-State Marketing Improvement Program | AHA | 47,608 |
| 10.163 | Market Protection and Promotion | AHA | 88,997 |
| 10.168 | Farmers' Market Promotion Program | ASA | 5,400 |
| 10.170 | Specialty Crop Block Grant Program—Farm Bill | AHA | 801,340 |
| 10.170 | Specialty Crop Block Grant Program—Farm Bill | UAA | 14,822 |
| | 10.170 Subtotal | | <u>816,162</u> |
| 10.171 | Organic Certification Cost Share Programs | AHA | 5,250 |
| 10.200 | Grants for Agricultural Research, Special Research Grants, <i>New Mexico State University</i> , Contract # Q01437 | UAA | 3,269 |
| 10.215 | Sustainable Agriculture Research and Education, <i>Utah State University</i> , Contract # 2007-38640-18047 | ASA | 1,568 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 10.217 | Higher Education Challenge Grants | UAA | 112,235 |
| 10.217 | Higher Education Challenge Grants, <i>New Mexico State University</i> , Contract # Q01429 | UAA | 27,475 |
| | 10.217 Subtotal | | 139,710 |
| 10.226 | Secondary and Two-Year Postsecondary Agriculture Education Challenge Grants | UAA | 20,792 |
| 10.303 | Integrated Programs, <i>University of California-Davis</i> , Contract #s 07001492ARI13, 07001492ARI14, 07001492ARI15, 07001492UA3, 201120630ARI16, 201120630ARI17, 201120630ARI18, 201120630-ARI19 | UAA | 69,526 |
| 10.304 | Homeland Security—Agricultural | UAA | 192,129 |
| 10.304 | Homeland Security—Agricultural, <i>University of California-Davis</i> , Contract # K007797-18 | AHA | 1,500 |
| | 10.304 Subtotal | | 193,629 |
| 10.305 | International Science and Education Grants | UAA | 80,876 |
| 10.309 | Specialty Crop Research Initiative, <i>University of California-Davis</i> , Contract # 20101304803 | UAA | 96,097 |
| 10.310 | Agriculture and Food Research Initiative (AFRI) | UAA | 26,770 |
| 10.311 | Beginning Farmer and Rancher Development Program | UAA | 41,954 |
| 10.443 | Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers | UAA | 112,544 |
| 10.455 | Community Outreach and Assistance Partnership Program | UAA | 67,137 |
| 10.459 | Commodity Partnerships for Small Agricultural Risk Management Education Sessions | UAA | 59,014 |
| 10.475 | Cooperative Agreements with States for Intrastate Meat and Poultry Inspection | AHA | 132,684 |
| 10.479 | Food Safety Cooperative Agreements | HSA | 431,323 |
| 10.500 | Cooperative Extension Service | UAA | 4,889,435 |
| 10.500 | Cooperative Extension Service, <i>Kansas State University</i> , Contract #s 20104866121868, S08024, S11095, S12010, S12080, S12197 | UAA | 152,816 |
| 10.500 | Cooperative Extension Service, <i>Michigan State University</i> , Contract # RC100253UA | UAA | 104,816 |
| 10.500 | Cooperative Extension Service, <i>University of Wyoming</i> , Contract #s 1000781MASTERS, 1000781TUTTLE, 1000781ALDEN, 1001381, UTSTUNV46442AZ, UTSTUNV46467AZ2 | UAA | 13,560 |
| 10.500 | Cooperative Extension Service, <i>Washington State University</i> , Contract #s 108815G002909, 108815G002719 | UAA | 7,269 |
| | 10.500 Subtotal | | 5,167,896 |
| 10.557 | Special Supplemental Nutrition Program for Women, Infants, and Children | HSA | 162,015,474 |
| 10.558 | Child and Adult Care Food Program | EDA | 46,015,969 |
| 10.560 | State Administrative Expenses for Child Nutrition | EDA | 5,257,003 |
| 10.565 | Commodity Supplemental Food Program | HSA | 4,033,093 |
| 10.572 | WIC Farmers' Market Nutrition Program (FMNP) | HSA | 96,257 |
| 10.574 | Team Nutrition Grants | EDA | 982 |
| 10.576 | Senior Farmers Market Nutrition Program | HSA | 76,313 |
| 10.578 | ARRA—WIC Grants to States (WGS) | HSA | 782,130 |
| 10.579 | Child Nutrition Discretionary Grants Limited Availability | EDA | 146,596 |
| 10.582 | Fresh Fruit and Vegetable Program | EDA | 2,959,328 |
| 10.652 | Forestry Research | GFA | 7,606 |
| 10.664 | Cooperative Forestry Assistance | FOA | 4,171,745 |
| 10.664 | Cooperative Forestry Assistance, <i>Coconino County</i> , Contract # 71542 | UAA | 36,000 |
| | 10.664 Subtotal | | 4,207,745 |
| 10.676 | Forest Legacy Program | FOA | 2,150 |
| 10.683 | National Fish and Wildlife Foundation | GFA | 282,634 |
| 10.688 | ARRA—Recovery Act of 2009: Wildland Fire Management | FOA | 1,048,563 |
| 10.688 | ARRA—Recovery Act of 2009: Wildland Fire Management | GFA | 118,578 |
| | 10.688 Subtotal | | 1,167,141 |
| 10.694 | Southwest Forest Health and Wildfire Prevention | NAA | 4,538 |
| 10.769 | Rural Business Enterprise Grants | DTA | 80,000 |
| 10.773 | Rural Business Opportunity Grants | NAA | 8,074 |
| 10.862 | Household Water Well System Grant Program | ASA | 8,403 |
| 10.912 | Environmental Quality Incentives Program | AHA | 170,666 |
| 10.912 | Environmental Quality Incentives Program | GFA | 106,617 |
| | 10.912 Subtotal | | 277,283 |
| 10.914 | Wildlife Habitat Incentive Program | GFA | 21,634 |
| 10.06CS011031200036 | AZ Bald Eagle Management Program | GFA | 15,600 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|-------------------------|
| 10.07-CR-11031600-147, 10-DG-11031600-050, 10-JV-11221636-261, 12-CR-11031600-020 | Forestry Service | NAA | 1,329,957 |
| 10.07CS11132422195 | Wildcat5 Hydrograph Program | UAA | 4,222 |
| 10.08CS11030504027 | Rangeland Monitoring and Inventory | UAA | 31,867 |
| 10.09CR11031600085 | Education and Monitoring Program Related to Rangeland Resources Monitoring and Data Collection on National Forest System Lands within the State of Arizona | UAA | 36,077 |
| 10.0992080217CA | New Mexico ALIRT Program, <i>New Mexico State University</i> , Contract # Q01441 | UAA | 12,126 |
| 10.11-CS-11030515-027 | Pnea Blanca Lake Habitat and Recreation Improvements | GFA | 43,854 |
| 10.11-CS-11031200-027 | Coordinated Sonoran Desert Bird Monitoring | GFA | 9,883 |
| 10.11-CS-11031203-021 | Saguaro And Canyon Lakes Dock Renovation Project | GFA | 64,171 |
| 10.1110010773CA | The Arizona AG Discovery Summer Enrichment Program | UAA | 16,301 |
| 10.1225B1053-1 | Enhancing Vegetable IPM in Arizona | UAA | 27,910 |
| 10.1225B1053-2 | Implementing an Arizona GHP/GAP Certification Training and Promotion Program | UAA | 18,642 |
| 10.1225B1053-3 | Pesticide Information Empowers Progressive Vegetable Industry | UAA | 35,733 |
| 10.12-CS-11030109-019 | ASNF Management Indicator Species Report Update 2006-2011 | GFA | 22,334 |
| 10.685-IPA-11-246,10.689-IPA-10-033 | IPA-VA Consortium for Healthcare Informatics Research | ASA | 17,659 |
| 10.BG00T53311 | Reduced Risk Pesticide Use in Arizona Cotton | UAA | 9,916 |
| 10.PNW09JV11261975012 | Saving the Wide Open Spaces | UAA | 8,703 |
| 10.Unknown | Rural Development | NAA | 162,214 |
| 10.Unknown | Solid Waste Training Support for Shonto Community, <i>Shonto Community Development Corporation Inc.</i> | NAA | 2,381 |
| 10.Unknown | (Yeak) Cyfernet Search: 4H Youth Engagement, Attitudes and Knowledge Survey, <i>National 4H Council</i> , Contract # LTR DTD 090111 | UAA | 10,056 |
| Total Department of Agriculture | | | <u>\$ 2,366,785,512</u> |
| <u>DEPARTMENT OF COMMERCE</u> | | | |
| <u>Economic Development Cluster</u> | | | |
| 11.300 | ARRA—Investments for Public Works and Economic Development Facilities | UAA | \$ 1,317,056 |
| 11.307 | Economic Adjustment Assistance | NAA | 150,000 |
| Economic Development Cluster Subtotal | | | <u>1,467,056</u> |
| <u>Other Department of Commerce Programs</u> | | | |
| 11.303 | Economic Development—Technical Assistance | UAA | 112,303 |
| 11.467 | Meteorologic and Hydrologic Modernization Development, <i>University Corporation for Atmospheric Research</i> , Contract # NA06NWS4670013 | ASA | 7,102 |
| 11.555 | Public Safety Interoperable Communications Grant Program | ADA | 59,411 |
| 11.555 | Public Safety Interoperable Communications Grant Program | HLA | 5,300,808 |
| 11.555 | Public Safety Interoperable Communications Grant Program | PSA | 1,612,603 |
| 11.555 Subtotal | | | <u>6,972,822</u> |
| 11.557 | ARRA—Broadband Technology Opportunities Program (BTOP) | GVA | 17,405 |
| 11.557 | ARRA—Broadband Technology Opportunities Program (BTOP) | STA | 660,395 |
| 11.557 Subtotal | | | <u>677,800</u> |
| 11.558 | ARRA—State Broadband Data and Development Grant Program | ADA | 1,130,807 |
| 11.558 | ARRA—State Broadband Data and Development Grant Program | LDA | 84,148 |
| 11.558 Subtotal | | | <u>1,214,955</u> |
| 11.609 | Measurement and Engineering Research and Standards | ASA | 61,624 |
| 11.IPA DTD 101510 | IPA: 2010 Census Analyses and Monographs | UAA | 54,329 |
| 11.IPA DTD 120109 | NOAA Intergovernmental Personnel Act Mobility Assignment | UAA | 212,439 |
| Total Department of Commerce | | | <u>\$ 10,780,430</u> |
| <u>DEPARTMENT OF DEFENSE</u> | | | |
| 12.110 | Planning Assistance to States | GFA | \$ 84,172 |
| 12.113 | State Memorandum of Agreement Program for the Reimbursement of Technical Services | EVA | 875,761 |
| 12.300 | Basic and Applied Scientific Research | ASA | 599,718 |
| 12.300 | Basic and Applied Scientific Research | UAA | 396,885 |
| 12.300 Subtotal | | | <u>996,603</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-----------------------------|---|-----------------------|---------------|
| 12.400 | Military Construction, National Guard | MAA | 13,016,903 |
| 12.401 | National Guard Military Operations and Maintenance (O&M) Projects | MAA | 47,685,464 |
| 12.404 | National Guard ChallenGe Program | | 1,866,730 |
| 12.420 | Military Medical Research and Development, <i>Samueli Institute</i> , Contract # W81XWH0610279P00002 | UAA | 49,939 |
| 12.431 | Basic Scientific Research | ASA | 12,728 |
| 12.431 | Basic Scientific Research, <i>Plexus Logistics</i> , Contract # W9133L-09-F-0242 | ASA | 250,000 |
| | 12.431 Subtotal | | 262,728 |
| 12.550 | The Language Flagship Grants to Institutions of Higher Education, <i>Institute of International Education</i> , Contract #s NSEP-U631043-ASU-CHN-10-C, HQ0034-07-C-1010 | ASA | 48,416 |
| 12.630 | Basic, Applied, and Advanced Research in Science and Engineering | GFA | 126,222 |
| 12.630 | Basic, Applied, and Advanced Research in Science and Engineering | NAA | 4,300 |
| 12.630 | Basic, Applied, and Advanced Research in Science and Engineering, <i>Academy of Applied Science</i> , Contract # W911NF-10-2-0076 | ASA | 8,585 |
| 12.630 | Basic, Applied, and Advanced Research in Science and Engineering, <i>Institute of International Education</i> , Contract # HQ0034-08-2-0024 | ASA | 501,565 |
| | 12.630 Subtotal | | 640,672 |
| 12.800 | Air Force Defense Research Sciences Program | ASA | 25,930 |
| 12.800 | Air Force Defense Research Sciences Program | GFA | 221,273 |
| | 12.800 Subtotal | | 247,203 |
| 12.900 | Language Grant Program | ASA | 112,566 |
| 12.902 | Information Security Grant Program | ASA | 1,752 |
| 12.910 | Research and Technology Development | ASA | 84,743 |
| 12.HC1047-05-D-4005 | NET Zero at the Tactical Edge Symposium, <i>Wyle Laboratories</i> , Contract # HC1047-05-D-4005 | ASA | 97,920 |
| 12.LTR DTD 082510 | IPA Agreement for David Schroeder | UAA | 237,855 |
| 12.NSEP-U631063-ASU-CHN-ROT | ASU Chinese Language ROTC/Flagship Program, <i>Institute of International Education</i> , Contract # NSEP-U631063-ASU-CHN-ROT | ASA | 40,668 |
| 12.N0014006C0084 | Physical Activity Forms and Processing Support, <i>Science Applications International Corporation</i> , Contract # N0014006C0084 | UAA | 8,051 |
| 12.W9124A-05-D-0002 | Business Enterprise Program/FT Huachuca | DEA | 5,442,372 |
| 12.W9124A-12-C-0008 | Legacy Resource Management Program, <i>U.S. Army</i> , Contract # W9124A12C0008 | GFA | 1,117 |
| 12.W9132T-12-2-0033 | Conservation and Cultural Activities, <i>U.S. Army Construction Engineering Research Laboratories</i> , Contract # W91232T1220033 | GFA | 46,243 |
| 12.W9133L-09-F-0242 | Graduate Certificate in Sustainability (GCSL), <i>Polu Kai Services</i> , Contract # W9133L-09-F-0242 | ASA | 380,775 |
| 12.Unknown | Marine Corps Community Services | NAA | 3,888 |
| 12.Unknown | Modeling the Carbon Implications of Ecologically-Based Forest Management, <i>Penn State University</i> , Contract # 4524-NAU-USACE-0085 | NAA | 8,593 |
| | Total Department of Defense | | \$ 72,241,134 |

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

| | | | |
|--|--|-----|---------------|
| <u>Section 8 Project-Based Cluster</u> | | | |
| 14.195 | Section 8 Housing Assistance Payments Program | HDA | \$ 49,539,321 |
| | Section 8 Project-Based Cluster Subtotal | | 49,539,321 |
| <u>CDBG—State-Administered CDBG Cluster</u> | | | |
| 14.228 | Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | HDA | 15,207,871 |
| 14.228 | Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | UAA | 3,796 |
| | 14.228 Subtotal | | 15,211,667 |
| 14.255 | ARRA—Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii—(Recovery Act Funded) | HDA | 864,296 |
| | CDBG—State-Administered CDBG Cluster Subtotal | | 16,075,963 |
| <u>Housing Voucher Cluster</u> | | | |
| 14.871 | Section 8 Housing Choice Vouchers | HDA | 809,923 |
| | Housing Voucher Cluster Subtotal | | 809,923 |
| <u>Other Department of Housing and Urban Development Programs</u> | | | |
| 14.171 | Manufactured Home Dispute Resolution | MMA | 310,783 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|---------------|
| 14.231 | Emergency Solutions Grants Program | DEA | 913,672 |
| 14.235 | Supportive Housing Program | HDA | 2,498,229 |
| 14.238 | Shelter Plus Care | HDA | 8,177,456 |
| 14.239 | Home Investment Partnerships Program | HDA | 9,928,412 |
| 14.241 | Housing Opportunities for Persons with AIDS | HDA | 240,860 |
| 14.258 | ARRA—Tax Credit Assistance Program (Recovery Act Funded) | HDA | 1,373,768 |
| 14.262 | ARRA—Homeless Prevention and Rapid Re-Housing Program Technical Assistance | HDA | 3,382,319 |
| 14.401 | Fair Housing Assistance Program—State and Local | AGA | 991,651 |
| 14.866 | Demolition and Revitalization of Severely Distressed Public Housing, <i>City of Tucson</i> , Contract # 033306 | UAA | 11,210 |
| 14.AZLHH0200-09 | Health Performance, Benefit-Cost & Cost Effectiveness of Green Retrofit Housing for Low-Income Seniors in Phoenix, Arizona | ASA | 151,166 |
| 14.CDNC113010CDBG | SJEP Block Grant, <i>Pima County, Arizona</i> , Contract # CTCD 1200000000000000230 | UAA | 1,198 |
| 14.Unknown | Community Development Block Grant Contract, <i>Pima County, Arizona</i> , Contract # 0170A143491010 | UAA | 5,329 |
| 14.Unknown | Increase Access to Health Care in Summit View, Littleton, Elvira and Banks Elementary Neighborhood Through Community Health Worker Model, <i>Pima County, Arizona</i> , Contract # 12000000000000000000 | UAA | 18,308 |
| Total Department of Housing and Urban Development | | | \$ 94,429,568 |
| <u>DEPARTMENT OF THE INTERIOR</u> | | | |
| <u>Fish and Wildlife Cluster</u> | | | |
| 15.605 | Sport Fish Restoration Program | GFA | \$ 7,074,300 |
| 15.611 | Wildlife Restoration and Basic Hunter Education | GFA | 8,636,739 |
| Fish and Wildlife Cluster Subtotal | | | 15,711,039 |
| <u>Other Department of the Interior Programs</u> | | | |
| 15.225 | Recreation Resource Management | NAA | 8,958 |
| 15.228 | National Fire Plan—Wildland Urban Interface Community Fire Assistance | FOA | 87,695 |
| 15.231 | Fish, Wildlife and Plant Conservation Resource Management | EVA | 73,230 |
| 15.231 | Fish, Wildlife and Plant Conservation Resource Management | GFA | 742,693 |
| 15.231 | Fish, Wildlife and Plant Conservation Resource Management | NAA | 9,296 |
| 15.231 | Fish, Wildlife and Plant Conservation Resource Management, <i>The Arboretum at Flagstaff</i> , Contract # PAA-07-0012 | NAA | 25,000 |
| 15.231 Subtotal | | | 850,219 |
| 15.237 | Rangeland Resource Management | UAA | 246,524 |
| 15.238 | Challenge Cost Share | GFA | 212,416 |
| 15.238 | Challenge Cost Share | UAA | 13,149 |
| 15.238 Subtotal | | | 225,565 |
| 15.511 | Cultural Resources Management | ASA | 4,565 |
| 15.517 | Fish and Wildlife Coordination Act | GFA | 72,316 |
| 15.517 | Fish and Wildlife Coordination Act | UAA | 74,539 |
| 15.517 Subtotal | | | 146,855 |
| 15.519 | Indian Tribal Water Resources Development, Management, and Protection | ASA | 115,938 |
| 15.530 | Water Conservation Field Services Program (WCFSP) | UAA | 17,169 |
| 15.538 | Lower Colorado River Multi-Species Conservation Program | GFA | 370,031 |
| 15.608 | Fish and Wildlife Management Assistance | GFA | 256,376 |
| 15.615 | Cooperative Endangered Species Conservation Fund | AHA | 255,940 |
| 15.615 | Cooperative Endangered Species Conservation Fund | GFA | 1,092,943 |
| 15.615 Subtotal | | | 1,348,883 |
| 15.622 | Sportfishing and Boating Safety Act | GFA | 178,302 |
| 15.626 | Enhanced Hunter Education and Safety Program | GFA | 189,277 |
| 15.632 | Conservation Grants Private Stewardship for Imperiled Species | ASA | 7,353 |
| 15.633 | Landowner Incentive Program | GFA | 392,202 |
| 15.634 | State Wildlife Grants | GFA | 1,731,262 |
| 15.637 | Migratory Bird Joint Ventures | GFA | 2,459 |
| 15.647 | Migratory Bird Conservation | GFA | 34,009 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|------------------------------------|--|-----------------------|--------------|
| 15.649 | Service Training and Technical Assistance (Generic Training) | GFA | 17,308 |
| 15.653 | National Outreach and Communication Program | GFA | 25,000 |
| 15.655 | Migratory Bird Monitoring, Assessment and Conservation | GFA | 17,546 |
| 15.656 | ARRA—Recovery Act Funds—Habitat Enhancement, Restoration and Improvement | GFA | 45,828 |
| 15.664 | Fish and Wildlife Coordination and Assistance Programs | GFA | 12,606 |
| 15.670 | Adaptive Science | UAA | 278 |
| 15.808 | U.S. Geological Survey—Research and Data Collection | GFA | 458,672 |
| 15.808 | U.S. Geological Survey—Research and Data Collection | GSA | 4,906 |
| 15.808 | U.S. Geological Survey—Research and Data Collection | NAA | 40,651 |
| 15.808 | U.S. Geological Survey—Research and Data Collection | UAA | 3,832 |
| | 15.808 Subtotal | | 508,061 |
| 15.809 | National Spatial Data Infrastructure Cooperative Agreements Program | NAA | 9,331 |
| 15.810 | National Cooperative Geologic Mapping Program | GSA | 231,170 |
| 15.814 | National Geological and Geophysical Data Preservation Program | GSA | 35,999 |
| 15.820 | National Climate Change and Wildlife Science Center | UAA | 6,478 |
| 15.904 | Historic Preservation Fund Grants-In-Aid | PRA | 928,294 |
| 15.904 | Historic Preservation Fund Grants-in-Aid | UAA | 6,828 |
| | 15.904 Subtotal | | 935,122 |
| 15.916 | Outdoor Recreation—Acquisition, Development and Planning | PRA | 579,398 |
| 15.929 | Save America's Treasures | UAA | 5,847 |
| 15.935 | National Trails System Projects | PRA | 30,298 |
| 15.944 | Natural Resource Stewardship | GFA | 39,201 |
| 15.945 | Cooperative Research and Training Programs—Resources of the National Park System | UAA | 26,186 |
| 15.1-07-34-C0165 | Mumme Farm Development and Revegetation Project | GFA | 164 |
| 15.4500031 | Bureau of Land Management | NAA | 31,045 |
| 15.50730W0330 | Bureau of Reclamation Restricted Endowment | ASA | 6,483,752 |
| 15.624109M061 | U.S. Fish & Wildlife Service | NAA | 7,048 |
| 15.8FG3200540 | Roosevelt Lake Goose Mitigation Project | GFA | 17,860 |
| 15.99FC320140 | Statewide Flood Warning System Maintenance | WCA | 20,000 |
| 15.A11PX00460 | Enhancing the Capacity of Seven Selected Native Nations and their Leadership | UAA | 106,879 |
| 15.A12PX00034 | Bureau of Indian Affairs | NAA | 6,435 |
| 15.A12PX00252 | 2012 Water Resources Training Program | UAA | 2,790 |
| 15.H1200040002/237/247, H120090005 | National Park Service | NAA | 83,362 |
| 15.H1200040002J8100080224 | Implement Corrective Action Plan, Improve Access, and Manage FY08 Year-End Reporting—CASA Grande Ruins/Saguaro National Park (UAZCP156) | UAA | 428 |
| 15.H1200040002J8100080242 | Provide Museum Assistance | UAA | 14,310 |
| 15.H1200040002J8100090117 | Manage FY09 Museum Collection Reporting and Assist with Digital Imaging Project | UAA | 644 |
| 15.H1200050003J1242070003 | Speaker Series Graduate Planning Seminar564—Desert Southwest CESU (UAZDS-283) | UAA | 1,423 |
| 15.H1200050003J1242070062 | Missions Initiative Project Administration—Tumacacori National Park, Pecos National Monument, Salinas Pueblo Missions National Monument, San Antonio Missions National Park (UAZDS259) | UAA | 1,622 |
| 15.H1200050003J1242090024 | Speaker Series for UA Graduate Planning Seminar 564 (UAZDS-315) | UAA | 250 |
| 15.H1200050003J230090001 | Design and Production of 50th Anniversary Calendar and Poster (UAZDS-320) | UAA | 6,110 |
| 15.H1200050003J7180090440 | Williams Ranch & Pratt Cabin Historic Structure Reports Guadalupe Mountains National Park (UAZDS-304) | UAA | 18,815 |
| 15.H1200050003J7420100005 | Furnishings Documentation and Plan for Hubbell Tradingpost Store (UAZDS-323) | UAA | 2,528 |
| 15.H1200050003J7481090021 | Cultural Landscape Inventories Mission Espada & Mission San Juan (UAZDS-299) | UAA | 17,414 |
| 15.H1200050003J7481100011 | Trail Ridge Road Cultural Landscape Inventory (UAZDS-338) | UAA | 17,934 |
| 15.H1200050003J7580090231 | Resaca De La Plama Plan (UAZDS-313) | UAA | 5,379 |
| 15.H1200050003J7600090027 | Missions Initiative Project—Inventory Mission Sites (2009-2011) San Antonio Missions National Historical Park (UAZDS-296) | UAA | 720 |
| 15.H1200050003J8610080006 | Formalize Sister Parks Agreement & Paquime | UAA | 1,444 |
| 15.H1200050003J8650060011 | Exhibit Production at Tuzigoot and Tonto National Monuments Only—Southern Arizona National Park Service Sites | UAA | 17,592 |
| 15.H1200050003J8660100055 | Document, Assess, Stabilize and Repair Cultural Resources Impacted by Border Activities (UAZDS-346) | UAA | 21,912 |
| 15.H1200050003J8670100082 | Interpret the Saguaro Wilderness Watershed | UAA | 8,667 |
| 15.H1200050003J8680090020 | Exhibit Production at Various Southern Arizona National Park Service Sites (UAZD-305) | UAA | 4,722 |
| 15.H1200090005 | Wayside Exhibit Planning and Design | ASA | 15,202 |
| 15.H1200090005J2303100009 | Herbarium Imaging Project (Phase 3-UA) (UAZCP-242) | UAA | 10,012 |
| 15.H1200090005J2370107006 | Year 2—Herbarium Imaging Project | UAA | 12,908 |
| 15.H1200090005P11AT00170 | Provide Support for Western Archeological and Conservation Center Earthquake Preparedness and Emergency Operation Plan | UAA | 7,194 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|----------------------------------|---|-----------------------|---------------|
| 15.H1200090005P11AT10744 | Support Archives and Library Program (UAZCP-277) | UAA | 1,502 |
| 15.H1200090005J8100100364 | Conduct Pilot Project to Catalog and Make Archeological Dendrochronology Specimens Web—Accessible (UAZCP-239) | UAA | 39,006 |
| 15.H1200090005J8430091014 | Performing A Sustainability Assessment and Development an Energy Plan for: Park Employee Housing on the Former Sugilia Property | UAA | 14,026 |
| 15.H1200100001P11AT10307 | FY11 DSCESU Program Coordinator | UAA | 3,149 |
| 15.H1200100001P11AT10311 | 2011 Southwestern Rare Plant Taskforce Workshop | UAA | 246 |
| 15.H1200100001P11AT10417 | Document, Assess, Stabilize and Repair Cultural Resources Impacted by Border Activities | UAA | 21,896 |
| 15.H1200100001P11AT10435 | California Phenology Project Technical Assistance (UAZDS 364) | UAA | 32,427 |
| 15.H1200100001P12AC10087 | Conduct Tribal Consultation to Publish a Notice of Inventory Completion | UAA | 8,245 |
| 15.H2623050831J2275090006 | Assistance with Professional Training for Afghan Cultural Heritage Officials | UAA | 354 |
| 15.H2623050831J2275100005 | Assistance with Afghan Cultural Heritage Officials Training, Archeology Program, WASO | UAA | 20,921 |
| 15.H2623050831J2370091671 | Assessing the Impacts of Climate Change to National Park Service Resources and Park Operations | UAA | 46,121 |
| 15.L08AC13646 | Rangeland Monitoring Years 5 & 6 | UAA | 5,046 |
| 15.LTR DTD 020311 | IPA on Land Use Dynamics and Adaptation to Climate Change in West Africa | UAA | 74,835 |
| 15.R06AP30039 | Razorback Sucker Growth Studies | GFA | 14,222 |
| 15.Unknown | Indian Children's Program, <i>Utah State University</i> , Contract # 100249-002 | NAA | 296,074 |
| Total Department of the Interior | | | \$ 31,974,973 |

DEPARTMENT OF JUSTICE

JAG Program Cluster

| | | | |
|------------------------------|---|-----|------------|
| 16.738 | Edward Byrne Memorial Justice Assistance Grant Program | AGA | \$ 192,943 |
| 16.738 | Edward Byrne Memorial Justice Assistance Grant Program | JCA | 6,522,624 |
| 16.738 | Edward Byrne Memorial Justice Assistance Grant Program | PSA | 570,034 |
| 16.738 | Edward Byrne Memorial Justice Assistance Grant Program | SPA | 142,801 |
| 16.738 Subtotal | | | 7,428,402 |
| 16.803 | ARRA—Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories | AGA | 823,509 |
| 16.803 | ARRA—Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories | JCA | 1,487,305 |
| 16.803 | ARRA—Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories | PSA | 416,575 |
| 16.803 | ARRA—Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories | SPA | 63,779 |
| 16.803 Subtotal | | | 2,791,168 |
| JAG Program Cluster Subtotal | | | 10,219,570 |

Other Department of Justice Programs

| | | | |
|-----------------|---|-----|---------|
| 16.013 | Violence Against Women Act Court Training and Improvement Grants | SPA | 1,023 |
| 16.017 | Sexual Assault Services Formula Program | HSA | 178,414 |
| 16.202 | Prisoner Reentry Initiative Demonstration (Offender Reentry) | DCA | 33,214 |
| 16.523 | Juvenile Accountability Block Grants | DJA | 62,108 |
| 16.523 | Juvenile Accountability Block Grants | GVA | 800,289 |
| 16.523 | Juvenile Accountability Block Grants | SPA | 70,059 |
| 16.523 Subtotal | | | 932,456 |
| 16.526 | OWV Technical Assistance Initiative | NAA | 144,644 |
| 16.527 | Supervised Visitation, Safe Havens for Children | GVA | 117,384 |
| 16.540 | Juvenile Justice and Delinquency Prevention—Allocation to States | GVA | 839,725 |
| 16.540 | Juvenile Justice and Delinquency Prevention—Allocation to States | SPA | 17,999 |
| 16.540 Subtotal | | | 857,724 |
| 16.543 | Missing Children's Assistance | AGA | 11,000 |
| 16.543 | Missing Children's Assistance | PSA | 24,000 |
| 16.543 | Missing Children's Assistance | SPA | 59,052 |
| 16.543 Subtotal | | | 94,052 |
| 16.548 | Title V—Delinquency Prevention Program | GVA | 44,605 |
| 16.550 | State Justice Statistics Program for Statistical Analysis Centers | JCA | 54,025 |
| 16.554 | National Criminal History Improvement Program (NCHIP) | DCA | 26,937 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|------------------|
| 16.554 | National Criminal History Improvement Program (NCHIP) | JCA | 104,310 |
| 16.554 | National Criminal History Improvement Program (NCHIP) | PSA | 131,414 |
| | 16.554 Subtotal | | <u>262,661</u> |
| 16.560 | National Institute of Justice Research, Evaluation, and Development Project Grants | AGA | 11,722 |
| 16.560 | National Institute of Justice Research, Evaluation, and Development Project Grants | JCA | 80,073 |
| | 16.560 Subtotal | | <u>91,795</u> |
| 16.575 | Crime Victim Assistance | AGA | 104,151 |
| 16.575 | Crime Victim Assistance | DCA | 52,483 |
| 16.575 | Crime Victim Assistance | DJA | 45,672 |
| 16.575 | Crime Victim Assistance | PSA | 8,006,335 |
| | 16.575 Subtotal | | <u>8,208,641</u> |
| 16.576 | Crime Victim Compensation | JCA | 1,421,727 |
| 16.579 | Edward Byrne Memorial Formula Grant Program, <i>City of Tucson</i> , Contract # 16061 | UAA | 173,898 |
| 16.580 | Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program | AGA | 620,126 |
| 16.582 | Crime Victim Assistance/Discretionary Grants | AGA | 20,397 |
| 16.588 | Violence Against Women Formula Grants | GVA | 2,502,691 |
| 16.588 | ARRA—Violence Against Women Formula Grants | GVA | 319,504 |
| 16.588 | Violence Against Women Formula Grants | NAA | 337,366 |
| 16.588 | ARRA—Violence Against Women Formula Grants | PSA | 226,602 |
| 16.588 | ARRA—Violence Against Women Formula Grants | STA | 103,246 |
| | 16.588 Subtotal | | <u>3,489,409</u> |
| 16.589 | Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program | GVA | 251,720 |
| 16.589 | Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program | UAA | 32,042 |
| | 16.589 Subtotal | | <u>283,762</u> |
| 16.593 | Residential Substance Abuse Treatment for State Prisoners | DCA | 45,673 |
| 16.593 | Residential Substance Abuse Treatment for State Prisoners | DJA | 201,724 |
| 16.593 | Residential Substance Abuse Treatment for State Prisoners | JCA | 275,186 |
| | 16.593 Subtotal | | <u>522,583</u> |
| 16.606 | State Criminal Alien Assistance Program | DCA | 9,728,312 |
| 16.607 | Bulletproof Vest Partnership Program | ADA | 17,876 |
| 16.607 | Bulletproof Vest Partnership Program | DCA | 70,545 |
| | 16.607 Subtotal | | <u>88,421</u> |
| 16.609 | Project Safe Neighborhoods | JCA | 135,934 |
| 16.609 | Project Safe Neighborhoods | PSA | 98,651 |
| | 16.609 Subtotal | | <u>234,585</u> |
| 16.610 | Regional Information Sharing Systems | PSA | 1,314,322 |
| 16.726 | Juvenile Mentoring Program, <i>National 4H Council</i> , Contract # LTR DTD 050912 | UAA | 15,071 |
| 16.727 | Enforcing Underage Drinking Laws Program | ASA | 12,007 |
| 16.727 | Enforcing Underage Drinking Laws Program | GHA | 249,397 |
| 16.727 | Enforcing Underage Drinking Laws Program | LLA | 80,068 |
| 16.727 | Enforcing Underage Drinking Laws Program | NAA | 729 |
| 16.727 | Enforcing Underage Drinking Laws Program | PSA | 35,000 |
| 16.727 | Enforcing Underage Drinking Laws Program | UAA | 29,134 |
| | 16.727 Subtotal | | <u>406,335</u> |
| 16.741 | DNA Backlog Reduction Program | JCA | 1,179,264 |
| 16.741 | DNA Backlog Reduction Program | PSA | 839,505 |
| | 16.741 Subtotal | | <u>2,018,769</u> |
| 16.742 | Paul Coverdell Forensic Sciences Improvement Grant Program | JCA | 314,198 |
| 16.742 | Paul Coverdell Forensic Sciences Improvement Grant Program | PSA | 303,212 |
| | 16.742 Subtotal | | <u>617,410</u> |
| 16.745 | Criminal and Juvenile Justice and Mental Health Collaboration Program | DCA | 38,897 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|--|-----------------------|---------------|
| 16.746 | Capital Case Litigation | JCA | 107,917 |
| 16.746 | Capital Case Litigation | NAA | 41,690 |
| 16.746 | Capital Case Litigation | SPA | 9,005 |
| | 16.746 Subtotal | | 158,612 |
| 16.748 | Convicted Offender and/or Arrestee DNA Backlog Reduction Program | PSA | 549,385 |
| 16.750 | Support for Adam Walsh Act Implementation Grant Program | DCA | 393,942 |
| 16.801 | ARRA—Recovery Act—State Victim Assistance Formula Grant Program | PSA | 172,617 |
| 16.808 | ARRA—Recovery Act—Edward Byrne Memorial Competitive Grant Program | PSA | 75,532 |
| 16.808 | ARRA—Recovery Act—Edward Byrne Memorial Competitive Grant Program, <i>Chicanos Por La Causa, Inc. (CPLC)</i> , Contract # 2009-SC-B9-0051 | ASA | 487 |
| | 16.808 Subtotal | | 76,019 |
| 16.809 | ARRA—Recovery Act—State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States Competitive Grant Program | AGA | 486,052 |
| 16.809 | ARRA—Recovery Act—State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States Competitive Grant Program | PSA | 29,092 |
| | 16.809 Subtotal | | 515,144 |
| 16.812 | Second Chance Act Prisoner Reentry Initiative | DCA | 312,517 |
| 16.812 | Second Chance Act Prisoner Reentry Initiative | DJA | 9,817 |
| | 16.812 Subtotal | | 322,334 |
| 16.813 | NICS Act Record Improvement Program | JCA | 151,683 |
| 16.813 | NICS Act Record Improvement Program | PSA | 23,129 |
| | 16.813 Subtotal | | 174,812 |
| 16.816 | John R. Justice Prosecutors and Defenders Incentive Act | SPA | 149,076 |
| 16.2010JUF0016 | 4-H Mentoring: Arizona Youth & Families with Promise, <i>National 4H Council</i> , Contract # 2010JUF0016 | UAA | 54,705 |
| 16.2011-JP-FX-0101 | The Long-term Consequences of Gang Membership | ASA | 24,415 |
| 16.MOU DPS 2008361, SWAZP0428 MN070129, SWAZP0499H MN100076, SWAZP520 MN100175, SWAZP0529 MO100302 | Drug Enforcement Administration OCDETF | PSA | 32,419 |
| 16.Unknown | Federal Asset Sharing | AGA | 669,669 |
| | Total Department of Justice | | \$ 45,527,381 |

DEPARTMENT OF LABOR

| | | | |
|--|--|-----|------------|
| <u>Employment Service Cluster</u> | | | |
| 17.207 | Employment Service/Wagner-Peyser Funded Activities | ADA | \$ 752,506 |
| 17.207 | Employment Service/Wagner-Peyser Funded Activities | AFA | 70,622 |
| 17.207 | Employment Service/Wagner-Peyser Funded Activities | DEA | 14,262,244 |
| 17.207 | Employment Service/Wagner-Peyser Funded Activities | GVA | 1,197,722 |
| | 17.207 Subtotal | | 16,283,094 |
| 17.801 | Disabled Veterans' Outreach Program (DVOP) | DEA | 1,781,280 |
| 17.804 | Local Veterans' Employment Representative (LVER) Program | DEA | 1,118,158 |
| | Employment Service Cluster Subtotal | | 19,182,532 |
| <u>WIA Cluster</u> | | | |
| 17.258 | WIA Adult Program | ASA | 50,193 |
| 17.258 | WIA Adult Program | DEA | 14,547,912 |
| 17.258 | ARRA—WIA Adult Program | DEA | 1,980 |
| | 17.258 Subtotal | | 14,600,085 |
| 17.259 | WIA Youth Activities | ADA | 39,104 |
| 17.259 | WIA Youth Activities | DEA | 11,866,667 |
| 17.259 | ARRA—WIA Youth Activities | DEA | 47,401 |
| | 17.259 Subtotal | | 11,953,172 |
| 17.260 | WIA Dislocated Workers | DEA | 887,301 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|-------------------------|
| 17.260 | ARRA—WIA Dislocated Workers | DEA | 270,000 |
| | 17.260 Subtotal | | <u>1,157,301</u> |
| 17.278 | WIA Dislocated Worker Formula Grants | DEA | 17,458,466 |
| 17.278 | WIA Dislocated Worker Formula Grants | EDA | 25,931 |
| | 17.278 Subtotal | | <u>17,484,397</u> |
| | WIA Cluster Subtotal | | <u>45,194,955</u> |
| | <u>Other Department of Labor Programs</u> | | |
| 17.002 | Labor Force Statistics | ADA | 1,214,399 |
| 17.005 | Compensation and Working Conditions | ICA | 136,331 |
| 17.225 | Unemployment Insurance | ADA | 50,227 |
| 17.225 | Unemployment Insurance | DEA | 1,106,326,917 |
| 17.225 | ARRA—Unemployment Insurance | DEA | 11,565,975 |
| | 17.225 Subtotal | | <u>1,117,943,119</u> |
| 17.235 | Senior Community Service Employment Program | DEA | 1,596,483 |
| 17.245 | Trade Adjustment Assistance | DEA | 2,531,203 |
| 17.262 | Employment and Training Administration Evaluations | ASA | 4,255 |
| 17.267 | Incentive Grants—WIA Section 503 | DEA | 67,854 |
| 17.267 | Incentive Grants—WIA Section 503 | EDA | 316,083 |
| 17.267 | Incentive Grants—WIA Section 503 | GVA | 4,798 |
| | 17.267 Subtotal | | <u>388,735</u> |
| 17.271 | Work Opportunity Tax Credit Program (WOTC) | DEA | 132,499 |
| 17.273 | Temporary Labor Certification for Foreign Workers | DEA | 150,808 |
| 17.275 | ARRA—Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors | ADA | 189,426 |
| 17.275 | ARRA—Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors | DEA | 2,754,201 |
| | 17.275 Subtotal | | <u>2,943,627</u> |
| 17.503 | Occupational Safety and Health—State Program | ICA | 1,832,641 |
| 17.504 | Consultation Agreements | ICA | 492,254 |
| 17.600 | Mine Health and Safety Grants | MIA | 229,863 |
| 17.807 | Transition Assistance Program | DEA | 14,458 |
| | Total Department of Labor | | <u>\$ 1,193,988,162</u> |
| | <u>DEPARTMENT OF STATE</u> | | |
| 19.009 | Academic Exchange Programs—Undergraduate Programs | NAA | \$ 154,615 |
| 19.009 | Academic Exchange Programs—Undergraduate Programs, <i>Institute of International Education</i> , Contract # S-ECAAE-10-GR136(MJ) | ASA | 76,474 |
| | 19.009 Subtotal | | <u>231,089</u> |
| 19.010 | Academic Exchange Programs—Hubert H. Humphrey Fellowship Program, <i>Institute of International Education</i> , Contract # S-ECAAS-10-CA-044(DT) | ASA | 136,380 |
| 19.010 | Academic Exchange Programs—Hubert H. Humphrey Fellowship Program, <i>Institute of International Education</i> , Contract # SECAAS11CA033DT | UAA | 88,671 |
| | 19.010 Subtotal | | <u>225,051</u> |
| 19.011 | Academic Exchange Programs—Special Academic Exchange Programs, <i>American Institute of Maghrib Studies</i> , Contract # LTR DTD 11122010 | UAA | 123,660 |
| 19.300 | Program for Study of Eastern Europe and the Independent States of the Former Soviet Union | ASA | 190,984 |
| 19.300 | Program for Study of Eastern Europe and the Independent States of the Former Soviet Union, <i>American Council of Learned Societies (ACLS)</i> , Contract # AGR 07/19/07 | ASA | 1,350 |
| | 19.300 Subtotal | | <u>192,334</u> |
| 19.345 | International Programs to Support Democracy, Human Rights and Labor | ASA | 159,273 |
| 19.501 | Public Diplomacy Programs for Afghanistan and Pakistan | UAA | 225,610 |
| 19.700 | General Department of State Assistance | UAA | 9,900 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---------------------------|---|-----------------------|--------------|
| 19.AGR 12/29/11 | Junior Faculty Development Program: US Host Institution Eurasia Region 2011-12, <i>American Councils for International Education</i> , Contract # AGR 12/29/11 | ASA | 1,456 |
| 19.SCH50010GR201 | Establishment and Administration of an American Center at Sichuan University | ASA | 32,137 |
| 19.SECAA12CA095KF | The Study of the United States Institutes for Student Leaders on U.S. History and Government, <i>Institute for Training and Development</i> , Contract # LTR DTD 061812 | UAA | 18,066 |
| 19.S-ECAAE-10-CA-036(CS) | Fulbright FLTA Orientations 2011, <i>Institute of International Education</i> , Contract # S-ECAAE-10-CA-036(CS) | ASA | 59,835 |
| 19.S-ECAAE-10-GR136(MJ) | Indonesia English Language Study Program, <i>Institute of International Education</i> , Contract # S-ECAAE-10-GR136(MJ) | ASA | 87,597 |
| 19.SECAAE11CA004KF | A Sampling of Arizona Culture (Enrichment Grant), <i>Institute of International Education</i> , Contract # LTR DTD 061812 | UAA | 5,098 |
| 19.S-GE800-10-GR-115 | Achieving Excellence: A Strategic Research Plan for the Social Sciences in Georgia | ASA | 69,418 |
| 19.SID320-11-GR-034 | Indonesia English Language Study Program, <i>Institute of International Education</i> , Contract # SID320-11-GR-034 | ASA | 104,444 |
| 19.SIZ10009GR101 | Fulbright Visiting Scholar Program for Iraq, <i>Institute of International Education</i> , Contract # SIZ10009GR101 | UAA | 115,500 |
| 19.SIZ-100-11-GR041 | Baghdad University Teacher Training Program | ASA | 12,923 |
| 19.S-NEAIR-09-CA-128-02 | The University of Baghdad ESL Initiatives Program, <i>Academy for Educational Development</i> , Contract # S-NEAIR-09-CA-128-02 | ASA | 13,860 |
| Total Department of State | | | \$ 1,687,251 |

DEPARTMENT OF TRANSPORTATION

Highway Planning and Construction Cluster

| | | | |
|--------|--|-----|-------------|
| 20.205 | Highway Planning and Construction | ADA | \$ 139,325 |
| 20.205 | Highway Planning and Construction | DTA | 788,088,475 |
| 20.205 | ARRA—Highway Planning and Construction | DTA | 48,361,030 |
| 20.205 | Highway Planning and Construction | GFA | 148,427 |
| 20.205 | Highway Planning and Construction | PRA | 62,400 |
| 20.205 | Highway Planning and Construction | PSA | 5,557 |
| | 20.205 Subtotal | | 836,805,214 |
| 20.219 | Recreational Trails Program | DTA | 1,848,426 |
| 20.219 | Recreational Trails Program | PRA | 991,393 |
| | 20.219 Subtotal | | 2,839,819 |
| | Highway Planning and Construction Cluster Subtotal | | 839,645,033 |

Transit Services Program Cluster

| | | | |
|--------|--|-----|-----------|
| 20.513 | Capital Assistance Program for Elderly Persons and Persons with Disabilities | DTA | 5,666,982 |
| 20.516 | Job Access—Reverse Commute | DTA | 1,059,249 |
| 20.521 | New Freedom Program | DTA | 688,578 |
| | Transit Services Program Cluster Subtotal | | 7,414,809 |

Highway Safety Cluster

| | | | |
|--------|---|-----|-----------|
| 20.600 | State and Community Highway Safety | ASA | 28,443 |
| 20.600 | State and Community Highway Safety | GFA | 3,914 |
| 20.600 | State and Community Highway Safety | GHA | 3,638,414 |
| 20.600 | State and Community Highway Safety | LLA | 33,406 |
| 20.600 | State and Community Highway Safety | NAA | 2,878 |
| 20.600 | State and Community Highway Safety | PSA | 26,302 |
| | 20.600 Subtotal | | 3,733,357 |
| 20.601 | Alcohol Impaired Driving Countermeasures Incentive Grants I | ADA | 4,507 |
| 20.601 | Alcohol Impaired Driving Countermeasures Incentive Grants I | GHA | 2,054,694 |
| 20.601 | Alcohol Impaired Driving Countermeasures Incentive Grants I | PSA | 569,916 |
| | 20.601 Subtotal | | 2,629,117 |
| 20.610 | State Traffic Safety Information System Improvement Grants | HSA | 138,353 |
| 20.612 | Incentive Grant Program to Increase Motorcyclist Safety | GHA | 129,565 |
| | Highway Safety Cluster Subtotal | | 6,630,392 |

Other Department of Transportation Programs

| | | | |
|--------|--|-----|-----------|
| 20.106 | Airport Improvement Program | DTA | 488,436 |
| 20.200 | Highway Research and Development Program | DTA | 1,954,896 |
| 20.215 | Highway Training and Education | ASA | 1,700 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|----------------|
| 20.215 | Highway Training and Education | DTA | 396,021 |
| | 20.215 Subtotal | | 397,721 |
| 20.218 | National Motor Carrier Safety | DTA | 897,542 |
| 20.218 | National Motor Carrier Safety | PSA | 3,510,321 |
| | 20.218 Subtotal | | 4,407,863 |
| 20.233 | Border Enforcement Grants | PSA | 6,935,119 |
| 20.237 | Commercial Vehicle Information Systems and Networks | DTA | 620,433 |
| 20.505 | Metropolitan Transportation Planning | DTA | 1,631,500 |
| 20.509 | Formula Grants for Other Than Urbanized Areas | DTA | 6,319,174 |
| 20.509 | ARRA—Formula Grants for Other Than Urbanized Areas | DTA | 3,895,559 |
| | 20.509 Subtotal | | 10,214,733 |
| 20.700 | Pipeline Safety Program Base Grants | CCA | 827,337 |
| 20.703 | Interagency Hazardous Materials Public Sector Training and Planning Grants | MAA | 296,505 |
| 20.DTFH64-11-G-00008 | 2011 Eisenhower Fellowship - Keith Christian | ASA | 28,433 |
| 20.T12-40-00004 | ADOT Academy for the Development of SDBE's 2012 | ASA | 55,859 |
| 20.Unknown | Safe Routes to School | UAA | 73,810 |
| | Total Department of Transportation | | \$ 881,622,879 |
| <u>DEPARTMENT OF THE TREASURY</u> | | | |
| 21.000 | National Foreclosure Mitigation Counseling (NFMC), <i>Neighborhood Reinvestment Corporation</i> , Contract #s PL110-289:95X1350, PL112-1095X1350 | HDA | \$ 1,234,956 |
| | Total Department of the Treasury | | \$ 1,234,956 |
| <u>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u> | | | |
| 30.001 | Employment Discrimination—Title VII of the Civil Rights Act of 1964 | AGA | \$ 490,013 |
| | Total Equal Employment Opportunity Commission | | \$ 490,013 |
| <u>GENERAL SERVICES ADMINISTRATION</u> | | | |
| 39.002 | Disposal of Federal Surplus Real Property | DTA | \$ 540,800 |
| 39.003 | Donation of Federal Surplus Personal Property | ADA | 1,634,880 |
| | Total General Services Administration | | \$ 2,175,680 |
| <u>LIBRARY OF CONGRESS</u> | | | |
| 42.GA09C0049 | Persistent Digital Archives and Library Systems | STA | \$ 132,793 |
| 42.Unknown | Library of Congress Teaching with Primary Sources, <i>Metropolitan College of Denver</i> , Contract # 117024M | NAA | 9,476 |
| | Total Library of Congress | | \$ 142,269 |
| <u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u> | | | |
| 43.001 | Science | ASA | \$ 77,662 |
| 43.008 | Education | ASA | 5,689 |
| 43.IPA DTD 121509 | NASA IPA—Israel Wagnanski | UAA | 245,584 |
| 43.NAS71407 | Curriculum and Training Support for Navigators Extra-Solar Planet Research, <i>Jet Propulsion Laboratory</i> , Contract # 1251186 | UAA | 61,057 |
| 43.NNH09ZNE005N | Laurel Clark Earth Camp Experience, <i>Arizona Sonora Desert Museum</i> , Contract # LTR DTD 122210 | UAA | 43,148 |
| 43.PO AERO 539 / NNX10A162A | The Best of Engineering Science and Technology Summer Program | ASA | 34,521 |
| 43.Unknown | American Indian Mobile Educational Resources (AIMER) | NAA | 145,242 |
| | Total National Aeronautics and Space Administration | | \$ 612,903 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|---|-----------------------|---------------------|
| <u>NATIONAL ENDOWMENT FOR THE ARTS</u> | | | |
| 45.024 | Promotion of the Arts—Grants to Organizations and Individuals | ASA | \$ 43,622 |
| 45.024 | Promotion of the Arts—Grants to Organizations and Individuals | UAA | 37,432 |
| | 45.024 Subtotal | | <u>81,054</u> |
| 45.025 | Promotion of the Arts—Partnership Agreements | HUA | 875,988 |
| 45.025 | Promotion of the Arts—Partnership Agreements | UAA | 1,475 |
| | 45.025 Subtotal | | <u>877,463</u> |
| 45.Unknown | NEA Challenge Permanent Endowment | UAA | 60,865 |
| | Total National Endowment for the Arts | | <u>\$ 1,019,382</u> |
| <u>NATIONAL ENDOWMENT FOR THE HUMANITIES</u> | | | |
| 45.129 | Promotion of the Humanities—Federal/State Partnership | PRA | \$ 7,250 |
| 45.129 | Promotion of the Humanities—Federal/State Partnership, <i>Arizona Humanities Council</i> , Contract #s OA14-5598-2011, GG29-5610-2011, GG23-5264-2009 | ASA | 4,602 |
| 45.129 | Promotion of the Humanities—Federal/State Partnership, <i>Arizona Humanities Council</i> , Contract #s GG0855122011, GG1255642011, GG1755692011, GG3156122011, OA1355942011 | UAA | 25,417 |
| | 45.129 Subtotal | | <u>37,269</u> |
| 45.149 | Promotion of the Humanities—Division of Preservation and Access | STA | 147,530 |
| 45.161 | Promotion of the Humanities—Research | UAA | 11,165 |
| 45.162 | Promotion of the Humanities—Teaching and Learning Resources and Curriculum Development | NAA | 1,971 |
| 45.163 | Promotion of the Humanities—Professional Development | ASA | 107,271 |
| 46.163 | Promotion of the Humanities—Professional Development | UAA | 141,332 |
| | 45.163 Subtotal | | <u>248,603</u> |
| 45.164 | Promotion of the Humanities—Public Programs | ASA | 2,265 |
| 45.164 | Promotion of the Humanities—Public Programs | UAA | 30,060 |
| | 45.164 Subtotal | | <u>32,325</u> |
| 45.169 | Promotion of the Humanities—Office of Digital Humanities | UAA | 3,082 |
| 45.Unknown | NEH/ASM Education Endowment | UAA | 348,989 |
| | Total National Endowment for the Humanities | | <u>\$ 830,934</u> |
| <u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u> | | | |
| 45.310 | Grants to States | ASA | \$ 2,794 |
| 45.310 | Grants to States | STA | 3,413,636 |
| | 45.310 Subtotal | | <u>3,416,430</u> |
| 45.312 | National Leadership Grants | STA | 16,222 |
| 45.313 | Laura Bush 21st Century Librarian Program | UAA | 426,012 |
| | Total Institute of Museum and Library Services | | <u>\$ 3,858,664</u> |
| <u>NATIONAL SCIENCE FOUNDATION</u> | | | |
| 47.041 | Engineering Grants | ASA | \$ 259,952 |
| 47.041 | Engineering Grants | UAA | 33,810 |
| 47.041 | Engineering Grants, <i>Alfred University</i> , Contract # 2011UAZ000 | UAA | 4,407 |
| 47.041 | Engineering Grants, <i>University of Alaska-Anchorage</i> , Contract # G5065 | UAA | 22,100 |
| | 47.041 Subtotal | | <u>320,269</u> |
| 47.049 | Mathematical and Physical Sciences | ASA | 655,985 |
| 47.049 | Mathematical and Physical Sciences | UAA | 548,675 |
| 47.049 | Mathematical and Physical Sciences, <i>Association for Women in Mathematics</i> , Contract # LTR DTD 08042011 | UAA | 1,530 |
| | 47.049 Subtotal | | <u>1,206,190</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|---------------|
| 47.050 | Geosciences | ASA | 196,838 |
| 47.050 | Geosciences | GSA | 281,450 |
| 47.050 | Geosciences | UAA | 317,239 |
| | 47.050 Subtotal | | 795,527 |
| 47.070 | Computer and Information Science and Engineering | ASA | 89,212 |
| 47.070 | Computer and Information Science and Engineering | UAA | 423,462 |
| | 47.070 Subtotal | | 512,674 |
| 47.074 | Biological Sciences | ASA | 290,590 |
| 47.074 | Biological Sciences | NAA | 177,262 |
| 47.074 | Biological Sciences | UAA | 88,582 |
| | 47.074 Subtotal | | 556,434 |
| 47.075 | Social, Behavioral, and Economic Sciences | ASA | 344,757 |
| 47.076 | Education and Human Resources | ASA | 4,222,552 |
| 47.076 | Education and Human Resources | NAA | 1,343,915 |
| 47.076 | Education and Human Resources | UAA | 3,990,030 |
| 47.076 | Education and Human Resources, <i>California State University, Fresno Foundation</i> , Contract # SC3600081002 | UAA | 5,756 |
| 47.076 | Education and Human Resources, <i>George Washington University</i> , Contract # 0930126 | ASA | 8,810 |
| 47.076 | Education and Human Resources, <i>University of Montana</i> , Contract # PG086598002 | UAA | 50,760 |
| | 47.076 Subtotal | | 9,621,823 |
| 47.078 | Polar Programs | NAA | 651,352 |
| 47.079 | International Science and Engineering (OISE) | ASA | 62,243 |
| 47.079 | International Science and Engineering (OISE) | UAA | 36,524 |
| | 47.079 Subtotal | | 98,767 |
| 47.082 | ARRA—Trans-NSF Recovery Act Reasearch Support | ASA | 310,839 |
| 47.082 | ARRA—Trans-NSF Recovery Act Reasearch Support | NAA | 365,974 |
| 47.082 | ARRA—Trans-NSF Recovery Act Reasearch Support | UAA | 38,231 |
| | 47.082 Subtotal | | 715,044 |
| 47.0833076 | Engineering Education, <i>Stevens Institute of Technology</i> , Contract # 0833076 | ASA | 8,280 |
| 47.0962157 | Assignment of Dr. Keith Dienes as a Program Director—IPA | UAA | 184,843 |
| 47.0968944 | Intergovernmental Personnel Act (IPA) Assignment of Mr. Justin Poll | ASA | 75,535 |
| 47.1153253 | NSF IPA | UAA | 136,357 |
| 47.DMS0846477 | The Ninth Annual Southwestern Undergraduate Mathematics Research Conference, <i>Mathematical Association of America (THE)</i> , Contract # DMS0846477 | UAA | 2,000 |
| 47.IPA DTD 080310 | NSF IPA Assignee—Ahmed Louri | UAA | 280,391 |
| 47.Unknown | National Science Foundation | NAA | 124,766 |
| | Total National Science Foundation | | \$ 15,635,009 |

DEPARTMENT OF VETERANS AFFAIRS

| | | | |
|-------------------|---|-----|-----------|
| 64.005 | Grants to States for Construction of State Home Facilities | VSA | \$ 20,142 |
| 64.005 | ARRA—Grants to States for Construction of State Home Facilities | VSA | 2,819,579 |
| | 64.005 Subtotal | | 2,839,721 |
| 64.024 | VA Homeless Providers Grant and Per Diem Program | VSA | 66,747 |
| 64.124 | All-Volunteer Force Educational Assistance | VSA | 341,296 |
| 64.122311 | Research Salary Nicholle Johnson | UAA | 11,491 |
| 64.IPA DTD 030311 | Research Salary S. Daugherty IPA | UAA | 39,632 |
| 64.LTR DTD 033110 | Research Salary A. Escalante IPA | UAA | 69,166 |
| 64.LTR DTD 060111 | Research Salary A. Morgan Mikail IPA | UAA | 91,384 |
| 64.LTR DTD 062011 | IPA Agreement for C. Wynstra | UAA | 36,587 |
| 64.LTR DTD 071610 | IPA Agreement for M. Stansifer | UAA | 21,783 |
| 64.LTR DTD 072111 | Research Salary A. Morgan Mikail IPA | UAA | 16,540 |
| 64.LTR DTD 072210 | IPA Agreement for H. Byrne | UAA | 12,487 |
| 64.LTR DTD 072210 | IPA Agreement for N. Johnson | UAA | 28,715 |
| 64.LTR DTD 072910 | IPA Agreement for J. Janda | UAA | 7,389 |
| 64.LTR DTD 072911 | IPA Agreement for B. A. P. Roxas | UAA | 57,806 |
| 64.LTR DTD 082211 | Research Salary A. McArthur IPA | UAA | 29,886 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|--------------|
| 64.LTR DTD 091311 | Research Salary A. McArthur IPA | UAA | 9,000 |
| 64.LTR DTD 091710 | IPA Agreement for J. Jandova | UAA | 4,849 |
| 64.LTR DTD 100111 | IPA Agreement for D. Chen | UAA | 31,752 |
| 64.LTR DTD 100111 | IPA Agreement for K. Dvorak | UAA | 33,250 |
| 64.LTR DTD 110711 | IPA Agreement for K. Blohm-Mangone | UAA | 15,321 |
| 64.LTR DTD 111910 | IPA Agreement for A. Marmorstein | UAA | 5,792 |
| 64.LTR DTD 122311 | Research Salary M. Stanisfer IPA | UAA | 32,549 |
| 64.VA258P0428 | Contract Providing Veterinary Services to The VA Hospital | UAA | 11,678 |
| Total Department of Veterans Affairs | | | \$ 3,814,821 |
| <u>ENVIRONMENTAL PROTECTION AGENCY</u> | | | |
| 66.001 | Air Pollution Control Program Support | EVA | \$ 2,925,085 |
| 66.032 | State Indoor Radon Grants | AEA | 42,894 |
| 66.034 | Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | EVA | 331,919 |
| 66.034 | Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | NAA | 186,259 |
| 66.034 Subtotal | | | 518,178 |
| 66.037 | Internships, Training and Workshops for the Office of Air and Radiation | NAA | 1,896,487 |
| 66.040 | ARRA—State Clean Diesel Grant Program | EVA | 462,510 |
| 66.202 | Congressionally Mandated Projects, <i>San Diego State University</i> , Contract # EM 83395501 | ASA | 1,434 |
| 66.419 | Water Pollution Control State, Interstate, and Tribal Program Support | EVA | 416,385 |
| 66.454 | Water Quality Management Planning | EVA | 100,834 |
| 66.458 | Capitalization Grants for Clean Water State Revolving Funds | WFA | 2,636,311 |
| 66.460 | Nonpoint Source Implementation Grants | EVA | 2,558,592 |
| 66.460 | Nonpoint Source Implementation Grants | MAA | 34,903 |
| 66.460 Subtotal | | | 2,593,495 |
| 66.461 | Regional Wetland Program Development Grants | EVA | 79,598 |
| 66.468 | Capitalization Grants for Drinking Water State Revolving Funds | EVA | 2,258,844 |
| 66.468 | Capitalization Grants for Drinking Water State Revolving Funds | WFA | 21,575,157 |
| 66.468 | ARRA—Capitalization Grants for Drinking Water State Revolving Funds | WFA | 1,413,224 |
| 66.468 Subtotal | | | 25,247,225 |
| 66.471 | State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs | EVA | 237,548 |
| 66.474 | Water Protection Grants to the States | EVA | 24,299 |
| 66.509 | Science To Achieve Results (STAR) Research Program, <i>Border Environmental Cooperation Commission</i> , Contract # TAA10-041 | ASA | 31,329 |
| 66.513 | Greater Research Opportunities (GRO) Fellowships For Undergraduate Environmental Study | NAA | 11,790 |
| 66.514 | Science To Achieve Results (STAR) Fellowship Program | ASA | 34,524 |
| 66.514 | Science To Achieve Results (STAR) Fellowship Program | NAA | 17,139 |
| 66.514 Subtotal | | | 51,663 |
| 66.605 | Performance Partnership Grants | AHA | 341,268 |
| 66.605 | Performance Partnership Grants | EVA | 5,394,883 |
| 66.605 | Performance Partnership Grants | SBA | 116,558 |
| 66.605 Subtotal | | | 5,852,709 |
| 66.607 | Training and Fellowships for the Environmental Protection Agency | NAA | 47,924 |
| 66.608 | Environmental Information Exchange Network Grant Program and Related Assistance | EVA | 170,173 |
| 66.608 | Environmental Information Exchange Network Grant Program and Related Assistance, <i>Walker River Paiute Tribe</i> , Contract # PO 29059 | NAA | 13,591 |
| 66.608 Subtotal | | | 183,764 |
| 66.708 | Pollution Prevention Grants Program | UAA | 30,535 |
| 66.709 | Multi-Media Capacity Building Grants for States and Tribes | EVA | 154,415 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|------------------------------------|--|-----------------------|----------------------|
| 66.709 | Multi-Media Capacity Building Grants for States and Tribes | NAA | 7,776 |
| | 66.709 Subtotal | | <u>162,191</u> |
| 66.801 | Hazardous Waste Management State Program Support | EVA | 1,340,286 |
| 66.802 | Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements | EVA | 729,394 |
| 66.804 | Underground Storage Tank Prevention, Detection and Compliance Program | EVA | 882,288 |
| 66.805 | Leaking Underground Storage Tank Trust Fund Corrective Action Program | EVA | 1,660,971 |
| 66.805 | ARRA—Leaking Underground Storage Tank Trust Fund Corrective Action Program | EVA | 32,755 |
| | 66.805 Subtotal | | <u>1,693,726</u> |
| 66.808 | Solid Waste Management Assistance Grants | NAA | 237,627 |
| 66.817 | State and Tribal Response Program Grants | EVA | 656,907 |
| 66.931 | International Financial Assistance Projects Sponsored by the Office of International and Tribal Affairs | EVA | 28,371 |
| 66.951 | Environmental Education Grants | NAA | 8,375 |
| 66.EP-12-H-000104 | Tri and Toxics Training for Tribal Environmental Departments | NAA | 22,728 |
| 66.EP-12-H-000325 | Peer Reviewing ORD Phase II | NAA | 2,700 |
| 66.TAA10006 | Transferable Training Modules on Environmental Health for Promotoras on the US-Mexico Border, <i>Border Environment Cooperative Commission</i> , Contract # TAA10006 | UAA | 17,252 |
| 66.Unknown | Transitioning to Reduced—Risk Cotton Pest Management Practices in the Mexicali Region, <i>Border Environment Cooperative Commission</i> , Contract # TAA12017 | UAA | 5,121 |
| 66.Unknown | Tribal Emissions Inventory Support, <i>Sonoma Technology Inc.</i> , Contract # EP-D-09-097 | NAA | 8,902 |
| | Total Environmental Protection Agency | | <u>\$ 49,187,865</u> |
| <u>DEPARTMENT OF ENERGY</u> | | | |
| 81.041 | ARRA—State Energy Program | ADA | \$ 2,844,920 |
| 81.041 | State Energy Program | GVA | 422,524 |
| 81.041 | ARRA—State Energy Program | GVA | 9,232,486 |
| 81.041 | ARRA—State Energy Program | LDA | 384,161 |
| 81.041 | ARRA—State Energy Program | SFA | 16,407,575 |
| | 81.041 Subtotal | | <u>29,291,666</u> |
| 81.042 | Weatherization Assistance for Low-Income Persons | GVA | 455,109 |
| 81.042 | ARRA—Weatherization Assistance for Low-Income Persons | GVA | 21,365,471 |
| | 81.042 Subtotal | | <u>21,820,580</u> |
| 81.087 | ARRA—Renewable Energy Research and Development | GSA | 5,306,283 |
| 81.087 | Renewable Energy Research and Development | NAA | 88,295 |
| 81.087 | ARRA—Renewable Energy Research and Development, <i>Boise State University</i> , Contract # 014G106215-A | GSA | 48,969 |
| | 81.087 Subtotal | | <u>5,443,547</u> |
| 81.106 | Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions | AEA | 79,363 |
| 81.112 | Stewardship Science Grant Program | GFA | 23,989 |
| 81.117 | Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance | GVA | 12,368 |
| 81.119 | State Energy Program Special Projects | GVA | 11,560 |
| 81.122 | ARRA—Electricity Delivery and Energy Reliability, Research, Development and Analysis | CCA | 286,553 |
| 81.122 | ARRA—Electricity Delivery and Energy Reliability, Research, Development and Analysis | GVA | 92,893 |
| 81.122 | Electricity Delivery and Energy Reliability, Research, Development and Analysis, <i>University of Minnesota</i> , Contract # A000211528 | NAA | 11,564 |
| | 81.122 Subtotal | | <u>391,010</u> |
| 81.123 | National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program | NAA | 162,132 |
| 81.128 | ARRA—Energy Efficiency and Conservation Block Grant Program (EECBG) | GVA | 3,669,176 |
| 81.128 | ARRA—Energy Efficiency and Conservation Block Grant Program (EECBG), <i>City of Tucson</i> , Contract # 21731 | UAA | 24,890 |
| | 81.128 Subtotal | | <u>3,694,066</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|----------------------|
| 81.DE-OE0000091, 81.I11-010 | ARRA—Emergency Planning for Arizona's Energy Infrastructure | ASA | 154,848 |
| | Total Department of Energy | | <u>\$ 61,085,129</u> |
| <u>DEPARTMENT OF EDUCATION</u> | | | |
| <u>Title I, Part A Cluster</u> | | | |
| 84.010 | Title I Grants to Local Educational Agencies | EDA | \$ 306,632,253 |
| 84.010 | Title I Grants to Local Educational Agencies | SDA | 108,132 |
| 84.389 | ARRA—Title I Grants to Local Educational Agencies, Recovery Act | EDA | <u>24,856,845</u> |
| | Title I, Part A Cluster Subtotal | | <u>331,597,230</u> |
| <u>Special Education Cluster (IDEA)</u> | | | |
| 84.027 | Special Education—Grants to States | ASA | 195,576 |
| 84.027 | Special Education—Grants to States | DCA | 126,480 |
| 84.027 | Special Education—Grants to States | DJA | 188,703 |
| 84.027 | Special Education—Grants to States | EDA | 176,276,737 |
| 84.027 | Special Education—Grants to States | HSA | 2,385 |
| 84.027 | Special Education—Grants to States | NAA | 358,799 |
| 84.027 | Special Education—Grants to States | SDA | 586,902 |
| 84.027 | Special Education—Grants to States | SPA | 509,000 |
| 84.027 | Special Education—Grants to States | UAA | <u>182,387</u> |
| | 84.027 Subtotal | | <u>178,426,969</u> |
| 84.173 | Special Education—Preschool Grants | EDA | 4,310,169 |
| 84.173 | Special Education—Preschool Grants | SDA | <u>46,233</u> |
| | 84.173 Subtotal | | <u>4,356,402</u> |
| 84.391 | ARRA—Special Education—Grants to States, Recovery Act | DCA | 15,392 |
| 84.391 | ARRA—Special Education—Grants to States, Recovery Act | DJA | 78,967 |
| 84.391 | ARRA—Special Education—Grants to States, Recovery Act | EDA | 34,024,296 |
| 84.391 | ARRA—Special Education—Grants to States, Recovery Act | SDA | <u>116,021</u> |
| | 84.391 Subtotal | | <u>34,234,676</u> |
| 84.392 | ARRA—Special Education—Preschool Grants, Recovery Act | EDA | 546,175 |
| 84.392 | ARRA—Special Education—Preschool Grants, Recovery Act | SDA | <u>1,188</u> |
| | 84.392 Subtotal | | <u>547,363</u> |
| | Special Education Cluster Subtotal | | <u>217,565,410</u> |
| <u>TRIO Cluster</u> | | | |
| 84.042 | TRIO—Student Support Services | ASA | 1,357,099 |
| 84.042 | TRIO—Student Support Services | NAA | 287,826 |
| 84.042 | TRIO—Student Support Services | UAA | <u>222,280</u> |
| | 84.042 Subtotal | | <u>1,867,205</u> |
| 84.044 | TRIO—Talent Search | NAA | 374,520 |
| 84.047 | TRIO—Upward Bound | ASA | 959,082 |
| 84.047 | TRIO—Upward Bound | NAA | <u>764,149</u> |
| | 84.047 Subtotal | | <u>1,723,231</u> |
| 84.066 | TRIO—Educational Opportunity Centers | NAA | 397,791 |
| 84.217 | TRIO—McNair Post-Baccalaureate Achievement | UAA | <u>226,918</u> |
| | TRIO Cluster Subtotal | | <u>4,589,665</u> |
| <u>Vocational Rehabilitation Cluster</u> | | | |
| 84.126 | Rehabilitation Services—Vocational Rehabilitation Grants to States | DEA | 53,651,864 |
| 84.126 | Rehabilitation Services—Vocational Rehabilitation Grants to States | SDA | 450,085 |
| 84.390 | ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act | DEA | <u>89,656</u> |
| | Vocational Rehabilitation Cluster Subtotal | | <u>54,191,605</u> |
| <u>Independent Living State Grants Cluster</u> | | | |
| 84.169 | Independent Living—State Grants | DEA | <u>400,198</u> |
| | Independent Living State Grants Cluster Subtotal | | <u>400,198</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|-------------------|
| <u>Independent Living Services for Older Individuals Who Are Blind Cluster</u> | | | |
| 84.177 | Rehabilitation Services—Independent Living Services for Older Individuals Who are Blind | DEA | 1,154,075 |
| | Independent Living Services for Older Individuals Who Are Blind Cluster Subtotal | | <u>1,154,075</u> |
| <u>Early Intervention Services (IDEA) Cluster</u> | | | |
| 84.181 | Special Education—Grants for Infants and Families | DEA | 11,517,910 |
| 84.181 | Special Education—Grants for Infants and Families | NAA | 456,415 |
| 84.181 | Special Education—Grants for Infants and Families | SDA | 364,900 |
| | Early Intervention Services (IDEA) Cluster Subtotal | | <u>12,339,225</u> |
| <u>Education of Homeless Children and Youth Cluster</u> | | | |
| 84.196 | Education for Homeless Children and Youth | EDA | 1,418,549 |
| 84.387 | ARRA—Education for Homeless Children and Youth, Recovery Act | EDA | 40,738 |
| | Education of Homeless Children and Youth Cluster Subtotal | | <u>1,459,287</u> |
| <u>Educational Technology State Grants Cluster</u> | | | |
| 84.318 | Educational Technology State Grants | EDA | 1,309,410 |
| 84.318 | Educational Technology State Grants | SPA | 391 |
| | 84.318 Subtotal | | <u>1,309,801</u> |
| 84.386 | ARRA—Education Technology State Grants, Recovery Act | EDA | 1,557,022 |
| | Educational Technology State Grants Cluster Subtotal | | <u>2,866,823</u> |
| <u>Teacher Quality Partnership Grants Cluster</u> | | | |
| 84.336 | Teacher Quality Partnership Grants | ASA | 6,838,447 |
| | Teacher Quality Partnership Grants Cluster Subtotal | | <u>6,838,447</u> |
| <u>Teacher Incentive Fund Cluster</u> | | | |
| 84.374 | Teacher Incentive Fund, <i>Maricopa County Extension Service Agency</i> , Contract # C-37-12-003-3-00 | EDA | 1,047,375 |
| 84.385 | ARRA—Teacher Incentive Fund, Recovery Act | ASA | 4,893,414 |
| | Teacher Incentive Fund Cluster Subtotal | | <u>5,940,789</u> |
| <u>School Improvement Grants Cluster</u> | | | |
| 84.377 | School Improvement Grants | EDA | 6,023,001 |
| 84.388 | ARRA—School Improvement Grants, Recovery Act | EDA | 12,183,646 |
| | School Improvements Grants Cluster Subtotal | | <u>18,206,647</u> |
| <u>State Fiscal Stabilization Fund Cluster</u> | | | |
| 84.394 | ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act | GVA | 2,161 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | ASA | 353,873 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | DCA | 5,946,600 |
| 85.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | EDA | 1,203,220 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | FOA | 90,280 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | GVA | 37,775,513 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | NAA | 361,007 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | PSA | 1,181,000 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act | TOA | 1,000,000 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act, <i>Science Foundation of Arizona</i> , Contract #s OER-11-CON-GS-43, OER-11-CON-GS-48 | ASA | 613,830 |
| 84.397 | ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act, <i>Science Foundation of Arizona</i> , Contract # GRF 0449-10 | NAA | 44,009 |
| | 84.397 Subtotal | | <u>48,569,332</u> |
| | State Fiscal Stabilization Fund Cluster Subtotal | | <u>48,571,493</u> |
| <u>Other Department of Education Programs</u> | | | |
| 84.002 | Adult Education—Basic Grants to States | EDA | 11,233,611 |
| 84.004 | Civil Rights Training and Advisory Services | ASA | 273,249 |
| 84.011 | Migrant Education—State Grant Program | ASA | 15,755 |
| 84.011 | Migrant Education—State Grant Program | EDA | 6,997,864 |
| | 84.011 Subtotal | | <u>7,013,619</u> |
| 84.013 | Title I State Agency Program for Neglected and Delinquent Children and Youth | DCA | 735,461 |
| 84.013 | Title I State Agency Program for Neglected and Delinquent Children and Youth | DJA | 356,946 |
| 84.013 | Title I State Agency Program for Neglected and Delinquent Children and Youth | EDA | 108,415 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 84.013 | Title I State Agency Program for Neglected and Delinquent Children and Youth | SPA | 984,918 |
| | 84.013 Subtotal | | 2,185,740 |
| 84.015 | National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program | UAA | 880,520 |
| 84.016 | Undergraduate International Studies and Foreign Language Programs | UAA | 11,267 |
| 84.031 | Higher Education—Institutional Aid, <i>Arizona Western College</i> , Contract # B0011282 | UAA | 34,474 |
| 84.048 | Career and Technical Education—Basic Grants to States | ASA | 410,156 |
| 84.048 | Career and Technical Education—Basic Grants to States | DJA | 242,843 |
| 84.048 | Career and Technical Education—Basic Grants to States | EDA | 20,844,114 |
| 84.048 | Career and Technical Education—Basic Grants to States | UAA | 767,120 |
| 84.048 | Career and Technical Education—Basic Grants to States, <i>Maryland State Department of Education</i> , Contract #s 11467801, 125567 | UAA | 17,622 |
| | 84.048 Subtotal | | 22,281,855 |
| 84.051 | Career and Technical Education—National Programs | EDA | 67,842 |
| 84.069 | Leveraging Educational Assistance Partnership | NAA | 81,375 |
| 84.069 | Leveraging Educational Assistance Partnership | PEA | 108,192 |
| | 84.069 Subtotal | | 189,567 |
| 84.116 | Fund for the Improvement of Postsecondary Education | NAA | 6,593 |
| 84.116 | Fund for the Improvement of Postsecondary Education | UAA | 345,453 |
| | 84.116 Subtotal | | 352,046 |
| 84.129 | Rehabilitation Long-Term Training | UAA | 134,040 |
| 84.144 | Migrant Education—Coordination Program | EDA | 27,499 |
| 84.170 | Javits Fellowships | ASA | 43,975 |
| 84.170 | Javits Fellowships | UAA | 40,000 |
| | 84.170 Subtotal | | 83,975 |
| 84.184 | Safe and Drug-Free Schools and Communities—National Programs | EDA | 2,792,996 |
| 84.184 | Safe and Drug-Free Schools and Communities—National Programs | UAA | 24,095 |
| | 84.184 Subtotal | | 2,817,091 |
| 84.185 | Byrd Honors Scholarships | EDA | 62,587 |
| 84.185 | Byrd Honors Scholarships | UAA | 17,790 |
| | 84.185 Subtotal | | 80,377 |
| 84.186 | Safe and Drug-Free Schools and Communities—State Grants | GVA | 203,756 |
| 84.186 | Safe and Drug-Free Schools and Communities—State Grants | SPA | 520 |
| | 84.186 Subtotal | | 204,276 |
| 84.187 | Supported Employment Services for Individuals with the Most Significant Disabilities | DEA | 780,378 |
| 84.195 | Bilingual Education—Professional Development | ASA | 164,358 |
| 84.195 | Bilingual Education—Professional Development | NAA | 343,124 |
| | 84.195 Subtotal | | 507,482 |
| 84.200 | Graduate Assistance in Areas of National Need | ASA | 174,624 |
| 84.200 | Graduate Assistance in Areas of National Need | UAA | 32,944 |
| | 84.200 Subtotal | | 207,568 |
| 84.213 | Even Start—State Educational Agencies | EDA | 383,000 |
| 84.215 | Fund for the Improvement of Education, <i>Flagstaff Unified School</i> , Contract # U215X100250 | NAA | 185,439 |
| 84.215 | Fund for the Improvement of Education, <i>Young Men's Christian Association</i> , Contract # LTR DTD 070108 | UAA | 87,646 |
| | 84.215 Subtotal | | 273,085 |
| 84.224 | Assistive Technology | NAA | 550,510 |
| 84.229 | Language Resource Centers | NAA | 266,034 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|-------------------|
| 84.229 | Language Resource Centers | UAA | 10,126 |
| | 84.229 Subtotal | | <u>276,160</u> |
| 84.243 | Tech-Prep Education | EDA | 938,381 |
| 84.264 | Rehabilitation Training—Continuing Education, <i>San Diego State University Foundation</i> , Contract # 55587CP26997802212 | UAA | 74,002 |
| 84.265 | Rehabilitation Training—State Vocational Rehabilitation Unit In-Service Training | DEA | 173,271 |
| 84.282 | Charter Schools | EDA | 9,230,489 |
| 84.287 | Twenty-First Century Community Learning Centers | EDA | 19,800,736 |
| 84.295 | Ready-To-Learn Television, <i>Corporation for Public Broadcasting (CPB)</i> , Contract # U295B050003 | ASA | 49,710 |
| 84.298 | State Grants for Innovative Programs | SPA | 1,092 |
| 84.299 | Indian Education—Special Programs for Indian Children | ASA | 1,083,261 |
| 84.305 | Education Research, Development and Dissemination, <i>Wested</i> , Contract # S12-010 | NAA | 19,194 |
| 84.315 | Capacity Building for Traditionally Underserved Populations | NAA | 261,002 |
| 84.323 | Special Education—State Personnel Development | EDA | 351,227 |
| 84.323 | Special Education—State Personnel Development | NAA | 185,688 |
| 84.323 | Special Education—State Personnel Development | UAA | 48,533 |
| | 84.323 Subtotal | | <u>585,448</u> |
| 84.325 | Special Education—Personnel Development to Improve Services and Results for Children with Disabilities | ASA | 361,350 |
| 84.325 | Special Education—Personnel Development to Improve Services and Results for Children with Disabilities | NAA | 375,868 |
| 84.325 | Special Education—Personnel Development to Improve Services and Results for Children with Disabilities | UAA | 1,188,886 |
| 84.325 | Special Education—Personnel Development to Improve Services and Results for Children with Disabilities, <i>University of California-Davis</i> , Contract # 060035261 | UAA | 42,529 |
| | 84.325 Subtotal | | <u>1,968,633</u> |
| 84.326 | Special Education—Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | SDA | 186,454 |
| 84.328 | Special Education—Parent Information Centers | NAA | 2,252 |
| 84.330 | Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants) | EDA | 633,290 |
| 84.331 | Grants to States for Workplace and Community Transition Training for Incarcerated Individuals | DCA | 506,764 |
| 84.334 | Gaining Early Awareness and Readiness for Undergraduate Programs | NAA | 2,495,430 |
| 84.334 | Gaining Early Awareness and Readiness for Undergraduate Programs | UAA | 1,043,797 |
| | 84.334 Subtotal | | <u>3,539,227</u> |
| 84.335 | Child Care Access Means Parents in School | ASA | 270,152 |
| 84.335 | Child Care Access Means Parents in School | NAA | 122,376 |
| | 84.335 Subtotal | | <u>392,528</u> |
| 84.350 | Transition to Teaching | ASA | 544,164 |
| 84.350 | Transition to Teaching | EDA | 609,814 |
| 84.350 | Transition to Teaching | UAA | 282,019 |
| | 84.350 Subtotal | | <u>1,435,997</u> |
| 84.351 | Arts in Education, <i>Childsplay, Inc.</i> , Contract # 07057476 | ASA | 1,709 |
| 84.357 | Reading First State Grants | EDA | 241,759 |
| 84.358 | Rural Education | EDA | 918,686 |
| 84.360 | High School Graduation Initiative | EDA | 17,906 |
| 84.363 | School Leadership | ASA | 1,048,376 |
| 84.363 | School Leadership | EDA | 9,000 |
| | 84.363 Subtotal | | <u>1,057,376</u> |
| 84.365 | English Language Acquisition Grants | EDA | 21,769,449 |
| 84.365 | English Language Acquisition Grants | NAA | 410,406 |
| | 84.365 Subtotal | | <u>22,179,855</u> |
| 84.366 | Mathematics and Science Partnerships | EDA | 2,874,653 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|--|-----------------------|----------------|
| 84.366 | Mathematics and Science Partnerships, <i>Yavapai County Education Service Agency</i> , Contract # 10FSDPPR-060950-03A | NAA | 2,234 |
| | 84.366 Subtotal | | 2,876,887 |
| 84.367 | Improving Teacher Quality State Grants | BRA | 63,917 |
| 84.367 | Improving Teacher Quality State Grants | DCA | 3,130 |
| 84.367 | Improving Teacher Quality State Grants | DJA | 227,046 |
| 84.367 | Improving Teacher Quality State Grants | EDA | 44,620,128 |
| 84.367 | Improving Teacher Quality State Grants | SDA | 2,745 |
| 84.367 | Improving Teacher Quality State Grants | SPA | 139,872 |
| 84.367 | Improving Teacher Quality State Grants | UAA | 50,321 |
| | 84.367 Subtotal | | 45,107,159 |
| 84.368 | Grants for Enhanced Assessment Instruments | EDA | 768,001 |
| 84.369 | Grants for State Assessments and Related Activities | EDA | 7,520,909 |
| 84.371 | Striving Readers | EDA | 112,410 |
| 84.373 | Special Education—Technical Assistance on State Data Collection | EDA | 141,665 |
| 84.378 | College Access Challenge Grant Program | ASA | 2,106 |
| 84.378 | College Access Challenge Grant Program | GVA | 931,090 |
| 84.378 | College Access Challenge Grant Program | NAA | 452,084 |
| 84.378 | College Access Challenge Grant Program | PEA | 1,184,976 |
| 84.378 | College Access Challenge Grant Program | UAA | 39,404 |
| | 84.378 Subtotal | | 2,609,660 |
| 84.395 | ARRA—State Fiscal Stabilization Fund (SFSF)—Race to the Top Incentive Grants, Recovery Act, <i>University of Texas-Austin</i> , Contract # UTA11001119 | UAA | 91,277 |
| 84.410 | Education Jobs Fund | EDA | 1,551,991 |
| 84.410 | Education Jobs Fund | GVA | 61,132,628 |
| | 84.410 Subtotal | | 62,684,619 |
| 84.413 | Race to the Top | EDA | 441,849 |
| 84.928 | National Writing Project, <i>National Writing Project</i> , Contract # 09-AZ04 | ASA | 23,574 |
| 84.928 | National Writing Project, <i>National Writing Project</i> , Contract # 92-AZ02 | NAA | 19,167 |
| 84.928 | National Writing Project, <i>National Writing Project</i> , Contract # 92AZ03 | UAA | 33,774 |
| | 84.928 Subtotal | | 76,515 |
| 84.08-15-ED | Integrated Data for Enhancing Arizona's Learning (IDEAL) 2009 | ASA | 598,948 |
| 84.1101712 | PBIS: Scottsdale Unified School District, <i>Scottsdale Unified School District</i> , Contract # 1101712 | ASA | 2,645 |
| 84.234284 | Second Certification Project, <i>Catalina Foothills School District</i> , Contract # 234284 | UAA | 15,093 |
| 84.U215X080026 | East Meets Southwest: Traditional American History for Mesa Public School Teachers, <i>Mesa Public Schools</i> , Contract # U215X080026 | ASA | 765 |
| 84.Unknown | DANTES Troops to Teachers | VSA | 219,172 |
| | Total Department of Education | | \$ 945,136,721 |
| <u>SCHOLARSHIP AND FELLOWSHIP FOUNDATIONS</u> | | | |
| 85.LTR DTD 032612 | Morris K. Udall Workplan FY 2012 | UAA | \$ 139,523 |
| 85.NNI001 | Native Nations Institute for Leadership, Management, and Policy | UAA | 421,594 |
| 85.UF111013 | Morris K. Udall Workplan FY 2011 | UAA | 183,583 |
| | Total Scholarship and Fellowship Foundations | | \$ 744,700 |
| <u>NATIONAL ARCHIVES AND RECORDS ADMINISTRATION</u> | | | |
| 89.003 | National Historical Publications and Records Grants | STA | \$ 27,058 |
| 89.003 | National Historical Publications and Records Grants | UAA | 2,977 |
| | 89.003 Subtotal | | 30,035 |
| | Total National Archives and Records Administration | | \$ 30,035 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|----------------------|
| <u>ELECTION ASSISTANCE COMMISSION</u> | | | |
| 90.401 | Help America Vote Act Requirements Payments | STA | \$ 2,434,199 |
| | Total Election Assistance Commission | | <u>\$ 2,434,199</u> |
| <u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | |
| <u>Aging Cluster</u> | | | |
| 93.044 | Special Programs for the Aging—Title III, Part B—Grants for Supportive Services and Senior Centers | DEA | \$ 9,691,821 |
| 93.045 | Special Programs for the Aging—Title III, Part C—Nutrition Services | DEA | 11,813,478 |
| 93.053 | Nutrition Services Incentive Program | DEA | <u>2,035,508</u> |
| | Aging Cluster Subtotal | | <u>23,540,807</u> |
| <u>Immunization Cluster</u> | | | |
| 93.268 | Immunization Cooperative Agreements | HSA | 88,763,221 |
| 93.712 | ARRA—Immunization | HSA | <u>786,989</u> |
| | Immunization Cluster Subtotal | | <u>89,550,210</u> |
| <u>Health Centers Cluster</u> | | | |
| 93.527 | Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program | HSA | 13,599 |
| | Health Centers Cluster Subtotal | | <u>13,599</u> |
| <u>TANF Cluster</u> | | | |
| 93.558 | Temporary Assistance for Needy Families | DEA | 221,688,449 |
| 93.716 | ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants | DEA | <u>15,826,703</u> |
| | TANF Cluster Subtotal | | <u>237,515,152</u> |
| <u>CSBG Cluster</u> | | | |
| 93.569 | Community Services Block Grant | DEA | 6,457,861 |
| | CSBG Cluster Subtotal | | <u>6,457,861</u> |
| <u>CCDF Cluster</u> | | | |
| 93.575 | Child Care and Development Block Grant | DEA | 71,784,706 |
| 93.575 | Child Care and Development Block Grant | GVA | 243,470 |
| 93.575 | Child Care and Development Block Grant | HSA | <u>830,794</u> |
| | 93.575 Subtotal | | <u>72,858,970</u> |
| 93.596 | Child Care Mandatory and Matching Funds of the Child Care and Development Fund | DEA | <u>50,269,326</u> |
| | CCDF Cluster Subtotal | | <u>123,128,296</u> |
| <u>Head Start Cluster</u> | | | |
| 93.600 | Head Start | EDA | 195,572 |
| 93.708 | ARRA—Head Start | CDA | 1,169,588 |
| 93.708 | ARRA—Head Start | EDA | <u>5,240</u> |
| | Head Start Cluster Subtotal | | <u>1,370,400</u> |
| <u>Medicaid Cluster</u> | | | |
| 93.720 | ARRA—Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative | HSA | 15,813 |
| 93.775 | State Medicaid Fraud Control Units | AGA | 1,705,324 |
| 93.777 | State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare | BNA | 596,995 |
| 93.777 | State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare | HSA | <u>4,807,141</u> |
| | 93.777 Subtotal | | <u>5,404,136</u> |
| 93.778 | Medical Assistance Program | DEA | 99,844 |
| 93.778 | Medical Assistance Program | HCA | 5,956,216,000 |
| 93.778 | ARRA—Medical Assistance Program | HCA | 7,992,000 |
| 93.778 | Medical Assistance Program, <i>Community Partnership of Southern Arizona</i> , Contract # L0901 | UAA | <u>1,047,635</u> |
| | 93.778 Subtotal | | <u>5,965,355,479</u> |
| | Medicaid Cluster Subtotal | | <u>5,972,480,752</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|-------------------|
| Other Department of Health and Human Services Programs | | | |
| 93.008 | Medical Reserve Corps Small Grant Program, <i>National Association of County & City Health Officials</i> , Contract # IMRCSG101005 | ASA | 5,000 |
| 93.018 | Strengthening Public Health Services at the Outreach Offices of the U.S.-Mexico Border Health Commission | HSA | 303,610 |
| 93.041 | Special Programs for the Aging—Title VII, Chapter 3—Programs for Prevention of Elder Abuse, Neglect, and Exploitation | DEA | 99,278 |
| 93.042 | Special Programs for the Aging—Title VII, Chapter 2—Long Term Care Ombudsman Services for Older Individuals | DEA | 422,473 |
| 93.043 | Special Programs for the Aging—Title III, Part D—Disease Prevention and Health Promotion Services | DEA | 490,444 |
| 93.048 | Special Programs for the Aging—Title IV—and Title II—Discretionary Projects | DEA | 767,390 |
| 93.051 | Alzheimer's Disease Demonstration Grants to States | DEA | 457,975 |
| 93.052 | National Family Caregiver Support, Title III, Part E | DEA | 3,349,592 |
| 93.065 | Laboratory Leadership, Workforce Training and Management Development, Improving Public Health Laboratory Infrastructure, <i>Association of Public Health Laboratories</i> , Contract # 1U60HM000803 | HSA | 2,714 |
| 93.069 | Public Health Emergency Preparedness | ADA | 56,073 |
| 93.069 | Public Health Emergency Preparedness | ASA | 26,982 |
| 93.069 | Public Health Emergency Preparedness | HSA | 17,793,259 |
| 93.069 | Public Health Emergency Preparedness | MAA | 158,214 |
| 93.069 | Public Health Emergency Preparedness | SPA | 4,705 |
| 93.069 | Public Health Emergency Preparedness | UAA | 658,087 |
| | 93.069 Subtotal | | <u>18,697,320</u> |
| 93.070 | Environmental Public Health and Emergency Response | HSA | 294,014 |
| 93.072 | Lifespan Respite Care Program | DEA | 89,519 |
| 93.087 | Enhance the Safety of Children Affected by Substance Abuse | DEA | 130,315 |
| 93.092 | Affordable Care Act (ACA) Personal Responsibility Education Program | HSA | 382,023 |
| 93.107 | Area Health Education Centers Point of Service Maintenance and Enhancement Awards | UAA | 452,866 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs | ASA | 13,977 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs | CDA | 27,853 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs | HSA | 66,665 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs | NAA | 18,865 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs | UAA | 1,373,835 |
| 93.110 | Maternal and Child Health Federal Consolidated Programs, <i>University of Colorado-Denver, Health Sciences Center</i> , Contract # FY10003006H30MC00008 | UAA | 66,003 |
| | 93.110 Subtotal | | <u>1,567,198</u> |
| 93.116 | Project Grants and Cooperative Agreements for Tuberculosis Control Programs | HSA | 1,384,714 |
| 93.127 | Emergency Medical Services for Children | HSA | 140,614 |
| 93.130 | Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices | HSA | 243,335 |
| 93.136 | Injury Prevention and Control Research and State and Community Based Programs | ASA | 96,618 |
| 93.136 | Injury Prevention and Control Research and State and Community Based Programs | HSA | 669,823 |
| 93.136 | Injury Prevention and Control Research and State and Community Based Programs | UAA | 46,205 |
| | 93.136 Subtotal | | <u>812,646</u> |
| 93.142 | NIEHS Hazardous Waste Worker Health and Safety Training, <i>University of California-Los Angeles</i> , Contract # U45ES006173 | ASA | 254,973 |
| 93.145 | AIDS Education and Training Centers, <i>University of California-San Francisco</i> , Contract # 6376SC | UAA | 190,012 |
| 93.150 | Projects for Assistance in Transition from Homelessness (PATH) | HSA | 1,166,937 |
| 93.165 | Grants to States for Loan Repayment Program | HSA | 79,025 |
| 93.173 | Research Related to Deafness and Communication Disorders | ASA | 60,357 |
| 93.178 | Nursing Workforce Diversity | UAA | 379,978 |
| 93.184 | Disabilities Prevention, <i>University of Colorado-Denver</i> , Contract # FY12003006 | UAA | 4,194 |
| 93.197 | Childhood Lead Poisoning Prevention Projects—State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | HSA | 19,758 |
| 93.211 | Telehealth Programs | UAA | 392,844 |
| 93.217 | Family Planning—Services, <i>Arizona Family Planning Council</i> , Contract #s AGR 12/19/11, AGR 02/09/11 | ASA | 296,526 |
| 93.226 | Research on Healthcare Costs, Quality and Outcomes, <i>Michigan Public Health Institute</i> , Contract # R18HS017191 | ASA | 11,001 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|------------------|
| 93.234 | Traumatic Brain Injury State Demonstration Grant Program | DEA | 261,155 |
| 93.235 | Affordable Care Act (ACA) Abstinence Education Program | HSA | 1,079,876 |
| 93.236 | Grants to States to Support Oral Health Workforce Activities | HSA | 325,038 |
| 93.236 | Grants to States to Support Oral Health Workforce Activities | NAA | 16,827 |
| | 93.236 Subtotal | | <u>341,865</u> |
| 93.240 | State Capacity Building | HSA | 191,537 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance | ASA | 170,833 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance | GVA | 74,305 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance | HSA | 1,816,270 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance | UAA | 1,218,021 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance, <i>Community Bridges</i> , Contract # H79 TI018924 | ASA | 8,335 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance, <i>University of California-Los Angeles</i> , Contract # 2000GJG913 | ASA | 133,878 |
| 93.243 | Substance Abuse and Mental Health Services—Projects of Regional and National Significance, <i>University of Missouri-Kansas City</i> , Contract # 3UD1TI013592-09S1 | ASA | 42,185 |
| | 93.243 Subtotal | | <u>3,463,827</u> |
| 93.247 | Advanced Nursing Education Grant Program | ASA | 3,156 |
| 93.247 | Advanced Nursing Education Grant Program | UAA | 349,852 |
| | 93.247 Subtotal | | <u>353,008</u> |
| 93.250 | Geriatric Academic Career Awards | UAA | 70,605 |
| 93.251 | Universal Newborn Hearing Screening | HSA | 217,277 |
| 93.251 | Universal Newborn Hearing Screening | UAA | 39,603 |
| | 93.251 Subtotal | | <u>256,880</u> |
| 93.253 | Poison Center Support and Enhancement Grant Program | UAA | 199,447 |
| 93.262 | Occupational Safety and Health Program | UAA | 588,619 |
| 93.265 | Comprehensive Geriatric Education Program (CGEP) | ASA | 146,888 |
| 93.265 | Comprehensive Geriatric Education Program (CGEP) | NAA | 10,453 |
| 93.265 | Comprehensive Geriatric Education Program (CGEP) | UAA | 13,272 |
| | 93.265 Subtotal | | <u>170,613</u> |
| 93.270 | Adult Viral Hepatitis Prevention and Control | HSA | 88,769 |
| 93.273 | Alcohol Research Programs | ASA | 29,422 |
| 93.275 | Substance Abuse and Mental Health Services—Access to Recovery | GVA | 444,773 |
| 93.279 | Drug Abuse and Addiction Research Programs | ASA | 34,790 |
| 93.282 | Mental Health National Research Service Awards for Research Training | ASA | 58,156 |
| 93.283 | The Affordable Care Act: Centers for Disease Control and Prevention—Investigations and Technical Assistance | HSA | 5,015,018 |
| 93.283 | The Affordable Care Act: Centers for Disease Control and Prevention—Investigations and Technical Assistance | UAA | 480,699 |
| 93.283 | The Affordable Care Act: Centers for Disease Control and Prevention—Investigations and Technical Assistance, <i>University of Colorado</i> , Contract # FY09003005U01DD000198 | UAA | 10,702 |
| | 93.283 Subtotal | | <u>5,506,419</u> |
| 93.286 | Discovery and Applied Research for Technological Innovations to Improve Human Health | UAA | 10,000 |
| 93.296 | State Partnership Grant Program to Improve Minority Health | HSA | 136,757 |
| 93.301 | Small Rural Hospital Improvement Grant Program | UAA | 98,444 |
| 93.307 | Minority Health and Health Disparities Research | UAA | 9,295 |
| 93.358 | Advanced Education Nursing Traineeships | ASA | 74,016 |
| 93.358 | Advanced Education Nursing Traineeships | NAA | 24,065 |
| 93.358 | Advanced Education Nursing Traineeships | UAA | 45,834 |
| | 93.358 Subtotal | | <u>143,915</u> |
| 93.359 | Nurse Education, Practice Quality and Retention Grants | ASA | 187,128 |
| 93.361 | Nursing Research | ASA | 140,568 |
| 93.389 | National Center for Research Resources | ASA | 470,695 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|--------------|
| 93.389 | National Center for Research Resources | UAA | 194,309 |
| | 93.389 Subtotal | | 665,004 |
| 93.395 | Cancer Treatment Research, <i>Gynecologic Oncology Group Administration</i> , Contract #s CA101165, CA2746930 | UAA | 159,190 |
| 93.396 | Cancer Biology Research | UAA | 8,892 |
| 93.396 | Cancer Biology Research, <i>University of Utah</i> , Contract # 10008199-01 | HSA | 3,969 |
| | 93.396 Subtotal | | 12,861 |
| 93.411 | ARRA—Equipment to Enhance Training for Health Professionals | UAA | 4,563 |
| 93.414 | ARRA—State Primary Care Offices | HSA | 103,400 |
| 93.448 | Food Safety and Security Monitoring Project | HSA | 499,283 |
| 93.505 | Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program | HSA | 400,758 |
| 93.507 | PPHF 2012 National Public Health Improvement Initiative | HSA | 363,555 |
| 93.511 | Affordable Care Act (ACA) Grants to States for Health Insurance Premium Review | IDA | 327,624 |
| 93.516 | Affordable Care Act (ACA) Public Health Training Centers Program, Resources Development and Academic Support to the Public Health Training Centers Program and Public Health Infrastructure and Systems Support | UAA | 768,237 |
| 93.517 | Affordable Care Act—Aging and Disability Resource Center | DEA | 265,295 |
| 93.518 | Affordable Care Act—Medicare Improvements for Patients and Providers | DEA | 235,191 |
| 93.520 | Centers for Disease Control and Prevention—Affordable Care Act (ACA)—Communities Putting Prevention to Work | HSA | 136,678 |
| 93.521 | The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements | HSA | 330,401 |
| 93.523 | The Affordable Care Act: Human Immunodeficiency Virus (HIV) Prevention and Public Health Fund Activities | HSA | 628 |
| 93.525 | State Planning and Establishment Grants for the Affordable Care Act (ACA)§ Exchanges | GVA | 735,701 |
| 93.525 | State Planning and Establishment Grants for the Affordable Care Act (ACA)§ Exchanges | IDA | 359,442 |
| | 93.525 Subtotal | | 1,095,143 |
| 93.539 | PPHF 2012—Prevention and Public Health Fund (Affordable Care Act)—Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds | HSA | 20,273 |
| 93.544 | The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes Coordinated Chronic Disease prevention and Health Promotion Program | HSA | 119,361 |
| 93.556 | Promoting Safe and Stable Families | DEA | 9,846,741 |
| 93.563 | Child Support Enforcement | DEA | 40,304,877 |
| 93.564 | Child Support Enforcement Research, <i>Clark County District Attorney Family Support Division</i> , Contract # 4800004287016 | UAA | 12,920 |
| 93.566 | Refugee and Entrant Assistance—State Administered Programs | DEA | 11,122,538 |
| 93.566 | Refugee and Entrant Assistance—State Administered Programs | HSA | 89,207 |
| | 93.566 Subtotal | | 11,211,745 |
| 93.568 | Low-Income Home Energy Assistance | DEA | 28,610,472 |
| 93.568 | Low-Income Home Energy Assistance | GVA | 2,580,394 |
| | 93.568 Subtotal | | 31,190,866 |
| 93.576 | Refugee and Entrant Assistance—Discretionary Grants | DEA | 852,705 |
| 93.576 | Refugee and Entrant Assistance—Discretionary Grants | EDA | 595,060 |
| 93.576 | Refugee and Entrant Assistance—Discretionary Grants, <i>International Rescue Committee, Inc.</i> , Contract #s 90RP006003, 90RP006002 | UAA | 5,718 |
| | 93.576 Subtotal | | 1,453,483 |
| 93.584 | Refugee and Entrant Assistance—Targeted Assistance Grants | DEA | 1,982,913 |
| 93.586 | State Court Improvement Program | SPA | 1,242,918 |
| 93.590 | Community-Based Child Abuse Prevention Grants | DEA | 337,589 |
| 93.597 | Grants to States for Access and Visitation Programs | DEA | 180,933 |
| 93.599 | Chafee Education and Training Vouchers Program (ETV) | DEA | 1,244,370 |
| 93.603 | Adoption Incentive Payments | DEA | 3,107,229 |
| 93.604 | Assistance for Torture Victims, <i>International Rescue Committee</i> , Contract # 90ZT0092 | UAA | 11,030 |
| 93.617 | Voting Access for Individuals with Disabilities—Grants to States | STA | 228,626 |
| 93.630 | Developmental Disabilities Basic Support and Advocacy Grants | DEA | 1,284,802 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|-------------------|
| 93.630 | Developmental Disabilities Basic Support and Advocacy Grants | UAA | 77,526 |
| | 93.630 Subtotal | | <u>1,362,328</u> |
| 93.632 | University Centers for Excellence in Developmental Disabilities Education, Research, and Service | NAA | 546,662 |
| 93.632 | University Centers for Excellence in Developmental Disabilities Education, Research, and Service | UAA | 516,559 |
| | 93.632 Subtotal | | <u>1,063,221</u> |
| 93.643 | Children's Justice Grants to States | GVA | 387,300 |
| 93.645 | Stephanie Tubbs Jones Child Welfare Services Program | DEA | 5,594,067 |
| 94.648 | Child Welfare Research Training or Demonstration | DEA | 772,799 |
| 93.658 | Foster Care—Title IV-E | ASA | 4,551,655 |
| 93.658 | Foster Care—Title IV-E | DEA | 87,110,809 |
| 93.658 | ARRA—Foster Care—Title IV-E | DEA | 133,781 |
| 93.658 | Foster Care—Title IV-E | SPA | 306,137 |
| | 93.658 Subtotal | | <u>92,102,382</u> |
| 93.659 | Adoption Assistance | DEA | 87,192,524 |
| 93.659 | ARRA—Adoption Assistance | DEA | 227 |
| | 93.659 Subtotal | | <u>87,192,751</u> |
| 93.667 | Social Services Block Grant | DEA | 75,401,572 |
| 93.669 | Child Abuse and Neglect State Grants | DEA | 1,116,415 |
| 93.671 | Family Violence Prevention and Services/Grants for Battered Women's Shelters—Grants to States and Indian Tribes | HSA | 1,907,503 |
| 93.674 | Chafee Foster Care Independence Program | DEA | 3,149,403 |
| 93.717 | ARRA—Preventing Healthcare-Associated Infections | HSA | 77,801 |
| 93.718 | ARRA—Health Information Technology Regional Extension Centers Program, <i>Arizona Health E-Connection</i> , Contract # UA90RC0035 | UAA | 9,477 |
| 93.719 | ARRA—State Grants to Promote Health Information Technology | ADA | 1,108,589 |
| 93.719 | ARRA—State Grants to Promote Health Information Technology | GVA | 52,366 |
| 93.719 | ARRA—State Grants to Promote Health Information Technology | HSA | 20,321 |
| | 93.719 Subtotal | | <u>1,181,276</u> |
| 93.723 | ARRA—Prevention and Wellness-State, Territories and Pacific Islands | HSA | 685,704 |
| 93.723 | ARRA—Prevention and Wellness-State, Territories and Pacific Islands | UAA | 243,023 |
| | 93.723 Subtotal | | <u>928,727</u> |
| 93.724 | ARRA—Prevention and Wellness—Communities Putting Prevention to Work Funding Opportunities Announcement (FOA) | HSA | 6,316 |
| 93.724 | ARRA—Prevention and Wellness—Communities Putting Prevention to Work Funding Opportunities Announcement (FOA), <i>Pima County, Arizona</i> , Contract # 0701A1430900310 | UAA | 3,873,912 |
| | 93.724 Subtotal | | <u>3,880,228</u> |
| 93.725 | ARRA—Communities Putting Prevention to Work: Chronic Disease Self-Management Program | HSA | 279,675 |
| 93.729 | ARRA—Health Information Technology and Public Health | HSA | 968,943 |
| 93.767 | Children's Health Insurance Program | HCA | 22,989,000 |
| 93.768 | Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities | HCA | 261,000 |
| 93.779 | Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | DEA | 928,114 |
| 93.779 | Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | UAA | 80,892 |
| | 93.779 Subtotal | | <u>1,009,006</u> |
| 93.822 | Health Careers Opportunity Program | UAA | 433,007 |
| 93.847 | Diabetes, Digestive, and Kidney Diseases Extramural Research | ASA | 30,061 |
| 93.855 | Allergy, Immunology and Transplantation Research | UAA | 15,000 |
| 93.866 | Aging Research | UAA | 4,700 |
| 93.866 | Aging Research, <i>Banner Research Institute</i> , Contract # 04320229903P30AG019610 | UAA | 74,311 |
| | 93.866 Subtotal | | <u>79,011</u> |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|-------------------|
| 93.884 | Grants for Primary Care Training and Enhancement | UAA | 87,495 |
| 93.889 | National Bioterrorism Hospital Preparedness Program | HSA | 4,915,435 |
| 93.912 | Rural Health Care Services Outreach, Rural Health Network Development Program, and Small Health Care Provider Quality Improvement Program | UAA | 506,129 |
| 93.913 | Grants to States for Operation of Offices of Rural Health | UAA | 178,091 |
| 93.914 | HIV Emergency Relief Project Grants | DCA | 12,374 |
| 93.917 | HIV Care Formula Grants | HSA | 21,368,441 |
| 93.917 | HIV Care Formula Grants | UAA | 242,300 |
| | 93.917 Subtotal | | <u>21,610,741</u> |
| 93.918 | Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | UAA | 222,748 |
| 93.919 | Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs | HSA | 2,569,869 |
| 93.928 | Special Projects of National Significance | HSA | 32,258 |
| 93.938 | Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems | EDA | 623,972 |
| 93.938 | Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems | HSA | 48,350 |
| 93.938 | Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems | UAA | 47,958 |
| 93.938 | Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems, <i>National 4H Club Foundation</i> , Contract # U58DP000456 | UAA | 22,674 |
| | 93.938 Subtotal | | <u>742,954</u> |
| 93.940 | HIV Prevention Activities—Health Department Based | HSA | 2,463,189 |
| 93.943 | Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups | HSA | 468,335 |
| 93.944 | Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance | HSA | 893,499 |
| 93.958 | Block Grants for Community Mental Health Services | HSA | 9,726,866 |
| 93.959 | Block Grants for Prevention and Treatment of Substance Abuse | ASA | 664,848 |
| 93.959 | Block Grants for Prevention and Treatment of Substance Abuse | HSA | 36,972,519 |
| | 93.959 Subtotal | | <u>37,637,367</u> |
| 93.969 | PPHF—2012 Geriatric Education Centers | ASA | 41,331 |
| 93.970 | Health Professions Recruitment Program for Indians | ASA | 330,930 |
| 93.970 | Health Professions Recruitment Program for Indians | UAA | 39,352 |
| | 93.970 Subtotal | | <u>370,282</u> |
| 93.977 | Preventive Health Services—Sexually Transmitted Diseases Control Grants | HSA | 1,290,879 |
| 93.991 | Preventive Health and Health Services Block Grant | HSA | 788,376 |
| 93.994 | Maternal and Child Health Services Block Grant to the States | HSA | 7,230,581 |
| 93.C08821 | NDSS Block Grants and Special Projects Dept. Program Evaluation, <i>Navajo Nation—Division of Social Services</i> , Contract # C08821 | ASA | 81,334 |
| 93.D06RH216740100 | Santa Cruz County Adolescent Wellness Network (SCC AWN), <i>Mariposa Community Health Center</i> , Contract # D06RH216740100 | UAA | 7,528 |
| 93.H79T1019911 | Step Forward, <i>Codac Behavioral Health Services of Pima County, Inc.</i> , Contract # 1H79TI01991UOFASIR0W01 | UAA | 118,332 |
| 93.H79TI021852 | EMPOWR—Engaging, Motivating & Providing Options within Recovery for Veterans, <i>Old Pueblo Community Foundation</i> , Contract # H79TI021852 | ASA | 63,936 |
| 93.HHSN268201100016C | Sub-contract to RTI in Support of NHLBI, <i>Research Technologies, Inc.</i> , Contract # 13120212844 | UAA | 52,906 |
| 93.HHSN271201100092P | Outreach Partnership Program | ASA | 3,906 |
| 93.HHSN276201100009C | National Network of Libraries of Medicine (NN/LM) Services Pacific Southwest Region, <i>University of California-Los Angeles</i> , Contract # 5415SPA036 | UAA | 24,997 |
| 93.HHSN276201100141P | NIH Sequence Data—Bioinformatics Service | ASA | 30,000 |
| 93.HHSP23320082917YC | Native American Needs Assessment, <i>Association of University Centers on Disability</i> , Contract # HHSP23320082917YC | UAA | 84,931 |
| 93.HHSP233201100049A | National Women's Leadership Institute, <i>Mariposa Community Health Center</i> , Contract # HHSP233201100049A | UAA | 10,971 |
| 93.HP032097003 | Evaluation of CPSA Programs, <i>Community Partnership of Southern Arizona</i> , Contract # P0615 | UAA | 23,087 |
| 93.II-ISA-11-1304-01 | State Epidemiological Outcomes Workgroup (SEOW) | ASA | 56,639 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|-------------------------|
| 93.LTR 09/19/11 | The Effect of Music on Motor, Cognitive and Affect Functions for People with Down Syndrome in Music-Based Exercise, <i>Special Olympics Inc.</i> , Contract # LTR 09/19/11 | ASA | 2,165 |
| 93.LTR DTD 052510 | Intergovernmental Personnel Act | UAA | 171,203 |
| 93.LTR DTD 061112 | Indigenous Health Resource Workforce IPA for Teshia Solomon | UAA | 1,805 |
| 93.LTR DTD 103111 | Support for Knowledge River Library School Internships, <i>Center for Public Service Communications, LLC</i> , Contract # CK2312 | UAA | 58,795 |
| 93.R18HS017191 | A Partnership for Clinician EHR Use and Quality of Care, <i>Michigan Public Health Institute</i> , Contract # R18HS017191 | ASA | 5,000 |
| 93.TI19593 | Guiding Star Pregnant and Postpartum Women's Project, <i>Native American Connections, Inc.</i> , Contract # TI19593 | UAA | 1,896 |
| 93.Unknown | Act Early Ambassador, <i>Association of University Centers on Disability</i> , Contract # LTR DTD 121211 | UAA | 228 |
| 93.Unknown | Establishing Burkholderia Pseudommai Index Strains, <i>Battelle Memorial Institute</i> , Contract # L296389 | NAA | 518,362 |
| Total Department of Health and Human Services | | | <u>\$ 7,004,034,048</u> |
| <u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u> | | | |
| <u>Foster Grandparent/Senior Companion Cluster</u> | | | |
| 94.011 | Foster Grandparent Program | NAA | \$ 661,292 |
| 94.016 | Senior Companion Program | NAA | 615,305 |
| Foster Grandparent/Senior Companion Cluster Subtotal | | | <u>1,276,597</u> |
| <u>Other Corporation for National and Community Service Programs</u> | | | |
| 94.002 | Retired and Senior Volunteer Program | NAA | 97,898 |
| 94.003 | State Commissions | GVA | 370,383 |
| 94.004 | Learn and Serve America—School and Community Based Programs | EDA | 174,002 |
| 94.006 | AmeriCorps | GVA | 2,333,739 |
| 94.006 | AmeriCorps | NAA | 488,503 |
| 94.006 | AmeriCorps | UAA | 245,125 |
| 94.006 | AmeriCorps, <i>Public Allies</i> , Contract # 09NDHWI0010001 | ASA | 449,349 |
| 94.006 Subtotal | | | <u>3,516,716</u> |
| 94.007 | Program Development and Innovation Grants | GVA | 55,873 |
| 94.007 | Program Development and Innovation Grants | NAA | 27,316 |
| 94.007 Subtotal | | | <u>83,189</u> |
| 94.009 | Training and Technical Assistance | GVA | 64,565 |
| 94.009 | Training and Technical Assistance | UAA | 238,479 |
| 94.009 Subtotal | | | <u>303,044</u> |
| 94.013 | Volunteers in Service to America | UAA | 1,332 |
| Total Corporation for National and Community Service | | | <u>\$ 5,823,161</u> |
| <u>EXECUTIVE OFFICE OF THE PRESIDENT</u> | | | |
| 95.001 | High Intensity Drug Trafficking Areas Program | AGA | \$ 571,441 |
| 95.001 | High Intensity Drug Trafficking Areas Program | PSA | 2,337,217 |
| 95.001 Subtotal | | | <u>2,908,658</u> |
| Total Executive Office of the President | | | <u>\$ 2,908,658</u> |
| <u>SOCIAL SECURITY ADMINISTRATION</u> | | | |
| <u>Disability Insurance/SSI Cluster</u> | | | |
| 96.001 | Social Security—Disability Insurance | DEA | \$ 36,968,532 |
| Disability Insurance/SSI Cluster Subtotal | | | <u>36,968,532</u> |
| Total Social Security Administration | | | <u>\$ 36,968,532</u> |
| <u>DEPARTMENT OF HOMELAND SECURITY</u> | | | |
| <u>Other Department of Homeland Security Programs</u> | | | |
| 97.001 | Pilot Demonstration or Earmarked Projects | ADA | \$ 174,744 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|--|-----------------------|---------------|
| 97.001 | Pilot Demonstration or Earmarked Projects | HLA | 159,755 |
| | 97.001 Subtotal | | 334,499 |
| 97.008 | Non-Profit Security Program | HLA | 109,139 |
| 97.012 | Boating Safety Financial Assistance | GFA | 1,541,513 |
| 97.023 | Community Assistance Program State Support Services Element (CAP-SSSE) | MAA | 735 |
| 97.023 | Community Assistance Program State Support Services Element (CAP-SSSE) | WCA | 165,055 |
| | 97.023 Subtotal | | 165,790 |
| 97.036 | Disaster Grants—Public Assistance (Presidentially Declared Disasters) | MAA | 3,212,567 |
| 97.039 | Hazard Mitigation Grant | MAA | 363,944 |
| 97.041 | National Dam Safety Program | WCA | 89,695 |
| 97.042 | Emergency Management Performance Grants | MAA | 7,066,710 |
| 97.045 | Cooperating Technical Partners | GSA | 17,360 |
| 97.045 | Cooperating Technical Partners | MAA | 23,314 |
| 97.045 | Cooperating Technical Partners | WCA | 145,802 |
| | 97.045 Subtotal | | 186,476 |
| 97.047 | Pre-Disaster Mitigation | GSA | 26,732 |
| 97.047 | Pre-Disaster Mitigation | MAA | 336,004 |
| | 97.047 Subtotal | | 362,736 |
| 97.052 | Emergency Operations Center | HLA | 102,272 |
| 97.067 | Homeland Security Grant Program | ADA | 36,583 |
| 97.067 | Homeland Security Grant Program | AHA | 80,907 |
| 97.067 | Homeland Security Grant Program | DCA | 118,075 |
| 97.067 | Homeland Security Grant Program | HLA | 32,177,457 |
| 97.067 | Homeland Security Grant Program | MAA | 594,876 |
| 97.067 | Homeland Security Grant Program | PSA | 3,706,532 |
| | 97.067 Subtotal | | 36,714,430 |
| 97.075 | Rail and Transit Security Grant Program | HLA | 503,412 |
| 97.078 | Buffer Zone Protection Program (BZPP) | HLA | 494,185 |
| 97.082 | Earthquake Consortium | GSA | 41,532 |
| 97.086 | Homeland Security Outreach, Education, and Technical Assistance | ASA | 280,195 |
| 97.092 | Repetitive Flood Claims | MAA | 5,399 |
| 97.120 | Border Interoperability Demonstration Project | HLA | 5,107 |
| | Total Department of Homeland Security | | \$ 51,579,601 |
| <u>UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT</u> | | | |
| 98.001 | USAID Foreign Assistance for Programs Overseas | UAA | \$ 30,444 |
| 98.001 | USAID Foreign Assistance for Programs Overseas, <i>Georgetown University</i> , Contract #s UARRX205070510N1, UARRX205070511O12, UARRX205070511P6 | UAA | 512,141 |
| 98.001 | USAID Foreign Assistance for Programs Overseas, <i>University of Texas A&M, Texas Agrilife Research</i> , Contract # 570689 | UAA | 13,674 |
| | 98.001 Subtotal | | 556,259 |
| 98.012 | USAID Development Partnerships for University Cooperation and Development | ASA | 485,018 |
| 98.012 | USAID Development Partnerships for University Cooperation and Development, <i>Higher Education for Development (HED)</i> , Contract #s AGR 02/15/2007, 523A00060000900 | ASA | 108,191 |
| | 98.012 Subtotal | | 593,209 |
| 98.185A000900010100 | Integrated Telemedicine and E-Health Program of Albania, <i>International Virtual E-Hospital Foundation</i> , Contract # 185A000900010100 | UAA | 37,634 |
| 98.AEGI18040001000 | Farmer-to-Farmer Aquaculture Niche Project, <i>Weidemann Associates, Inc.</i> , Contract # 1071205023 | UAA | 11,826 |
| 98.AID-OAA-L-11-00005 | Sustainable Energy Education Consortium (SEEC) | ASA | 497,277 |
| | Total United States Agency for International Development | | \$ 1,696,205 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|-----------------------|
| <u>MISCELLANEOUS FEDERAL AGENCIES</u> | | | |
| 99.SJI10E016, SJI11E013 | Develop Performance Measurement System for Appellate Courts, <i>State Justice Institute</i> , Contract #s SJI-10-E-016, SJI-11-E-013 | SPA | \$ 6,133 |
| | Total Miscellaneous Federal Agencies | | <u>\$ 6,133</u> |
| <u>STUDENT FINANCIAL ASSISTANCE CLUSTER</u> | | | |
| <u>Department of Education</u> | | | |
| 84.007 | Federal Supplemental Educational Opportunity Grants | ASA | \$ 1,581,308 |
| 84.007 | Federal Supplemental Educational Opportunity Grants | NAA | 444,970 |
| 84.007 | Federal Supplemental Educational Opportunity Grants | UAA | 625,838 |
| | 84.007 Subtotal | | <u>2,652,116</u> |
| 84.033 | Federal Work-Study Program | ASA | 3,013,635 |
| 84.033 | Federal Work-Study Program | NAA | 669,363 |
| 84.033 | Federal Work-Study Program | UAA | 1,670,718 |
| | 84.033 Subtotal | | <u>5,353,716</u> |
| 84.063 | Federal Pell Grant Program | ASA | 100,659,010 |
| 84.063 | Federal Pell Grant Program | NAA | 35,742,476 |
| 84.063 | Federal Pell Grant Program | UAA | 45,854,283 |
| | 84.063 Subtotal | | <u>182,255,769</u> |
| 84.375 | Academic Competitiveness Grants | NAA | 6,825 |
| 84.376 | National Science and Mathematics Access to Retain Talent (SMART) Grants | NAA | 21,775 |
| 84.376 | National Science and Mathematics Access to Retain Talent (SMART) Grants | UAA | 7,345 |
| | 84.376 Subtotal | | <u>29,120</u> |
| 84.379 | Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | ASA | 4,175,688 |
| 84.379 | Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | NAA | 165,000 |
| 84.379 | Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | UAA | 359,150 |
| | 84.379 Subtotal | | <u>4,699,838</u> |
| 84.408 | Postsecondary Education Scholarships for Veteran's Dependents | ASA | 5,550 |
| | Department of Education Subtotal | | <u>195,002,934</u> |
| <u>Department of Health and Human Services</u> | | | |
| 93.925 | Scholarships for Health Professions Students from Disadvantaged Backgrounds | ASA | 445,075 |
| 93.925 | Scholarships for Health Professions Students from Disadvantaged Backgrounds | NAA | 212,685 |
| | 93.925 Subtotal | | <u>657,760</u> |
| | Department of Health and Human Services Subtotal | | <u>657,760</u> |
| | Total Student Financial Assistance Cluster | | <u>\$ 195,660,694</u> |
| <u>RESEARCH & DEVELOPMENT CLUSTER</u> | | | |
| <u>Department of Agriculture</u> | | | |
| 10.RD | Department of Agriculture | ASA | 142,602 |
| 10.RD | Forest Service | UAA | 896,641 |
| 10.RD | Forestry Service | NAA | 793,213 |
| 10.RD | National Institute of Food and Agriculture | ASA | 1,132,539 |
| 10.RD | National Institute of Food and Agriculture | NAA | 443,520 |
| 10.RD | United States Department of Agriculture | UAA | 7,863,408 |
| 10.RD | USDA—Agricultural Research Service | UAA | 3,200 |
| 10.RD | Vietnam Education Foundation | UAA | 1,402 |
| 10.RD | <i>Arizona Department of Agriculture, Contract #s 1085401044CA, SCBGP0809, SCBGPFB0905, SCBGPFB0907, SCBGPFB0910, SCBGPFB0913, SCBGPFB0915, SCBGPFB0916, SCBGPFB0917, SCBGPFB0919, SCBGPFB0924, SCBGPFB0925, SCBGPFB0939, SCBGPFB1005, SCBGPFB1006, SCBGPFB1007, SCBGPFB1010, SCBGPFB1015, SCBGPFB1017, SCBGPFB1018, SCBGPFB1020, SCBGPFB1102, SCBGPFB1103, SCBGPFB1104, SCBGPFB1105, SCBGPFB1106, SCBGPFB1120, SCBGPFB1128, SCBGPFB1129, SCBGPFB1137, SCBGPFB1140, SCBGP0803</i> | UAA | 481,391 |
| 10.RD | <i>Arizona Department of Health Services, Contract # ADHS12-009788</i> | ASA | 26,607 |
| 10.RD | <i>Arizona State Forestry Division, Contract #s SFA 09-003, WFHF 09-014, CSG 10-007</i> | NAA | 62,935 |
| 10.RD | <i>Arizona State Parks, Contract # CCG10-001</i> | ASA | 345 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--------------------------------------|--|-----------------------|--------------|
| 10.RD | <i>Bat Conservation International</i> , Contract # CK9174 | UAA | 25,806 |
| 10.RD | <i>California Polytechnic State University</i> , Contract # 20106540020441 | ASA | 66,694 |
| 10.RD | <i>Center for Produce Safety</i> , Contract # 20112165201 | UAA | 10,259 |
| 10.RD | <i>Colorado State University</i> , Contract # 2009-51181-05739 | ASA | 819 |
| 10.RD | <i>Colorado State University</i> , Contract # G14741 | UAA | 14,623 |
| 10.RD | <i>Iowa State University</i> , Contract # 4162324C | UAA | 44,167 |
| 10.RD | <i>Maricopa County Community College District</i> , Contract # 20083842219188 | UAA | 13,149 |
| 10.RD | <i>Michigan State University</i> , Contract # RC064684UA | UAA | 5,691 |
| 10.RD | <i>Mississippi State University</i> , Contract # 19140032209402 | UAA | 4,383 |
| 10.RD | <i>National Renewable Energy Laboratory</i> , Contract # DE-AC36-08GO28308 | ASA | 307,143 |
| 10.RD | <i>New Mexico State University</i> , Contract #s Q01416, Q01431, Q01509 | UAA | 59,610 |
| 10.RD | <i>North Carolina State University</i> , Contract # 2011-68003-30395 | ASA | 179,265 |
| 10.RD | <i>North Carolina State University</i> , Contract # 2011160904 | UAA | 93,641 |
| 10.RD | <i>Oceanic Institute</i> , Contract # USMSFP201021115UAZ | UAA | 13,807 |
| 10.RD | <i>Oklahoma State</i> , Contract # AB-5-67690-NAU | NAA | 26,185 |
| 10.RD | <i>Oregon State University</i> , Contract #s 60025859, C0430AB | UAA | 43,319 |
| 10.RD | <i>Portland State University</i> , Contract # 207JOH051 | UAA | 23,813 |
| 10.RD | <i>Purdue University</i> , Contract # 2010-65615-20672 | ASA | 25,107 |
| 10.RD | <i>Purdue University</i> , Contract #s 8000032985AG, 8000040009AG, 8000040172 | UAA | 123,922 |
| 10.RD | <i>Rutgers, The State University of New Jersey</i> , Contract #s 2011AZASBioMatheron, S1522449 | UAA | 90,857 |
| 10.RD | <i>Texas AgriLife Research</i> , Contract # 570686 | UAA | 2,773 |
| 10.RD | <i>Texas Technology University</i> , Contract # 2007-35100-18382 | ASA | 3,834 |
| 10.RD | <i>Tucson Community Food Bank</i> , Contract # LTR DTD 102309 | UAA | 10,149 |
| 10.RD | <i>University of Arizona</i> , Contract # SCBGP-FB11-29 | ASA | 9,754 |
| 10.RD | <i>University of Arizona</i> , Contract # Y554532 | NAA | 3,919 |
| 10.RD | <i>University of California-Davis</i> , Contract #s 200911201ARI11, 600158, 0700255801 | UAA | 24,050 |
| 10.RD | <i>University of California-Riverside</i> , Contract # S000522 | UAA | 309 |
| 10.RD | <i>University of Kentucky</i> , Contract # 304810436508396 | UAA | 27,816 |
| 10.RD | <i>University of Rhode Island</i> , Contract # 2007-51130-03873 | ASA | 45,837 |
| 10.RD | <i>University of Washington</i> , Contract # 688014 | UAA | 9,754 |
| 10.RD | <i>Utah State University</i> , Contract #s 100893036, 080861047, 080861049, 09092201 | UAA | 11,070 |
| 10.RD | <i>Washington State Fruit Commission</i> , Contract # FAA0901101 | UAA | 54,560 |
| 10.RD | <i>Washington State University</i> , Contract # 108493G002325 | UAA | 30,777 |
| | Department of Agriculture Subtotal | | 13,254,665 |
| <u>Department of Commerce</u> | | | |
| 11.RD | Department of Commerce | ASA | 101,219 |
| 11.RD | National Institute of Standards and Technology | ASA | 6,689 |
| 11.RD | ARRA—National Institute of Standards and Technology | ASA | 322,211 |
| 11.RD | National Institute of Standards and Technology | UAA | 1,559 |
| 11.RD | National Oceanic and Atmospheric Administration | ASA | 300,026 |
| 11.RD | National Oceanic and Atmospheric Administration | UAA | 1,803,283 |
| 11.RD | <i>Acellent Technologies, Inc.</i> , Contract # 70NANB9H9015 | UAA | 18,681 |
| 11.RD | <i>Arizona Manufacturing Extension Partnership and the Economic</i> , Contract #s 70NANB10H192, 70NANB10H102 | ASA | 27,604 |
| 11.RD | <i>Arizona State University</i> , Contract #12852 | UAA | 6,054 |
| 11.RD | <i>Columbia University</i> , Contract # NA08OAR4320912 | ASA | 50,883 |
| 11.RD | <i>Library Development Division</i> , Contract # LTR 06/06/11 | ASA | 8,264 |
| 11.RD | <i>Pacific States Marine Fisheries Commission</i> , Contract # NA08NMF4370485 | ASA | 20,620 |
| 11.RD | ARRA— <i>Purdue University</i> , Contract # 60NANB10D023 | ASA | 88,596 |
| 11.RD | <i>University of California-Irvine</i> , Contract # E214GNA107 | NAA | 14,297 |
| 11.RD | <i>University of Colorado</i> , Contract # 1547799 | UAA | 17,159 |
| 11.RD | <i>University of Maine</i> , Contract # UMS839 | UAA | 13,307 |
| 11.RD | <i>University of Maryland</i> , Contract # Z765204 | UAA | 19,812 |
| 11.RD | <i>University of Nebraska-Lincoln</i> , Contract # 2562380372002 | UAA | 619 |
| | Department of Commerce Subtotal | | 2,820,883 |
| <u>Department of Defense</u> | | | |
| 12.RD | Air Force Office of Scientific Laboratory | UAA | 6,802,329 |
| 12.RD | Air Force Research Laboratory | UAA | 215,316 |
| 12.RD | Army Corps of Engineers | UAA | 768,708 |
| 12.RD | Army Medical Command | UAA | 797,735 |
| 12.RD | Army Research Office | UAA | 48,507 |
| 12.RD | Army Research Development and Engineering Command Public Communications Office | UAA | 1,291,591 |
| 12.RD | Asian Office of Aerospace Research and Development | UAA | 50,742 |
| 12.RD | Defense Advanced Research Projects Agency | ASA | 608,922 |
| 12.RD | ARRA—Defense Advanced Research Projects Agency | ASA | 181,638 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|--------------|
| 12.RD | Defense Advanced Research Projects Agency | UAA | 591,733 |
| 12.RD | Defense Threat Reduction Agency | NAA | 285,675 |
| 12.RD | Defense Threat Reduction Agency | UAA | 682,268 |
| 12.RD | Department of Defense | ASA | 5,498,036 |
| 12.RD | Department of Defense | NAA | 1,306,050 |
| 12.RD | Department of the Air Force | ASA | 2,890,926 |
| 12.RD | Department of the Army | NAA | 37,046 |
| 12.RD | Department of the Navy | ASA | 5,181,139 |
| 12.RD | Maryland Procurement Office | UAA | 16,379 |
| 12.RD | National Security Agency | ASA | 331,303 |
| 12.RD | National Security Agency | UAA | 73,786 |
| 12.RD | Naval Facilities Engineering Command Southwest | NAA | 12,319 |
| 12.RD | Office of Naval Research | UAA | 1,459,598 |
| 12.RD | Office of the Secretary | ASA | 98,627 |
| 12.RD | Pacific Northwest National Laboratory | NAA | 125,969 |
| 12.RD | SPAWAR Systems Center-San Diego | UAA | 1,145,294 |
| 12.RD | The Missile Defense Agency | UAA | 685 |
| 12.RD | U.S. Army Corp of Engineers | NAA | 17,669 |
| 12.RD | U.S. Army Engineer District | NAA | 51,098 |
| 12.RD | U.S. Army Material Command | ASA | 12,302,995 |
| 12.RD | U.S. Army Medical Command | ASA | 1,260,790 |
| 12.RD | U.S. Army Medical Research and Materiel Command | UAA | 64,956 |
| 12.RD | U.S. Army Medical Research Institute Infectious Diseases | NAA | 20,425 |
| 12.RD | U.S. Department of Army | UAA | 106,670 |
| 12.RD | U.S. Department of Defense | UAA | 428,362 |
| 12.RD | <i>Advanced Dynamics, Inc.</i> , Contract # 12030523 | ASA | 43,073 |
| 12.RD | <i>Aptima, Inc.</i> , Contract # N00014-10-C-0442 | ASA | 84,434 |
| 12.RD | <i>Arizona State University</i> , Contract # 10407 | UAA | 109,822 |
| 12.RD | <i>ASR Corporation</i> , Contract # 09301101084 | UAA | 20,837 |
| 12.RD | <i>BAE Systems, Inc.</i> , Contract # 774692 | UAA | 71,668 |
| 12.RD | <i>Ball Aerospace Systems Division</i> , Contract # 07RDK00458 | UAA | 61,516 |
| 12.RD | <i>Banner Health</i> , Contract # W18XWH-08-2-0186 | ASA | 186,693 |
| 12.RD | <i>Barrows Neurological Institute (St. Josephs Hospital)</i> , Contract # W81XWH-11-1-0283 | ASA | 57,540 |
| 12.RD | <i>Battelle Columbus Division</i> , Contract # W911NF-07-D-0001 | ASA | 25,595 |
| 12.RD | <i>Biomedical Research & Education Fund of Southern Arizona</i> , Contract # W81XWH1010745 | UAA | 54,905 |
| 12.RD | <i>Boeing Company</i> , Contract #s HDTRA1-05-D-0001.DO-002, FA8650-10-C-7085 | ASA | 163,674 |
| 12.RD | <i>California Institute of Technology</i> , Contract #s 67C1090176, 67N1089127 | UAA | 161,227 |
| 12.RD | <i>Camp Dresser & McKee, Inc.</i> , Contract # W912HQ-10-C-0075 | ASA | 222,829 |
| 12.RD | <i>Conner Networks</i> , Contract # IARPA-BAA-12-01 | ASA | 45,577 |
| 12.RD | <i>Cornell University</i> , Contract # 632229760 | UAA | 33,199 |
| 12.RD | <i>Cortana Corporation</i> , Contract # 1851101 | UAA | 50,755 |
| 12.RD | <i>Duke University</i> , Contract # FA8650-09-C-2944 | ASA | 38,213 |
| 12.RD | <i>Duke University</i> , Contract # 10DARPA1099 | UAA | 721,607 |
| 12.RD | <i>Dynetics</i> , Contract # FA8650-08-D-1303 | ASA | 69,468 |
| 12.RD | <i>Engility Corporation</i> , Contract # 10121 | UAA | 1,769,822 |
| 12.RD | <i>Ethosgen, LLC</i> , Contract # LTR DTD 011510 | UAA | 10,902 |
| 12.RD | <i>FLIR EOC, LLC</i> , Contract #s 11049413, 10036206 | ASA | 129,357 |
| 12.RD | <i>G-CON, LLC</i> , Contract # 11039096 | ASA | 12,828 |
| 12.RD | <i>General Atomics</i> , Contract #s HR0011-09-C-0034, FA8650-10-C-1785, FA8650-09-D-5037, FA8650-09-D-5039 | ASA | 40,975 |
| 12.RD | <i>Georgia Institute of Technology</i> , Contract #s N00014-12-1-0443, FA23861014152 | ASA | 119,334 |
| 12.RD | <i>Georgia Institute of Technology</i> , Contract #s RA231GA, RB250G1, RB267G2 | UAA | 693,395 |
| 12.RD | <i>Global Engineering Research and Technologies</i> , Contract # FA955010C0104 | UAA | 13,454 |
| 12.RD | <i>Goodrich Corporation</i> , Contract # 415362 | UAA | 9,197,128 |
| 12.RD | <i>Harvard University</i> , Contract # 123572 | UAA | 120,697 |
| 12.RD | <i>Henry M Jackson Foundation for Advancement of Military Medicine</i> , Contract # 717737 | UAA | 48,725 |
| 12.RD | <i>Indiana University</i> , Contract # N00014-07-1-1049 | ASA | 156,829 |
| 12.RD | <i>Institute of International Education</i> , Contract #s U631040 4, NSEP-U631043, HQ0034-07-C-1010 | ASA | 507,547 |
| 12.RD | <i>Intelligent Automation, Inc. (IAI)</i> , Contract #s FA9550-11-C-0006, FA9550-10-C-0026 | ASA | 286,483 |
| 12.RD | <i>IQE RF Sales</i> , Contract # 11121419 | ASA | 24,229 |
| 12.RD | <i>Jern Engineering</i> , Contract # N68335-12-C-0063 | ASA | 24,871 |
| 12.RD | <i>Lincoln Laboratories</i> , Contract # PO7000120435 | UAA | 9,981 |
| 12.RD | <i>Massachusetts Institute of Technology</i> , Contract #s 5710002102, 7000172185 | UAA | 81,527 |
| 12.RD | <i>Materials and Electrochemical Research Corp.</i> , Contract #s 91832, W911NF09C0112 | UAA | 34,203 |
| 12.RD | <i>Michigan State University</i> , Contract # FA8650-09-C-1619 | ASA | 143,696 |
| 12.RD | <i>Microbiosystems of Utah, LLC</i> , Contract # LTD DTD 081110 | UAA | 58,076 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|--------------|
| 12.RD | MITRE Corporation, Contract # 78043 | UAA | 22,081 |
| 12.RD | New York University, Contract # N00014-09-1-0181 | ASA | 358 |
| 12.RD | NextGen Aeronautics, Contract # FA8651-12-M-0200 | ASA | 10,288 |
| 12.RD | Northrop Grumman, Contract #s HR0011-09-C-0132, HR0011-09-C-0062, H94003-04-D-0004 | ASA | 374,383 |
| 12.RD | Northwestern University, Contract #s N00014-11-1-0729, 10302059/N00014-09-1-1126 | ASA | 172,852 |
| 12.RD | NP Photonics, Inc., Contract # LTR DTD 060210 | UAA | 51,901 |
| 12.RD | Oregon State University, Contract # W912HQ-12-C-0004 | ASA | 12,854 |
| 12.RD | Palo Alto Research Center, Inc., Contract #s NNA11AB07C, FA8650-11-C-7130 | ASA | 90,407 |
| 12.RD | Pennsylvania State University, Contract # W911NF-09-1-0525 | ASA | 143,590 |
| 12.RD | Princeton University, Contract # FA9550-09-1-0643 | ASA | 164,017 |
| 12.RD | Purdue University, Contract # HDTRA1-10-1-0083 | ASA | 12,711 |
| 12.RD | Purdue University, Contract # 531089501 | UAA | 16,042 |
| 12.RD | Radiation Monitoring Devices Inc., Contract # HDTRA1-11-1-0028 | ASA | 57,359 |
| 12.RD | Raydiance, Inc., Contract # N0001410M0239 | UAA | 5,953 |
| 12.RD | Raytheon Company, Contract # 4200211223 | UAA | 250,838 |
| 12.RD | Renaissance Sciences Corporation, Contract #s N68335-11-C-0043, N61339-09-C-0031, N00014-12-M-0101 | ASA | 132,947 |
| 12.RD | Rensselaer Polytechnic Institute (RPI), Contract # N00014-09-1-1029 | ASA | 108,550 |
| 12.RD | Rutgers, The State University of New Jersey, Contract # 3796 | UAA | 48,089 |
| 12.RD | SA Photonics, Contract # 7086UAZ1010 | UAA | 72,800 |
| 12.RD | Sandia Research Corporation, Contract #s N00014-09-C-0138, N00014-11-M-0129 | ASA | 35,804 |
| 12.RD | Science Applications International Corp., Contract # P010115724 | UAA | 19,555 |
| 12.RD | SET Corporation, Contract # FA9550-09-C-0173 | ASA | 4,323 |
| 12.RD | SIFT Smart Information Flow Technologies, Contract # W911NF-11-C-0037 | ASA | 32,557 |
| 12.RD | SJT Micropower Inc., Contract # W31P4Q-10-C-0020 | ASA | 59,978 |
| 12.RD | Space Computer Corporation, Contract # 151TO02OFA001 | UAA | 29,513 |
| 12.RD | Space Micro, Inc., Contract # ATP | ASA | 17,645 |
| 12.RD | SRI International, Contract # N00014-09-C-0292 | ASA | 104,649 |
| 12.RD | SRI International, Contract # 27001328 | UAA | 101,941 |
| 12.RD | State University of New York, Contract # 1098964359361 | UAA | 101,566 |
| 12.RD | TDA Research Inc., Contract # 1036-002-01 | ASA | 9,961 |
| 12.RD | Texas Engineering Experiment Station, Contract # A5931 | UAA | 348,134 |
| 12.RD | The Henry Jackson Foundation, Contract # 711946 | NAA | 345,453 |
| 12.RD | The Nature Conservancy, Contract # WA-S-100819-030-0 | NAA | 3,816 |
| 12.RD | Tigerbrain Engineering Inc., Contract # W9128F-10-D-0065 | ASA | 14,057 |
| 12.RD | Translational Genomics Research Institute, Contract # KEIM-09-01 | NAA | 2,096 |
| 12.RD | Universal Technology Corporation, Contract # FA8650-10-D-3037 | ASA | 73,601 |
| 12.RD | University of California-Berkeley, Contract # W911NF-07-1-0314 | ASA | 216,462 |
| 12.RD | University of California-Davis, Contract # N00014-11-1-0108 | ASA | 30,702 |
| 12.RD | University of California-Los Angeles, Contract # 1295GNA114 | UAA | 318,765 |
| 12.RD | University of California-San Diego, Contract #s B9U564042, N00014-07-1-0739, N00014-07-1-0741 | ASA | 99,818 |
| 12.RD | University of California-Santa Barbara, Contract # N00014-10-1-0937 | ASA | 165,371 |
| 12.RD | University of Central Florida, Contract # N00014-06-1-0446 | ASA | 210,594 |
| 12.RD | University of Central Florida, Contract # 105755 | UAA | 88,329 |
| 12.RD | University of Chicago, Contract # W81XWH-11-2-0114 | ASA | 14,926 |
| 12.RD | University of Florida, Contract # UFEIES1005015UAZ | UAA | 108,234 |
| 12.RD | University of Hawaii, Contract # FA9550-09-1-0261 | ASA | 73,565 |
| 12.RD | University of Illinois-Champaign/Urbana, Contract #s W911NF-10-1-0524, HR0011-07-1-0002, FA9550-09-1-0098 | ASA | 622,129 |
| 12.RD | University of Maryland, Contract #s N00014-12-1-0124, FA9550-08-1-0406 | ASA | 48,217 |
| 12.RD | University of Michigan, Contract #s W911NF-11-1-0391, N66001-07-1-2006 | ASA | 95,567 |
| 12.RD | University of Minnesota, Contract # A001650204 | UAA | 96,611 |
| 12.RD | University of Oklahoma, Contract # 201214 | UAA | 231,235 |
| 12.RD | University of Oxford, Contract # N66001-10-1-4061 | ASA | 87,812 |
| 12.RD | University of Pennsylvania, Contract # N00014-08-1-0696 | ASA | 56,662 |
| 12.RD | University of South Carolina, Contract # N00014-11-1-0925 | ASA | 44,804 |
| 12.RD | University of Southern California, Contract #s N00014-05-1-0630, HR0011-11-C-0067, HR0011-10-C-0034 | ASA | 194,488 |
| 12.RD | University of Tennessee, Contract #s 8500017317, R041303040 | UAA | 291,921 |
| 12.RD | University of Texas-Austin, Contract # UTA09000620 | UAA | 114,908 |
| 12.RD | University of Virginia, Contract # N00014-07-1-0723 | ASA | 84,922 |
| 12.RD | Vanderbilt University, Contract # HDTRA1-11-1-0033 | ASA | 51,989 |
| 12.RD | VW International, Inc., Contract # 67-027A | ASA | 80,941 |
| 12.RD | Wyle Laboratories, Contract # HC1047-05-D-4005 | ASA | 83,531 |
| 12.RD | Zona Technology, Inc., Contract # FA9550-12-C-0026 | ASA | 29,484 |
| | Department of Defense Subtotal | | 67,056,633 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|--|-----------------------|--------------|
| <u>Department of Housing and Urban Development</u> | | | |
| 14.RD | Department of Housing and Urban Development | ASA | 119,334 |
| 14.RD | City of Phoenix Planning Department, Contract # CCPAZ0044-11 | ASA | 10,940 |
| 14.RD | International City/County Management Association, Contract # H21624RG | ASA | 38,832 |
| 14.RD | ARRA—Pima County, Arizona, Contract # 0170A1431780810 | UAA | 10,558 |
| | Department of Housing and Urban Development Subtotal | | 179,664 |
| <u>Department of the Interior</u> | | | |
| 15.RD | Bureau of Indian Affairs | UAA | 129,298 |
| 15.RD | Bureau of Land Management | ASA | 38,608 |
| 15.RD | Bureau of Land Management | NAA | 531,733 |
| 15.RD | Bureau of Land Management | UAA | 200,231 |
| 15.RD | Bureau of Reclamation | NAA | 104,021 |
| 15.RD | Bureau of Reclamation | UAA | 384,612 |
| 15.RD | Department of the Interior | ASA | 511,749 |
| 15.RD | Fish and Wildlife Service | NAA | 72,346 |
| 15.RD | Geological Survey | ASA | 135,779 |
| 15.RD | National Park Service | ASA | 144 |
| 15.RD | National Park Service | NAA | 1,062,630 |
| 15.RD | National Park Service | UAA | 1,313,540 |
| 15.RD | U.S. Fish and Wildlife Service | UAA | 509,393 |
| 15.RD | U.S. Geological Survey | NAA | 753,560 |
| 15.RD | ARRA—U.S. Geological Survey | NAA | 4,798 |
| 15.RD | U.S. Geological Survey | UAA | 2,565,034 |
| 15.RD | Arizona Department of Agriculture, Contract # AZE66 | UAA | 24,323 |
| 15.RD | Arizona Game and Fish Department, Contract #s 143403HQRU1580T0113, 143403HQRU1580TO111, 143403HQRU1580, LTR DTD 112911 | UAA | 10,609 |
| 15.RD | Bat Conservation International Inc., Contract # L09AC15886 | NAA | 40,769 |
| 15.RD | David Evans and Associates, Inc., Contract #s NAPSYOSE-2043, WBS ASU | ASA | 30,164 |
| 15.RD | Louisiana State University and Agricultural and Mechanicals, Contract # 50786 | UAA | 254,391 |
| 15.RD | Nature Conservancy, Contract #s AZFA110920, NMFO120511 | UAA | 50,535 |
| 15.RD | Southern Arizona Buffelgrass Coordination Center, Contract # L10AC20361 | NAA | 9,458 |
| 15.RD | Southern California Earthquake Center, Contract # 07HQAG0008 | ASA | 15,577 |
| 15.RD | ARRA—SWCA Environmental Consultants, Contract # LTR DTD 101410 | UAA | 62,962 |
| 15.RD | University of Alaska-Fairbanks, Contract # M07AC12496 | ASA | 2,611 |
| 15.RD | University of Arizona, Contract # Y561983 | NAA | 33,816 |
| 15.RD | University of Arizona-Water Research Resources Center, Contract # G11AP20065 | ASA | 3,864 |
| 15.RD | University of Houston, Contract #s R070077, R080140 | UAA | 15,307 |
| 15.RD | University of Montana, Contract #s PG116567201, PG126570502 | UAA | 79,041 |
| 15.RD | University of Wyoming, Contract # 1001202 | UAA | 14,529 |
| | Department of the Interior Subtotal | | 8,965,432 |
| <u>Department of Justice</u> | | | |
| 16.RD | Department of Justice | ASA | 676,200 |
| 16.RD | Department of Justice | UAA | 80,919 |
| 16.RD | National Institute of Justice | ASA | 60,782 |
| 16.RD | ARRA—National Institute of Justice | ASA | 684,602 |
| 16.RD | Office of Juvenile Justice and Delinquency Prevention | ASA | 150,061 |
| 16.RD | Glendale, City of-Police Department, Contract #s 211-MU-BX-0024, 2009-DG-BX-0020 | ASA | 66,938 |
| 16.RD | Johns Hopkins University, Contract # 2008-WG-BX-0002 | ASA | 81,242 |
| 16.RD | Phoenix Police Department, Contract # 2011-DB-BX0018 | ASA | 40,123 |
| 16.RD | Pima County, Arizona, Contract # 0702A1406430208 | UAA | 17,595 |
| 16.RD | Sam Houston State University, Contract # 2010-DN-BX-0001 | ASA | 20,423 |
| 16.RD | University of Pittsburgh, Contract #s 2008-IJ-CX-0023, 2007-MU-FX-0002, 2000-MU-0007 | ASA | 529 |
| 16.RD | Westat, Inc., Contract # 2010-NV-CX-K077 | ASA | 10,529 |
| | Department of Justice Subtotal | | 1,889,943 |
| <u>Department of Labor</u> | | | |
| 17.RD | Department of Labor | UAA | 25,494 |
| | Department of Labor Subtotal | | 25,494 |
| <u>Department of State</u> | | | |
| 19.RD | American Council of Learned Societies (ACLS), Contract # Agmt 4/2/10 | ASA | 8,502 |
| 19.RD | American Councils for International Education, Contract # SECAPY-11-CA-134-sub1 | ASA | 12,127 |
| 19.RD | National Academy of Science, Contract # PGAP210853 | UAA | 7,116 |
| 19.RD | National Council for Eurasian & East European Research, Contract # 827-01 | ASA | 38,364 |
| | Department of State Subtotal | | 66,109 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|---|---|-----------------------|--------------|
| <u>Department of Transportation</u> | | | |
| 20.RD | Department of Transportation | ASA | 170,224 |
| 20.RD | Department of Transportation | UAA | 184,643 |
| 20.RD | Federal Aviation Administration | ASA | 73,221 |
| 20.RD | Federal Highway Administration | UAA | 325,982 |
| 20.RD | Arizona Department of Transportation, Contract # IGA-10-004-CRO | ASA | 1,837 |
| 20.RD | Arizona Department of Transportation, Contract # JPA-09-019T | NAA | 3,513 |
| 20.RD | Arizona Department of Transportation, Contract #s JPA08009T, JPA08019M, JPA11002 | UAA | 124,202 |
| 20.RD | Baltimore Metropolitan Council, Contract # Agmt 11/8/10 | ASA | 24,087 |
| 20.RD | Cambridge Systems, Inc., Contract #s 7661000, 8254001 | UAA | 256,875 |
| 20.RD | Illinois Institute of Technology, Contract # SA42102126629 | UAA | 4,135 |
| 20.RD | Louis Berger Group, Inc., Contract # JA2806 | UAA | 109,576 |
| 20.RD | NAS-TRB-National Cooperative Highway Research Program, Contract # DTFH61-08-H-000035 | ASA | 284,485 |
| 20.RD | Oregon State University, Contract #s T0013GE, T0013GI, T0013G1TaskOrder#1 | UAA | 98,939 |
| 20.RD | Resource Systems Group, Inc., Contract # DTFH61-11-C-00015 | ASA | 61,774 |
| 20.RD | University of Arizona, Contract # Y553600 | ASA | 76,752 |
| 20.RD | University of California-Santa Barbara, Contract # 09-031-C1 | ASA | 33,958 |
| 20.RD | University of Virginia, Contract # PO1207075 | UAA | 20,087 |
| | Department of Transportation Subtotal | | 1,854,290 |
| <u>Office of Personnel Management</u> | | | |
| 27.RD | Office of Personnel Management | ASA | 15,740 |
| | Office of Personnel Management Subtotal | | 15,740 |
| <u>Federal Trade Commission</u> | | | |
| 36.RD | University of Missouri, Contract # 296522 | UAA | 63,057 |
| | Federal Trade Commission Subtotal | | 63,057 |
| <u>National Aeronautics and Space Administration</u> | | | |
| 43.RD | Jet Propulsion Laboratory | NAA | 272,722 |
| 43.RD | NASA-Ames Research Center | ASA | 1,487,450 |
| 43.RD | NASA Ames Research Center | UAA | 110,890 |
| 43.RD | NASA-Goddard Space Flight Center | ASA | 11,092,901 |
| 43.RD | NASA Goddard Space Flight Center | UAA | 46,271,635 |
| 43.RD | NASA Headquarters | UAA | 13,529,174 |
| 43.RD | NASA-John H. Glenn Research Center, Lewis Field | ASA | 33,521 |
| 43.RD | NASA Johnson Space Center | UAA | 153,892 |
| 43.RD | NASA Langley Research Center | UAA | 207,929 |
| 43.RD | NASA-Lyndon B. Johnson Space Center | ASA | 214,714 |
| 43.RD | NASA Marshall Space Flight Center | UAA | 113,017 |
| 43.RD | National Aeronautics and Space Administration | NAA | 450,751 |
| 43.RD | National Aeronautics and Space Administration | UAA | 35,762 |
| 43.RD | American Geological Institute, Contract #s NNX10AD33A, PR# 420032242 | ASA | 183,042 |
| 43.RD | Arizona Sonora Desert Museum, Contract # LTR DTD 083110 | UAA | 3,196 |
| 43.RD | Arizona State University, Contract #s 10381, 10394, 7790, 8980 | UAA | 374,971 |
| 43.RD | California Institute of Technology, Contract # NNX09AC35G | ASA | 123,984 |
| 43.RD | California Institute of Technology, Contract #s 21083117, 21089221, 21091253 | UAA | 140,855 |
| 43.RD | Carnegie Institution of Washington, Contract # NASW00002 | ASA | 419,480 |
| 43.RD | Carnegie Institution of Washington, Contract # 9-10307-01 | NAA | 120,769 |
| 43.RD | Carnegie Institution of Washington, Contract #s DTM325002, DTM325008 (PHASE E) | UAA | 337,594 |
| 43.RD | Colorado State University, Contract #s G19581, G653701 | UAA | 33,092 |
| 43.RD | Cornell University, Contract # 393616455 | ASA | 59,840 |
| 43.RD | Desert Research Institute, Contract #s 65603011, 65604201 | UAA | 41,690 |
| 43.RD | Jet Propulsion Laboratory, Contract #s 711043, 1455718, 1444481, 1441564, 1412578, NAS703001, NAS71407, NMO710076, NMO710805, NMO710819, NMO710846, NMO710947, NMO711016, NM0711040, NMO711043, NMO711085 | ASA | 4,244,007 |
| 43.RD | Jet Propulsion Laboratory, Contract #s 1216369, 1226582, 1228726, 1254725, 1256318, 1270067, 1272218, 1306547, 1319248, 1350372, 1354929, 1406993, 1407200, 1407263, 1421891, 1422779, 1430662, 1431141, 1431372, 1433898, 1440265, 1446073 | UAA | 13,165,786 |
| 43.RD | John Hopkins University Applied Physics Laboratory, Contract #s NNN06AA01C, NNX09AN33G, NNX10AC6G | ASA | 31,436 |
| 43.RD | Lowell Observatory, Contract # 2011-71262 | NAA | 24,239 |
| 43.RD | Malin Space Science Systems, Inc., Contract # 11-0124 | ASA | 82,119 |
| 43.RD | National Space Biomedical Research Institute, Contract # NCC958166HPF01605 | UAA | 263 |
| 43.RD | Northwest Research Laboratories, Contract # NASA S047P | ASA | 33,128 |
| 43.RD | Oregon State University, Contract # NNX10AP79G | ASA | 1,518 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|--|--|-----------------------|--------------|
| 43.RD | <i>Planetary Science Institute</i> , Contract # NNX10AM83G | ASA | 1,559 |
| 43.RD | <i>Planetary Science Institute</i> , Contract # 595 | UAA | 23,082 |
| 43.RD | <i>Public Broadcasting Service (PBS)</i> , Contract # NNX09AL84G | ASA | 5,445 |
| 43.RD | <i>Rensselaer Polytechnic Institute</i> , Contract # B10554 | UAA | 77,690 |
| 43.RD | <i>SJT Micropower Inc.</i> , Contract # 11069984 | ASA | 25,346 |
| 43.RD | <i>Smithsonian Astrophysics Observatory</i> , Contract # NAS803060 | ASA | 12,163 |
| 43.RD | <i>Southwest Research Institute</i> , Contract #s 699051X, 699053X, D99004L, D99030L | UAA | 166,636 |
| 43.RD | <i>Space Science Institute</i> , Contract # 433 | UAA | 4,535 |
| 43.RD | <i>Space Telescope Science Institute</i> , Contract #s HST-AR-12657.01-A, NAS526555 | ASA | 335,954 |
| 43.RD | <i>Space Telescope Science Institute</i> , Contract # HST-AR-11778.05-A | NAA | 25,958 |
| 43.RD | <i>Space Telescope Science Institute</i> , Contract #s HSTAR1127901A, HSTAR1130301A, HSTAR1212101A, HSTAR1215501A, HSTAR1262401A, HSTEO1158706A, HSTGO1169702A, HSTGO1041701A, HSTGO1084905A, HSTGO1085201A, HSTGO1115507A, HSTGO1115702A, HSTGO1157201A, HSTGO1157601A, HSTGO1158503A, HSTGO1158701A, HSTGO1159101A, HSTGO1159806A, HSTGO1160001A, HSTGO1162503A, HSTGO1164001A, HSTGO1164301A, HSTGO11665502A, HSTGO1167301A, HSTGO1170207A, HSTGO1206062A, HSTGO1217708A, HSTGO1218112A, HSTGO1218401A, HSTGO1218801A, HSTGO1222801A, HSTGO1223902A, HSTGO1224805A, HSTGO1228608A, HSTGO1229603A, HSTG1231404A, HSTGO1247301A, HSTGO1249812A, HSTGO1322901A, HSTHF5125001A, HSTHF5129901A | UAA | 1,108,790 |
| 43.RD | <i>Stinger Ghaffarian Technologies, Inc.</i> , Contract # NNA08CG83C | ASA | 20,315 |
| 43.RD | <i>Stony Brook University</i> , Contract # 54347 | UAA | 4,030 |
| 43.RD | <i>United Negro College Fund Special Program</i> , Contract #s CK013008, CK17978 | UAA | 6,284 |
| 43.RD | <i>Universities Space Research Association</i> , Contract # NNJ06JG25A | ASA | 13,679 |
| 43.RD | <i>Universities Space Research Association</i> , Contract #s 0217301, 0804101 | UAA | 127,008 |
| 43.RD | <i>University Corporation for Atmospheric Research</i> , Contract # Z1293566 | UAA | 10,943 |
| 43.RD | <i>University of Akron</i> , Contract # NNC08CA35C | ASA | 1,517 |
| 43.RD | <i>University of Arizona</i> , Contract #s NNG05GE72H, NNG12PK37C, NNM10AA11C, NNS10A141H | ASA | 578,034 |
| 43.RD | <i>University of California-Los Angeles</i> , Contract # 1000SKC673 | UAA | 21,308 |
| 43.RD | <i>University of California-Santa Cruz</i> , Contract # S0183244 | UAA | 50,865 |
| 43.RD | <i>University of Colorado-Boulder</i> , Contract # NNA09DB30A | ASA | 76,433 |
| 43.RD | <i>University of Colorado-Boulder</i> , Contract # 1000008166 | UAA | 2,368 |
| 43.RD | <i>University of Maryland</i> , Contract # NNX11AB42G | ASA | 96,115 |
| 43.RD | <i>University of Maryland</i> , Contract # Z649502 | UAA | 86,356 |
| 43.RD | <i>University of New Mexico</i> , Contract # NNX11AB30G | ASA | 2,745 |
| 43.RD | <i>University of Tennessee</i> , Contract # OR14020-001.02 | NAA | 15,424 |
| 43.RD | <i>Xinetics Incorporated</i> , Contract # 5044S001 | UAA | 11,330 |
| 43.RD | <i>Zona Technology, Inc.</i> , Contract #s NNX08CD34P, NNX09CB19C | ASA | 96,526 |
| | National Aeronautics and Space Administration Subtotal | | 96,403,805 |
| <u>National Endowment for the Humanities</u> | | | |
| 45.RD | National Endowment for the Humanities | ASA | 129,036 |
| 45.RD | National Endowment for the Humanities | NAA | 62,767 |
| 45.RD | National Endowment for the Humanities | UAA | 195,189 |
| 45.RD | <i>American Council of Learned Societies</i> , Contract # LTR DTD 021611 | UAA | 60,000 |
| 45.RD | <i>Arizona Humanities Council</i> , Contract #s OA08-5541-2011, GG25-5606-2011 | ASA | 5,528 |
| 45.RD | <i>Dance Heritage Coalition</i> | ASA | 6,759 |
| | National Endowment for the Humanities Subtotal | | 459,279 |
| <u>Institute of Museum and Library Services</u> | | | |
| 45.RD | Institute of Museum and Library Services | UAA | 200,155 |
| 45.RD | <i>Arizona Department of Library, Archives and Public Records</i> , Contract # LTR DTD 060910 | UAA | 781 |
| | Institute of Museum and Library Services Subtotal | | 200,936 |
| <u>National Science Foundation</u> | | | |
| 47.RD | National Science Foundation | ASA | 40,997,272 |
| 47.RD | ARRA—National Science Foundation | ASA | 3,126,014 |
| 47.RD | National Science Foundation | NAA | 2,635,421 |
| 47.RD | ARRA—National Science Foundation | NAA | 286,494 |
| 47.RD | National Science Foundation | UAA | 52,576,893 |
| 47.RD | ARRA—National Science Foundation | UAA | 7,359,783 |
| 47.RD | <i>Advanced Diamond Technologies Inc.</i> , Contract # 945935 | UAA | 34,231 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 47.RD | <i>Arizona State University, Contract #s 11428, 12728, 12877, 12923, F11UR061F2011UR0075, KM2005111601SUB11UR, KMA99511160SUBF11UR023, KMS00191149SUBS08UR017, KMS00191157SUBF10UR005, KMS00191157SUBF10UR007, KMS00191158SUB, KMS00191158SUB, KMS00191158SUBS11UR005, KMS00191158SUBS11UR006, KMS00191158SUBS11UR015, KMS00191159, KMS00191159SUBV11UR007, KMS00511160SUB, KMS00511160SUBF11UR009, KMS00511160SUBF11UR010, KMS00511160SUBF11UR008, KMS00511160SUBF11UR011, KMS00511160SUBF11UR037, KMS00511161SUB, KMS00511161SUBS12UR026, KMS00511161SUBS12UR043, KMS00511161SUBS12UR025, KMS00511161SUBS12UR029, KMS00511161SUBS12UR036, KMS00511161SUBS12UR039, KMS00511161SUBS12UR044, KMS00511106SUBF11URO</i> | UAA | 263,456 |
| 47.RD | <i>Aura, Inc., Contract #s C10527A, C10563N, C10566A, C10593T, C10646A, N04035CA</i> | UAA | 160,040 |
| 47.RD | <i>ARRA—Aura, Inc., Contract # C22026SB</i> | UAA | 2,094,732 |
| 47.RD | <i>BBN Technologies Corp., Contract # 9500009455</i> | UAA | 55,318 |
| 47.RD | <i>Bermuda Institute of Ocean Sciences, Inc., Contract # 072050</i> | UAA | 2,734 |
| 47.RD | <i>Boston University, Contract # 4500000655</i> | NAA | 58,427 |
| 47.RD | <i>ARRA—Brown University, Contract # 0917668</i> | ASA | 331,927 |
| 47.RD | <i>ARRA—California Institute of Technology, Contract # 0905990</i> | ASA | 96,597 |
| 47.RD | <i>California State University-San Bernardino, Contract # GT90960</i> | UAA | 9,097 |
| 47.RD | <i>ARRA—Cal Poly Pomona Foundation, Inc., Contract # AST0847170</i> | UAA | 89,054 |
| 47.RD | <i>Carnegie Institution of Washington, Contract #s GMTO041208A, GMTO070213A, GMTO100313A</i> | UAA | 2,028,354 |
| 47.RD | <i>Carnegie Mellon University, Contract # 0836012</i> | ASA | 205,128 |
| 47.RD | <i>Center for Engineering Logistics and Distribution, Contract # 09/20/10</i> | ASA | 9,987 |
| 47.RD | <i>Colorado State University, Contract #s G30628, G30881</i> | UAA | 16,801 |
| 47.RD | <i>Computing Research Association, Contract #s 0937060, 1019343</i> | ASA | 135,193 |
| 47.RD | <i>Computing Research Association, Contract #s CIF443, CIFA443</i> | UAA | 19,150 |
| 47.RD | <i>Consortium for Ocean Leadership, Contract # BA50/Exp.342</i> | UAA | 4,982 |
| 47.RD | <i>Consortium of Universities for Advancement of Hydrologic Science, Inc., Contract # EAR0753521</i> | UAA | 26,052 |
| 47.RD | <i>Cornell University, Contract # 0335765</i> | ASA | 537,723 |
| 47.RD | <i>Dahl Natural LLC, Contract # 1047444</i> | ASA | 119 |
| 47.RD | <i>Georgia Institute of Technology, Contract #s 1200925, 0654275</i> | ASA | 2,056 |
| 47.RD | <i>Idaho State University, Contract # 1142A</i> | UAA | 18,533 |
| 47.RD | <i>Indiana University, Contract # 0855852</i> | ASA | 112,334 |
| 47.RD | <i>Inter-American Institute for Global Change Research, Contract #s SGPCRA005, SGPHD005</i> | UAA | 17,467 |
| 47.RD | <i>Internet2, Contract # 1032468</i> | UAA | 63,108 |
| 47.RD | <i>Iowa State University, Contract # 4202803B</i> | UAA | 15,594 |
| 47.RD | <i>ARRA—Johns Hopkins University, Contract # 2001328850</i> | UAA | 47,354 |
| 47.RD | <i>LG Synoptic Survey Telescope Corp., Contract #s C44007L, C44022L, C44064L</i> | UAA | 210,709 |
| 47.RD | <i>Louisiana State University, Contract # 0907261</i> | ASA | 9,038 |
| 47.RD | <i>Lowell Observatory, Contract # 2010-74721</i> | NAA | 25,210 |
| 47.RD | <i>Loyola Marymount University, Contract # 15-2-26115-65457</i> | ASA | 1,474 |
| 47.RD | <i>Maricopa Community Colleges, Contract # 053469</i> | ASA | 171 |
| 47.RD | <i>Massachusetts Institute of Technology, Contract # 5710002812</i> | UAA | 73,955 |
| 47.RD | <i>Mathematical Association of America, Contract # 0910240</i> | ASA | 59,475 |
| 47.RD | <i>Medipacs LLC, Contract # LTR DTD 043009</i> | UAA | 62,059 |
| 47.RD | <i>Membrane Technology and Research, Inc., Contract # 1127395</i> | ASA | 15,221 |
| 47.RD | <i>Michigan State University, Contract # RC101209UA</i> | UAA | 81,844 |
| 47.RD | <i>Miox Corporation, Contract # IIP1058239</i> | UAA | 100,707 |
| 47.RD | <i>NanoVoltaix, Inc., Contract # 10128292</i> | ASA | 13,387 |
| 47.RD | <i>National Academy of Engineering, Contract # 1043289</i> | ASA | 82,655 |
| 47.RD | <i>National Radio Astronomy Observatory, Contract #s 330653, 333830, LTR DTD 082211</i> | UAA | 58,832 |
| 47.RD | <i>New Jersey Institute of Technology, Contract # CNS-0844972</i> | ASA | 25,535 |
| 47.RD | <i>New Mexico State University, Contract # Q01298</i> | UAA | 34,495 |
| 47.RD | <i>North Carolina State University, Contract #s 0941421, 0812121</i> | ASA | 473,278 |
| 47.RD | <i>Northwestern University, Contract # SP0011313PROJ0003099</i> | UAA | 20,831 |
| 47.RD | <i>Pacific Ecoinformatics and Computational Ecology Lab, Contract # LTR DTD 040110</i> | UAA | 79,342 |
| 47.RD | <i>Past Global Changes—Switzerland, Contract # LTR DTD 092711</i> | UAA | 4,707 |
| 47.RD | <i>Pennsylvania State University, Contract # DBI-0850013</i> | ASA | 33,655 |
| 47.RD | <i>Protein Genomics, Inc., Contract # 945065</i> | UAA | 5,494 |
| 47.RD | <i>ARRA—Purdue University, Contract # 0846358</i> | ASA | 73,416 |
| 47.RD | <i>Rice University, Contract # 0830391</i> | ASA | 4,909 |
| 47.RD | <i>Social Science Research Council, Contract # 682202</i> | UAA | 74,544 |
| 47.RD | <i>South Dakota State University, Contract # 1010465</i> | ASA | 24,511 |
| 47.RD | <i>Stanford University, Contract # 0936421</i> | ASA | 65,557 |
| 47.RD | <i>SUNY-Stony Brook, Contract # 0808678</i> | ASA | 21,479 |
| 47.RD | <i>Syracuse University, Contract # 1118302</i> | ASA | 22,164 |
| 47.RD | <i>Temple University, Contract # 0822308</i> | ASA | 18,413 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 47.RD | University Corporation for Atmospheric Research, Contract #s S0971499, Z1174494 | UAA | 63,415 |
| 47.RD | ARRA—University of Arizona, Contract # 0724958 | ASA | 52,331 |
| 47.RD | University of Arkansas, Contract # SA1107011 | UAA | 6,537 |
| 47.RD | University of California-Riverside, Contract # S0000334 | UAA | 136,229 |
| 47.RD | University of California-San Diego, Contract # CMMI-1036870 | ASA | 16,409 |
| 47.RD | University of California-San Diego, Contract # 103201122SUB | UAA | 1,000 |
| 47.RD | University of California-Santa Barbara, Contract # 0826871 | ASA | 13,634 |
| 47.RD | University of Chicago, Contract # 417527 | UAA | 7,581 |
| 47.RD | University of Georgia, Contract # RR 104-317/4895586 | ASA | 16,377 |
| 47.RD | University of Georgia, Contract # RC3981134787086 | UAA | 156,443 |
| 47.RD | University of Houston, Contract # 0824215 | ASA | 8,528 |
| 47.RD | University of Illinois-Champaign/Urbana, Contract #s 1047916, 1043050, 0911205 | ASA | 196,048 |
| 47.RD | University of Maine, Contract # 0817282 | ASA | 4,135 |
| 47.RD | University of Maryland, Contract # DRL1157534 | ASA | 177,370 |
| 47.RD | University of Maryland, Contract # Z313801 | UAA | 14,744 |
| 47.RD | University of Massachusetts-Amherst, Contract # 0931237 | ASA | 6,073 |
| 47.RD | University of Michigan, Contract # 0729709 | ASA | 57,089 |
| 47.RD | ARRA—University of Missouri, Contract # 22329 | UAA | 6,591 |
| 47.RD | University of Montana, Contract # PG116603302 | UAA | 40,891 |
| 47.RD | University of Nevada-Las Vegas, Contract # 0968421 | ASA | 21,610 |
| 47.RD | University of Nevada-Las Vegas, Contract # OISE-0968421 | NAA | 78,252 |
| 47.RD | University of New Hampshire, Contract # 12029 | UAA | 9,376 |
| 47.RD | University of New Mexico, Contract # 707474873W | UAA | 158,282 |
| 47.RD | University of North Carolina at Chapel Hill, Contract # 537024 | UAA | 13,761 |
| 47.RD | University of Notre Dame, Contract # 0822648 | ASA | 72,506 |
| 47.RD | University of South Carolina, Contract # 1119655 | UAA | 7,291 |
| 47.RD | University of Southern California, Contract #s 0529922, 1033462 | ASA | 25,104 |
| 47.RD | University of Southern California, Contract # 119519 | UAA | 14,612 |
| 47.RD | ARRA—University of Texas-Pan American, Contract # 41BIOL01002 | UAA | 18,806 |
| 47.RD | University of Virginia, Contract # GA107501311846 | UAA | 14,634 |
| 47.RD | University of Washington, Contract # 594594 | UAA | 464,792 |
| 47.RD | University of Wisconsin, Contract #s DRL1138114, 1012124 | ASA | 100,445 |
| 47.RD | U.S. Civilian Research and Development Foundation (CRDF), Contract # RUG1-2968-MO-10 | ASA | 16,000 |
| 47.RD | U.S. Civilian Research and Development, Contract # RUG12950K209 | UAA | 2,646 |
| 47.RD | Vanderbilt University, Contract # 0822370 | ASA | 11,822 |
| 47.RD | Virginia Polytechnic Institute, Contract # 47799119101 | UAA | 34,071 |
| 47.RD | Virginia Tech, Contract # 0938047 | ASA | 87,435 |
| 47.RD | Washington State University, Contract # IOS1044821 | UAA | 140,545 |
| | National Science Foundation Subtotal | | 117,487,907 |
| | <u>Smithsonian Institution</u> | | |
| 60.RD | Smithsonian Astrophysical Observatory | UAA | 912,499 |
| | Smithsonian Institution Subtotal | | 912,499 |
| | <u>Department of Veterans Affairs</u> | | |
| 64.RD | Department of Veterans Affairs | ASA | 49,338 |
| 64.RD | Veterans Administration | UAA | 90,860 |
| | Department of Veterans Affairs Subtotal | | 140,198 |
| | <u>Environmental Protection Agency</u> | | |
| 66.RD | Environmental Protection Agency | ASA | 173,917 |
| 66.RD | Environmental Protection Agency | NAA | 198,666 |
| 66.RD | Environmental Protection Agency | UAA | 223,653 |
| 66.RD | Arizona Department of Agriculture, Contract # PRRFFY1101 | UAA | 4,589 |
| 66.RD | Arizona Department of Environmental Quality, Contract # EV12004 | UAA | 36,419 |
| 66.RD | Border Environment Cooperative Commission, Contract # TAA10042 | UAA | 15,091 |
| 66.RD | Metropolitan Water District of Southern California, Contract # EM-83484801 | ASA | 7,417 |
| 66.RD | Michigan State University, Contract # 61-3383C | NAA | 35,815 |
| 66.RD | Michigan State University, Contract # 613383D | UAA | 98,361 |
| 66.RD | San Diego State University, Contract #s EM 83395501, 55573A-7801 | ASA | 525 |
| 66.RD | University of Texas-El Paso, Contract # 83486101 | ASA | 122,628 |
| 66.RD | Water Research Foundation, Contract #s CR83419201, 04374 | ASA | 116,345 |
| 66.RD | Watershed Management Group, Contract # LTR DTD 020912 | UAA | 2,911 |
| | Environmental Protection Agency Subtotal | | 1,036,337 |
| | <u>Department of Energy</u> | | |
| 81.RD | Department of Energy | ASA | 6,135,392 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 81.RD | ARRA—Department of Energy | ASA | 6,710,318 |
| 81.RD | Department of Energy | NAA | 779,400 |
| 81.RD | ARRA—Department of Energy | NAA | 3,083 |
| 81.RD | Department of Energy | UAA | 3,919,358 |
| 81.RD | ARRA—Department of Energy | UAA | 2,402,406 |
| 81.RD | National Nuclear Security Administration | UAA | 14,100 |
| 81.RD | Argonne National Laboratory, Contract # DE-AC02-06CH11357 | ASA | 136,480 |
| 81.RD | ARRA—Argonne National Laboratory, Contract # DE-AC02-06CH11357 | ASA | 21,617 |
| 81.RD | Argonne National Laboratory, Contract # 6F00866 | UAA | 6,254 |
| 81.RD | ARRA—Arizona Game and Fish, Contract # 30232AZ | UAA | 20,855 |
| 81.RD | Arizona Public Service (APS), Contract # DE-EE-0002060 | ASA | 102,526 |
| 81.RD | Aspen Aerogels, Inc., Contract # R-10011 | ASA | 70,010 |
| 81.RD | Battelle Energy Alliance, Contract #s 90304, 95573 | UAA | 50,315 |
| 81.RD | Battelle Memorial Institute, Contract #s 110080, 38318 | UAA | 56,578 |
| 81.RD | Battelle Memorial Institute, Pacific Northwest National Lab, Contract # DE-AC05-76RL01830 | ASA | 3,301 |
| 81.RD | Bechtel Corporation, Contract # 24590CMHC9W00000257 | UAA | 4,402 |
| 81.RD | Brookhaven National Laboratory, Contract #s 101340, 107946, 184712, 193823, 74201 | UAA | 630,142 |
| 81.RD | Brookhaven Science Associates, LLC, Contract # 221044 | UAA | 1,055 |
| 81.RD | Carnegie Institution of Washington, Contract #s DE-SC0001057, DE-FC03-03NA00144, DE-FC52-08NA28554 | ASA | 118,880 |
| 81.RD | Carnegie Institution of Washington, Contract # 4325308 | UAA | 3,353 |
| 81.RD | ARRA—City of Phoenix, Contract # EMCBC-00622-10 | ASA | 1,246,799 |
| 81.RD | ARRA—Donald Danforth Plant Science Center, Contract # 28302Q | UAA | 645,082 |
| 81.RD | Fermi National Accelerator Lab, Contract #s 557734, 602563, 603647 | UAA | 62,332 |
| 81.RD | Georgia Institute of Technology, Contract # DE-FC26-08NT01580 | ASA | 139,680 |
| 81.RD | Governor's Office of Energy Policy, Contract # DE-EE0005693 | ASA | 20,300 |
| 81.RD | Indiana University, Contract # DE-EE0005379 | ASA | 8,416 |
| 81.RD | Lawrence Berkeley National Laboratory, Contract # DE-AC02-05CH11231 | ASA | 31,417 |
| 81.RD | ARRA—Lawrence Berkeley National Laboratory, Contract # DE-AC02-05CH11231 | ASA | 45,190 |
| 81.RD | Lawrence Livermore National Laboratory, Contract #s B581027, B593749, B597543 | UAA | 399,914 |
| 81.RD | Lawrence Livermore National Security, LLC, Contract # B599675 | UAA | 27,526 |
| 81.RD | Los Alamos National Laboratories, Contract # DE-AC52-06NA25396 | ASA | 294,929 |
| 81.RD | Los Alamos National Laboratories, Contract #s 1086041, 131481, 7360500109, 8668400110119310 | UAA | 197,557 |
| 81.RD | Mississippi State University, Contract # 3881436296401 | UAA | 50,270 |
| 81.RD | National Renewable Energy Laboratory, Contract # DE-AC36-08GO28308 | ASA | 112,973 |
| 81.RD | National Security Technologies, LLC, Contract # 133917 | UAA | 4,902 |
| 81.RD | Navajo Technical College, Contract # DE-ED0000129 | ASA | 16,625 |
| 81.RD | Nevada System of Higher Education, Contract # DE-FG02-03ER63651 | ASA | 3,258 |
| 81.RD | Northern Arizona University, Contract # DE-FC02-06ER64159 | ASA | 179,201 |
| 81.RD | Northern Arizona University, Contract # FUND35WW-MPC35WX | UAA | 112,532 |
| 81.RD | Pennsylvania State University, Contract # DE-FG02-98ER20314 | ASA | 160,047 |
| 81.RD | Pennsylvania State University, Contract # 3594UAUSDOE4157 | UAA | 35,618 |
| 81.RD | PowerMark Corporation, Contract # DE-FC36-07GO17034 | ASA | 52,775 |
| 81.RD | Radiation Monitoring Devices, Inc., Contract #s C1012, C1127 | UAA | 10,429 |
| 81.RD | Rutgers University, Contract # DE-SC0005468 | ASA | 54,155 |
| 81.RD | Sandia National Laboratories, Contract #s 1111357, 1144250, DE-AC04-94AL85000, PO 1177845 | ASA | 288,912 |
| 81.RD | Sandia National Laboratories, Contract #s 1094391, 1117664, 1203436, 1246768, A03341114171, A03341154924, A03341156627, A0334677767, A03341059838, A03341092632, A03341097960, A0334870642 | UAA | 728,555 |
| 81.RD | S.M. Stoller Corporation, Contract # 6012 | UAA | 4,325 |
| 81.RD | Stanford University, Contract # 85948 | UAA | 3,498 |
| 81.RD | TDA Research Inc., Contract # DE-SC0006198 | ASA | 37,055 |
| 81.RD | Texas Engineering Experiment Station, Contract # DE-AR00000220 | ASA | 19,569 |
| 81.RD | University of California-Davis, Contract # DE-FGS2-09NA29451 | ASA | 5,102 |
| 81.RD | University of Cincinnati, Contract # DE-FG36-05GO15043 | ASA | 221,764 |
| 81.RD | University of Colorado-Boulder, Contract # 1548804 | UAA | 4,700 |
| 81.RD | University of Massachusetts-Amherst, Contract # 12006793A00 | UAA | 17,548 |
| 81.RD | University of Michigan, Contract # DE-SC0002644 | ASA | 13,007 |
| 81.RD | University of Michigan, Contract # 3001376450 | UAA | 48,964 |
| 81.RD | University of North Carolina-Chapel Hill, Contract # DE-FCO2-06ER64156 | ASA | 18,205 |
| 81.RD | University of Wisconsin-Milwaukee, Contract # DE-SC0002141 | ASA | 7,442 |
| 81.RD | University of Wyoming, Contract #s DE-FG02-05ER46235, DE FOA 0000287 | ASA | 16,658 |
| 81.RD | US Solar Thermal Storage, LLC, Contract # LTR DTD 071609 | UAA | 18,369 |
| 81.RD | UT-Battelle Oak Ridge National Laboratory, Contract # DE-AC05-00OR22726 | ASA | 76,434 |
| 81.RD | UT-Battelle LLC, Contract # 4000086575 | UAA | 15,280 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|--------------|
| 81.RD | Vanderbilt University, Contract # 19067S5 | UAA | 169,638 |
| 81.RD | Versatilis LLC, Contract # DE-PS02-09ER09-27 | ASA | 55,469 |
| 81.RD | Vista Clara, Inc., Contract # LTR DTD 020810 | UAA | 19,724 |
| 81.RD | Washington State University, Contract #s 112789G002576, 113354G002583 | UAA | 73,903 |
| 81.RD | ARRA—Western Electricity Coordinating Council, Contract # DE-OE0000423 | ASA | 934,939 |
| | Department of Energy Subtotal | | 27,900,812 |
| | <u>Department of Education</u> | | |
| 84.RD | Department of Education | ASA | 3,771,994 |
| 84.RD | Department of Education | UAA | 1,533,598 |
| 84.RD | Arizona Department of Education, Contract # E8PD3273 | ASA | 152,362 |
| 84.RD | Arizona Department of Education, Contract #s 11-32-ED, 12-10-ED | UAA | 528,650 |
| 84.RD | ARRA—Arizona State University, Contract # 11527 | UAA | 83,425 |
| 84.RD | Boulder Language Technologies, Contract # R305A110811 | ASA | 90,535 |
| 84.RD | Educational Testing Service, Contract # R305F100005 | ASA | 75,097 |
| 84.RD | Lunar and Planetary Institute, Contract # NNX08AC28A | ASA | 94,358 |
| 84.RD | Ohio State University, Contract # 60023887 | ASA | 1,032,312 |
| 84.RD | Research Triangle Institute, Contract # 24-312-0209234 | NAA | 19,485 |
| 84.RD | Salt River Pima-Maricopa Indian Community, Contract # Q215F070078 | ASA | 431 |
| 84.RD | Salus University, Contract # 83401 | UAA | 51,084 |
| 84.RD | ARRA—Science Foundation of Arizona, Contract # OER-11-CON-GS-45 | ASA | 148,376 |
| 84.RD | ARRA—Science Foundation of Arizona, Contract #s OER11CONGS45, SRG044010 | UAA | 365,549 |
| 84.RD | Southwest Institute for Families & Children with Disabilities, Contract #s S35B90048, S359B070029 | ASA | 171,756 |
| 84.RD | Thomas Jefferson University, Contract # H327X070003 | ASA | 175,472 |
| 84.RD | University of California-Los Angeles, Contract # R305C080015 | ASA | 15,402 |
| 84.RD | University of New Mexico, Contract # P116N070002 | ASA | 10,365 |
| 84.RD | University of Oregon, Contract #s R324C110004, R324A090111 | ASA | 587,721 |
| 84.RD | University of Texas-El Paso, Contract # P116B080100 | ASA | 40,145 |
| 84.RD | Vanderbilt University, Contract # H373X070026 | ASA | 28,161 |
| 84.RD | WestEd, Contract # 5814S09052 | UAA | 81,735 |
| 84.RD | Western Michigan University, Contract # 6840 | UAA | 6,630 |
| | Department of Education Subtotal | | 9,064,643 |
| | <u>National Archives and Records Administration</u> | | |
| 89.RD | National Historical Publications and Records Commission | UAA | 45,887 |
| 89.RD | ARRA—Ceres Incorporated, Contract # 20100903 | UAA | 15,459 |
| | National Archives and Records Administration Subtotal | | 61,346 |
| | <u>Department of Health and Human Services</u> | | |
| 93.RD | Agency for Healthcare Research and Quality | UAA | 204,002 |
| 93.RD | ARRA—Agency for Healthcare Research and Quality | UAA | 387,700 |
| 93.RD | Centers for Disease Control and Prevention | UAA | 2,591,433 |
| 93.RD | Department of Health and Human Services | ASA | 4,593,370 |
| 93.RD | ARRA—Department of Health and Human Services | ASA | 69,920 |
| 93.RD | Department of Health and Human Services | UAA | 303,078 |
| 93.RD | Fogarty International Center | UAA | 324,519 |
| 93.RD | Food and Drug Administration | UAA | 153,036 |
| 93.RD | Health Resources & Services Administration | UAA | 468,498 |
| 93.RD | National Cancer Institute | UAA | 23,853,197 |
| 93.RD | ARRA—National Cancer Institute | UAA | 305,109 |
| 93.RD | National Center for Complementary & Alternative Medicine | UAA | 903,503 |
| 93.RD | ARRA—National Center for Complementary & Alternative Medicine | UAA | 408,387 |
| 93.RD | ARRA—National Center for Research Resources | UAA | 2,747,334 |
| 93.RD | National Center on Minority Health and Health Disparities | UAA | 675,780 |
| 93.RD | National Eye Institute | UAA | 3,202,524 |
| 93.RD | ARRA—National Eye Institute | UAA | 202,002 |
| 93.RD | National Heart, Lung, & Blood Institute | UAA | 11,411,089 |
| 93.RD | ARRA—National Heart, Lung, & Blood Institute | UAA | 830,131 |
| 93.RD | National Human Genome Research Institute | UAA | 663,149 |
| 93.RD | National Institute of Allergy & Infectious Diseases | UAA | 7,816,403 |
| 93.RD | ARRA—National Institute of Allergy & Infectious Diseases | UAA | 174,090 |
| 93.RD | National Institute of Arthritis and Musculoskeletal Skin Diseases | UAA | 927,569 |
| 93.RD | National Institute of Biomedical Imaging and Bioengineering | UAA | 3,309,889 |
| 93.RD | ARRA—National Institute of Biomedical Imaging and Bioengineering | UAA | 412,619 |
| 93.RD | National Institute of Child Health and Human Development | UAA | 5,361,984 |
| 93.RD | National Institute of Dental & Craniofacial Research | UAA | 430,183 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 93.RD | ARRA—National Institute of Dental & Craniofacial Research | UAA | 71,712 |
| 93.RD | National Institute of Diabetes and Digestive and Kidney Diseases | UAA | 3,968,298 |
| 93.RD | ARRA—National Institute of Diabetes and Digestive and Kidney Diseases | UAA | 209,381 |
| 93.RD | National Institute of Environmental Health Sciences | UAA | 4,919,047 |
| 93.RD | ARRA—National Institute of Environmental Health Sciences | UAA | 331,333 |
| 93.RD | National Institute of General Medical Services | UAA | 7,288,247 |
| 93.RD | ARRA—National Institute of General Medical Services | UAA | 429,507 |
| 93.RD | National Institute of Mental Health | UAA | 535,326 |
| 93.RD | National Institute of Neurological Disorders and Stroke | UAA | 4,114,995 |
| 93.RD | National Institute of Nursing Research | UAA | 1,332,002 |
| 93.RD | National Institute of Occupational Safety and Health | UAA | 892,499 |
| 93.RD | National Institute on Aging | UAA | 3,239,517 |
| 93.RD | ARRA—National Institute on Aging | UAA | 233,025 |
| 93.RD | National Institute on Alcohol Abuse and Alcoholism | UAA | 215,632 |
| 93.RD | National Institute on Deafness and Other Communication Disorders | UAA | 3,857,148 |
| 93.RD | ARRA—National Institute on Deafness and Other Communication Disorders | UAA | 49,671 |
| 93.RD | National Institute on Drug Abuse | UAA | 3,086,852 |
| 93.RD | National Institutes of Health | ASA | 42,725,441 |
| 93.RD | ARRA—National Institutes of Health | ASA | 2,314,625 |
| 93.RD | National Institutes of Health | NAA | 2,338,034 |
| 93.RD | ARRA—National Institutes of Health | NAA | 315,545 |
| 93.RD | National Institutes of Health | UAA | 1,271,634 |
| 93.RD | National Library of Medicine | UAA | 226,037 |
| 93.RD | Substance Abuse and Mental Health Administration | UAA | 162,456 |
| 93.RD | 4D Technology Corporation, Contract # 2R44RR02817002 | UAA | 26,104 |
| 93.RD | Albert Einstein College of Medicine, Contract # 95265310 | UAA | 69,643 |
| 93.RD | American College of Radiology, Contract #s 4701, U10CA216614701 | UAA | 1,822 |
| 93.RD | American Lung Association, Contract #s LTR DTD 111009, LTR DTD 111009 | UAA | 7,602 |
| 93.RD | Arizona Alzheimer's Disease Core Center (ADCC), Contract # P30 AG019610 | ASA | 9,181 |
| 93.RD | Arizona Department of Health Services, Contract #s ADHS11-006155, HG953296, HG958299 | ASA | 47,473 |
| 93.RD | Arizona Department of Health Services, Contract #s ADHS11003274, HS160052, HS861132 | UAA | 185,397 |
| 93.RD | Arizona Governor's Council on Developmental Disabilities, Contract # 2011G994902 | ASA | 50,540 |
| 93.RD | ARRA—Arizona Health-e Connection, Contract # 90RC0035 | ASA | 352,872 |
| 93.RD | ARRA—Arizona Health-e Connection, Contract # UA290RC0035 | UAA | 15,340 |
| 93.RD | Arizona State University, Contract #s 10221, 10230, 10375, 10383, 10418, 11457, 11588, 12756, 12763, 9062 | UAA | 636,961 |
| 93.RD | Association of American Medical Colleges, Contract # MM10640909 | UAA | 59,253 |
| 93.RD | Association of University Centers On Disability, Contract # 447 | UAA | 45,507 |
| 93.RD | Banner Health, Contract # P30 AG019610 | ASA | 44,419 |
| 93.RD | Banner Health Research Institute, Contract # P30 AG019610 | ASA | 146,492 |
| 93.RD | Banner Health System, Contract # 4350310006 | UAA | 90,168 |
| 93.RD | Banner Research Institute, Contract #s LMS04320229905, LMS04320229908P30AG019, LMS0432029907, P30AG019610, P30AG019610AHERN, P30AG019610RAPSCAK, P30AG019610KASZNIAC | UAA | 150,328 |
| 93.RD | Barrows Neurological Institute (St. Josephs Hospital), Contract #s R21 DC009871, R21 NS074226 | ASA | 84,983 |
| 93.RD | Baylor College of Medicine, Contract # 101085376 | UAA | 11,091 |
| 93.RD | Beth Israel Deaconess Medical Center, Contract # 1024796 | UAA | 89,931 |
| 93.RD | Boston University Medical Campus, Contract # 9500241361 | UAA | 18,819 |
| 93.RD | Bowling Green State University, Contract # 10450045ARIZ | UAA | 3,299 |
| 93.RD | Brigham and Women's Hospital, Contract #s 103122, 105109, 106613 | UAA | 236,936 |
| 93.RD | ARRA—Brigham and Women's Hospital, Contract # 105109 | UAA | 211,042 |
| 93.RD | BrightOutcome Inc., Contract # LTR DTD 062712 | UAA | 30,330 |
| 93.RD | Caracal Incorporated, Contract #s 1R44CA144322, HHSN261200700046C | UAA | 159,366 |
| 93.RD | Carnegie Mellon University, Contract #s 1090143189596, 1090324267420 | UAA | 112,750 |
| 93.RD | Caucaseco Scientific Research Center, Contract # U19 AI089702 | ASA | 50,340 |
| 93.RD | Children's Hospital of Philadelphia, Contract # 950930RSUB | UAA | 4,111 |
| 93.RD | Cincinnati Children's Hospital Medical Center, Contract # 102243 | UAA | 13,369 |
| 93.RD | ARRA—Cincinnati Children's Hospital Medical Center, Contract # 106569 | UAA | 8,465 |
| 93.RD | Claremont Graduate University, Contract # U01 HL097839 | ASA | 123,904 |
| 93.RD | Columbia University, Contract #s 530332, 9ACCT539311, U01NS043975140, U01NS04397580 | UAA | 72,058 |
| 93.RD | Community Bridges, Contract # 1H79TI023892 | ASA | 20,805 |
| 93.RD | Cornell University, Contract # 595439252 | UAA | 50,759 |
| 93.RD | Critical Path Institute (THE), Contract #s CP1700101, LTR DTD 082409, LTR DTD 070910 | UAA | 104,061 |
| 93.RD | DMETRIX, Inc., Contract # LTR DTD 061111 | UAA | 58,545 |
| 93.RD | Duke University, Contract #s 3034320, 3035292 | UAA | 522,594 |
| 93.RD | ARRA—Duke University, Contract # 173530 | UAA | 20,397 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|--------------|
| 93.RD | Eden Medical, Inc., Contract # 1R43DK08843101 | UAA | 341 |
| 93.RD | Emory University, Contract # S391810 | UAA | 140,366 |
| 93.RD | ARRA—Emory University, Contract # S496154 | UAA | 62,238 |
| 93.RD | Engineering Arts, Contract # R42RR031446 | ASA | 63,211 |
| 93.RD | Florida International University, Contract # 800001205-01 | ASA | 99,422 |
| 93.RD | Genefluidics, Inc., Contract #s LTD DTD 101110, R43AI088756 | UAA | 159,331 |
| 93.RD | Giner, Incorporated, Contract # R44DK070400 | UAA | 135,199 |
| 93.RD | Group Health Cooperative, Contract #s 2010101624, 2011102816, 2011102816 | UAA | 92,921 |
| 93.RD | Gynecologic Oncology Group Administrative, Contract # CA101165 | UAA | 242,164 |
| 93.RD | H. Lee Moffitt Cancer Center & Research Institute, Contract #s 10154839901G2, 10154859901G1, 10158719901G1 | UAA | 695,042 |
| 93.RD | Harvard University, Contract # R01 GN081533 | ASA | 15,591 |
| 93.RD | Harvard University, Contract #s 1482512101, 23590-114324 | UAA | 188,110 |
| 93.RD | Hawaii Pacific University, Contract # R34 DA031306 | ASA | 7,893 |
| 93.RD | High Throughput Genomics, Inc., Contract # R43AI078577 | UAA | 59,685 |
| 93.RD | Hispanic Serving Health Professions Schools, Contract #s CDC-U50/CC325128-AZ-PUBH-01, CDCU50CC325128UAMED05, OMH-5-MPCMP101048-UAMED-02 | UAA | 20,208 |
| 93.RD | Hualapai Tribe, Contract # LTR DTD 100509 | UAA | 26,075 |
| 93.RD | Indiana University, Contract # IN4685522UA | UAA | 17,459 |
| 93.RD | Inter Tribal Council of Arizona, Inc., Contract #s CK58713, U26IHS300283 | UAA | 219,305 |
| 93.RD | ARRA—Inter Tribal Council of Arizona, Inc., Contract # U01CA114696 | UAA | 42,127 |
| 93.RD | ARRA—International Genomics Consortium, Contract # HHSN261201000059C | UAA | 70,050 |
| 93.RD | logenetics, LLC, Contract # 2R44AI056944 | UAA | 291,957 |
| 93.RD | Jackson State University, Contract # 9N01HC95170 | UAA | 58,998 |
| 93.RD | John Hopkins Medical Institutions, Contract # R21 A1085380 | ASA | 9,551 |
| 93.RD | Johns Hopkins University, Contract #s 1R01 MH085641, P01TP000288, U54 CA143868 | ASA | 176,197 |
| 93.RD | Johns Hopkins University Bloomberg School of Public Health, Contract # U90PR000004 | ASA | 1,299 |
| 93.RD | Kaiser Foundation Research Institute, Contract # R02AT005896 | UAA | 132,001 |
| 93.RD | Kaiser Permanente, Center for Health Research, Contract # HHSA 290-2007-10057-I | ASA | 30,423 |
| 93.RD | Los Alamos National Laboratory, Contract # 142544-1 | NAA | 102,687 |
| 93.RD | Louisiana State University and Agricultural and Mechanical College, Contract # 38251 | UAA | 7,122 |
| 93.RD | Maricopa County, Contract # 1H79TI021549-01 | ASA | 72,265 |
| 93.RD | Massachusetts General Hospital, Contract #s 5U01A1077883-03, U01 A1077883 | ASA | 168,416 |
| 93.RD | Mayo Clinic-Rochester, Contract # DP1 DA031340 | ASA | 176,303 |
| 93.RD | Medical College of Georgia Research Institute, Contract # 2049735 | UAA | 26,778 |
| 93.RD | Medical College of Wisconsin, Contract # R01HL095410 | UAA | 606 |
| 93.RD | ARRA—MIT: Massachusetts Institute of Technology, Contract # U01AI082204 | ASA | 4,737 |
| 93.RD | Nanotherapeutics, Inc., Contract # 1R44AI094919-01 | ASA | 28,665 |
| 93.RD | Nanotherapeutics, Inc., Contract # COA1 | UAA | 45,407 |
| 93.RD | National Childhood Cancer Foundation, Contract # 18568 | UAA | 34,829 |
| 93.RD | Navajo Nation-Division of Social Services, Contract # C09521 | ASA | 115,225 |
| 93.RD | New England College of Optometry, Contract # LTR DTD 102510 | UAA | 51,717 |
| 93.RD | New York University, Contract #s F646901, F690601 | UAA | 197,617 |
| 93.RD | New York University Langone Medical Center, Contract # U01 CA086137-12 | ASA | 109,294 |
| 93.RD | Northern Arizona University, Contract # IHD31CP | UAA | 36,889 |
| 93.RD | Northwestern University, Contract # SP0004560PROJ0001555 | UAA | 143,207 |
| 93.RD | NSABP Foundation, Incorporated, Contract # PFED26ARZ01 | UAA | 29,897 |
| 93.RD | Ohio State University, Contract # R01AT005216-04 | ASA | 124,754 |
| 93.RD | Oligomerix, Inc., Contract # R44AG029777 | ASA | 146,496 |
| 93.RD | Oregon Health & Science University (OHSU), Contract # R01 OH009676 | ASA | 26,103 |
| 93.RD | ARRA—Oregon Health & Science University (OHSU), Contract # R01 NR11793 | ASA | 10,067 |
| 93.RD | Oregon Health & Science University, Contract #s AVGT1099, AVGTI0101 | UAA | 346,835 |
| 93.RD | Oregon Research Institute, Contract #s 1R21CA131461, R01AA019671, R01CA098555 | UAA | 151,846 |
| 93.RD | Palo Alto Institute of Research and Education Inc., Contract # LIA001201 | UAA | 236,841 |
| 93.RD | Pennsylvania State University, Contract #s R01 HD032336, R21 DA024266 | ASA | 116,049 |
| 93.RD | Pennsylvania State University, Contract #s 5U10HL064313, UAZHL098115 | UAA | 338,210 |
| 93.RD | Radiation Effects Research Foundation, Contract # HHSN272200900059C | UAA | 206,255 |
| 93.RD | Radiation Monitoring Devices, Inc., Contract #s C1036, C1128 | UAA | 216,233 |
| 93.RD | Research Foundation, The State University of New York, Contract # 5892210980232 | UAA | 158,387 |
| 93.RD | SAIC-Frederick Inc., Contract #s HHSN261200800001E, 1112412X | ASA | 236,050 |
| 93.RD | SJT Micropower Inc., Contract # R44 EB0077453 | ASA | 20,440 |
| 93.RD | Stanford University, Contract # 2650584050957A | UAA | 252,212 |
| 93.RD | State of Nevada Aging and Disability Services Division, Contract # 18-040-45-AM-10 | ASA | 51,955 |
| 93.RD | Sun Health Research Institute, Contract #s P30 AG019610, U01 AG016976 | ASA | 25,970 |
| 93.RD | Temple University, Contract # 360544261 | UAA | 15,857 |
| 93.RD | Texas A & M University, Contract # R01 HD039367 | ASA | 70,131 |
| 93.RD | Thomson Reuters, Contract # HHSA290200900022I | ASA | 11,212 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|--|-----------------------|--------------|
| 93.RD | <i>Translational Genomics Research Institute, Contract # 1R01NS059873-01A1</i> | ASA | 66,270 |
| 93.RD | <i>Translational Genomics Research Institute, Contract # KEIM-07-01</i> | NAA | 217,785 |
| 93.RD | <i>Translational Genomics Research Institute, Contract #s VONHOFF0503, VONHOFF0702</i> | UAA | 63,171 |
| 93.RD | <i>ARRA—Translational Genomics Research Institute, Contract # MEURICE0902</i> | UAA | 983,225 |
| 93.RD | <i>Tucson Indian Center, Contract # LTR DTD 121610</i> | UAA | 21,044 |
| 93.RD | <i>University of Akron, Contract # 532803-NAU</i> | NAA | 43,405 |
| 93.RD | <i>University of Alabama, Contract # T0902240027</i> | UAA | 200,754 |
| 93.RD | <i>University of Arizona, Contract #s U19AT02023, R01 DK033351, R01 CA140285, R01 AG025526, 7K23NR011460, 1R01DA026451-01A1</i> | ASA | 176,645 |
| 93.RD | <i>University of Arizona, Contract #Y562157</i> | NAA | 22,931 |
| 93.RD | <i>University of Arizona-Cancer Center, Contract # 1R01CA151708-01A1</i> | ASA | 34,866 |
| 93.RD | <i>University of Arizona-College of Medicine, Contract # R01MH073930</i> | ASA | 5,561 |
| 93.RD | <i>University of Arkansas for Medical Sciences, Contract # 90YD0254-01</i> | ASA | 33,542 |
| 93.RD | <i>University of British Columbia, Contract # F0904852</i> | UAA | 28,178 |
| 93.RD | <i>University of California, Contract # 20122284401</i> | UAA | 8,031 |
| 93.RD | <i>University of California-Berkeley, Contract # U54 CA143836-03</i> | ASA | 70,317 |
| 93.RD | <i>ARRA—University of California-Davis, Contract # P01 AG022500</i> | ASA | 52,032 |
| 93.RD | <i>University of California-Davis, Contract #s 20101596201, SUB0600020</i> | UAA | 16,778 |
| 93.RD | <i>University of California-Irvine, Contract # 2009-2157</i> | NAA | 331,043 |
| 93.RD | <i>University of California-Irvine, Contract #s 20092154, 20092155, 20092317</i> | UAA | 371,448 |
| 93.RD | <i>University of California-Los Angeles, Contract # R01 HD057164</i> | ASA | 37,835 |
| 93.RD | <i>University of California-Los Angeles, Contract #s 1930GNA874, 1930GPA482, 2000GPM600</i> | UAA | 165,728 |
| 93.RD | <i>ARRA—University of California-Los Angeles, Contract # 2000GME793</i> | UAA | 114,840 |
| 93.RD | <i>University of California-Riverside, Contract # U01 ES016026</i> | ASA | 2,982 |
| 93.RD | <i>University of California-San Diego, Contract # R01 DC011422</i> | ASA | 60,883 |
| 93.RD | <i>University of California-San Diego, Contract # 16071</i> | UAA | 7,327 |
| 93.RD | <i>University of California-San Francisco, Contract #s R25 DA028567, N01 AI015416</i> | ASA | 27,631 |
| 93.RD | <i>University of California-San Francisco, Contract # 5712SC</i> | UAA | 99,429 |
| 93.RD | <i>University of Cincinnati, Contract # 6883</i> | UAA | 145,303 |
| 93.RD | <i>University of Colorado-Denver, Contract # FY12583001UAZ</i> | UAA | 30,932 |
| 93.RD | <i>University of Colorado-Denver, Health Sciences Center, Contract # FY11219007</i> | UAA | 16,805 |
| 93.RD | <i>University of Connecticut Health Center, Contract # R33 CA143531</i> | ASA | 40,558 |
| 93.RD | <i>ARRA—University of Florida, Contract # LTR DTD 092310</i> | UAA | 554 |
| 93.RD | <i>University of Georgia, Contract # RR1666144784716</i> | UAA | 29,329 |
| 93.RD | <i>ARRA—University of Georgia, Contract # 3P1 RR005351</i> | ASA | 26,834 |
| 93.RD | <i>University of Illinois-Champaign/Urbana, Contract # 1R01HD061584-01A1</i> | ASA | 35,788 |
| 93.RD | <i>University of Illinois-Chicago, Contract #s R01 AA13328-05A2, R01 AA13328, 5P30AG022849, 1R18DP001140, 1P60MD003424-01</i> | ASA | 21,242 |
| 93.RD | <i>University of Iowa, Contract #s 1000945888, W000228447</i> | UAA | 118,194 |
| 93.RD | <i>University of Louisville, Contract # 09047301</i> | UAA | 22,876 |
| 93.RD | <i>University of Massachusetts, Contract # 12006752A00</i> | UAA | 48,121 |
| 93.RD | <i>University of Massachusetts Worcester, Contract # 6135844RFS2012024</i> | UAA | 10,075 |
| 93.RD | <i>University of Medicine & Dentistry of New Jersey, Contract #s 99705, LTR DTD 013008</i> | UAA | 10,291 |
| 93.RD | <i>ARRA—University of Miami, Contract # 66755L</i> | UAA | 925 |
| 93.RD | <i>University of Michigan, Contract #s R03-HD-061438, R01 GM096194, 1R01NR009691</i> | ASA | 129,253 |
| 93.RD | <i>University of Michigan, Contract #s 2U10CA3210232, 3001745805, 3001922370BPT, 50000029493000691503RPT07, 50000029493000770476ALIAS, 50000029493001300049PIII, 50000029493001413084PNT, F025187, F025189, F027440, F027973, U10CA32102</i> | UAA | 517,498 |
| 93.RD | <i>ARRA—University of Michigan, Contract # 50000029493001413084P</i> | UAA | 22,900 |
| 93.RD | <i>University of Minnesota, Contract #s B6636074301, B6636294201, P002078601</i> | UAA | 96,284 |
| 93.RD | <i>University of Mississippi, Contract # 5500101UA</i> | UAA | 30,556 |
| 93.RD | <i>University of Missouri, Contract # C00006984</i> | UAA | 19,835 |
| 93.RD | <i>University of Missouri-St. Louis, Contract # 24009</i> | UAA | 181 |
| 93.RD | <i>University of New Mexico, Contract #s N01AI50040, N266200500040C, R03 DA025992</i> | ASA | 36,366 |
| 93.RD | <i>University of New Mexico, Contract # 3R60M</i> | UAA | 10,823 |
| 93.RD | <i>University of North Carolina, Contract # 531229</i> | UAA | 13,056 |
| 93.RD | <i>University of North Carolina-Chapel Hill, Contract #s 90YR0041/03P01, 5R01NR003149-09, P01 HD039667</i> | ASA | 114,502 |
| 93.RD | <i>University of North Carolina-Chapel Hill, Contract # U54AI057157</i> | UAA | 143,044 |
| 93.RD | <i>University of North Texas Health Science Center, Contract # R01 DA023957</i> | ASA | 104,845 |
| 93.RD | <i>University of Oregon, Contract # R01 DA016110-09</i> | ASA | 95,874 |
| 93.RD | <i>University of Pennsylvania, Contract # 553062</i> | UAA | 19,449 |
| 93.RD | <i>ARRA—University of Pennsylvania, Contract # 555494</i> | UAA | 44,022 |
| 93.RD | <i>University of Pittsburgh, Contract #s R01 MH065368, R01 DA023245-05, R01 DA019697, 5R01NS050256</i> | ASA | 75,667 |
| 93.RD | <i>University of Pittsburgh, Contract #s 3375, 6476</i> | UAA | 121,077 |
| 93.RD | <i>University of Rochester, Contract #s R24 GM084917, R01 NR009691-06</i> | ASA | 18,860 |

See accompanying notes to schedule.

State of Arizona
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| CFDA/Identifying Number | Federal Grantor/Program Title/Pass-Through Grantor /Contract Number | Grantee (Appendix) | Expenditures |
|-------------------------|---|-----------------------|-------------------|
| 93.RD | University of Rochester, Contract #s 414440G, 414441G, 414442G, 414443G, 414444G, 415580G | UAA | 694,193 |
| 93.RD | University of South Carolina, Contract # 122003 | UAA | 94,355 |
| 93.RD | University of Southern California, Contract # U54 CA143907 | ASA | 281,951 |
| 93.RD | University of Southern California, Contract #s H47329, H48494, H50658 | UAA | 118,911 |
| 93.RD | University of Texas-Austin, Contract # 5R01NS056839-10 | ASA | 35,181 |
| 93.RD | University of Texas-Austin, Contract # UTA09000869 | UAA | 32,479 |
| 93.RD | University of Texas-Dallas, Contract # R01dc010494 | ASA | 12,887 |
| 93.RD | University of Texas-Galveston, Contract # U54 AI057156 | ASA | 512 |
| 93.RD | ARRA—University of Texas Health Science Center-Houston, Contract # 90TR0004-01 | ASA | 248,332 |
| 93.RD | University of Texas-Houston, Health Science Center, Contract # 0008027H | UAA | 65,347 |
| 93.RD | University of Texas MD Anderson Center, Contract #s 2790398012715, 2869298018020 | UAA | 5,176 |
| 93.RD | University of Texas-San Antonio, Health Science Center, Contract # RN00132009001 | UAA | 65,442 |
| 93.RD | University of Texas Southwestern Medical, Contract # GMO110311 | UAA | 75,339 |
| 93.RD | University of Utah, Contract # 230200407AZ | UAA | 130,892 |
| 93.RD | ARRA—University of Vermont, Contract # RC4 HL106625 | ASA | 396,591 |
| 93.RD | University of Washington, Contract #s U19 AI089688, R01 AI078229 | ASA | 140,513 |
| 93.RD | ARRA—University of Washington, Contract # R01 AI078229 | ASA | 6,823 |
| 93.RD | University of Wisconsin-Madison, Contract # R01 MH059785 | ASA | 102,037 |
| 93.RD | University of Wisconsin-Milwaukee, Contract # R03 NR012802 | ASA | 32,851 |
| 93.RD | Vala Sciences, Inc., Contract # HHSN261201100111C | UAA | 59,158 |
| 93.RD | Vanderbilt University, Contract #s VUMC35128, VUMC38448 | UAA | 92,687 |
| 93.RD | ARRA—Vanderbilt University, Contract # VUMC35934 | UAA | 10,614 |
| 93.RD | Washington University, Contract # P60 AA011998 | ASA | 35,380 |
| 93.RD | Yale University, Contract #s R01 AA016662, U01 NS044876 | ASA | 17,726 |
| 93.RD | Yale University, Contract #s A06961M08135, A07593M10A10552, A08094M11A10894, M12A11387 | UAA | 287,512 |
| | Department of Health and Human Services Subtotal | | 176,454,736 |
| | <u>Department of Homeland Security</u> | | |
| 97.RD | Department of Homeland Security | ASA | 650,983 |
| 97.RD | Department of Homeland Security | NAA | 2,833,436 |
| 97.RD | Department of Homeland Security | UAA | 2,817,894 |
| 97.RD | Federal Emergency Management Agency | UAA | 642,116 |
| 97.RD | Intelesense Technologies, Contract # LTR DTD 030311 | UAA | 68,136 |
| 97.RD | Kansas State University, Contract # S10204 | UAA | 33,476 |
| 97.RD | Los Alamos National Laboratory, Contract # HSHQDC-09 X00644 | NAA | 69,778 |
| 97.RD | Translational Genomics Research Institute, Contract # KEIM-10-12 | NAA | 144,459 |
| 97.RD | University of Arizona, Contract # 2008-ST-061-BS0002 | ASA | 9,629 |
| 97.RD | University of Maryland, Contract # Z957001 | UAA | 102,677 |
| 97.RD | Virginia Polytechnic Institute, Contract # 44843319101 | UAA | 24,438 |
| | Department of Homeland Security Subtotal | | 7,397,022 |
| | <u>Agency for International Development</u> | | |
| 98.RD | American Council on Education, Contract # AEGA00050000700 | UAA | 22,955 |
| 98.RD | Colorado State University, Contract # EEMA001000001 | ASA | 37,110 |
| 98.RD | Council of State Governments, The, Contract # 523A000800010000 | ASA | 76,525 |
| 98.RD | North Carolina State University, Contract # 2007120004 | UAA | 4,882 |
| 98.RD | Oregon State University, Contract # RD011GA | UAA | 214,470 |
| 98.RD | Virginia Polytechnic Institute, Contract # 42597619101 | UAA | 6,795 |
| | Agency for International Development Subtotal | | 362,737 |
| | Total Research and Development Cluster | | \$ 534,074,167 |
| | TOTAL EXPENDITURES OF FEDERAL AWARDS | | \$ 13,620,237,481 |

See accompanying notes to schedule.

State of Arizona
Notes to Schedule of Expenditure of Federal Awards
Year Ended June 30, 2012

Note 1 - Significant Accounting Policies

Basis of Presentation—The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Reporting Entity—The schedule includes all federal awards activity administered by the State of Arizona and its component units.

Basis of Accounting—The federal awards reported in the schedule were presented in the State's governmental and proprietary funds and discretely presented component units on the basic financial statements of the State of Arizona for the year ended June 30, 2012, and were accounted for using the modified accrual and full accrual basis of accounting, as applicable, in conformity with generally accepted accounting principles.

Expenditures—Certain transactions relating to expenditures of federal awards may appear in the records of more than one state grantee agency. To avoid duplication and the overstatement of the aggregate level of federal awards expended by the State of Arizona, the following policies have been adopted:

1. When monies are received by one state grantee agency and distributed to another state grantee agency, the federal monies are reported in the accounts of the state grantee agency that expends the monies.
2. Purchases of services between state grantee agencies using federal monies are recorded as expenditures on the purchasing agency's records and as revenues for services rendered on the providing agency's records. Therefore, the receipt of federal awards is attributed to the purchasing agency, which is the primary receiving/expending state grantee agency.

Note 2 - Catalog of Federal Domestic Assistance (CFDA)/Identifying Number

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2012 *Catalog of Federal Domestic Assistance*. When no CFDA number had been assigned to a program, the two-digit federal agency identifier, a period, and the federal contract number were used. When there was no federal contract number, the two-digit federal agency identifier, a period, and the word "Unknown" were used. For programs within the Research and Development Cluster, the two-digit federal agency identifier, a period, and the letters "RD" were used.

State of Arizona
Notes to Schedule of Expenditure of Federal Awards
Year Ended June 30, 2012

Note 3 - Research and Development Cluster

As provided by OMB Circular A-133, the research and development cluster of programs is summarized by federal agency subdivision or pass-through entity.

Note 4 - Pass-through Grantor Contract Numbers

For federal awards received by the State from a pass-through grantor, the pass-through grantor contract number is included, if available, immediately following the pass-through grantor's name. Pass-through grantors are italicized.

Note 5 - Loan Programs

Only administrative costs incurred for loan and loan guarantee programs are included in the schedule. However, OMB Circular A-133, Subpart B, §205(b), requires that the current year administrative costs and loan distributions, and the balances of the previous year's outstanding student loans and loan guarantees, also be included in these programs when determining federal awards expended for single audit purposes. Further, Subpart B, §310(b)(6), requires that loans or loan guarantees outstanding at year-end be included in either the schedule or a note to the schedule. Loans and loan guarantees outstanding at June 30, 2012, are described below:

Student Loan Programs

The universities administer the following seven federal student loan programs. The current-year loan distributions and the balances of loans outstanding at year-end are shown below:

| Loan Program | CFDA Number | Loans Distributed During the Year | Loan Balances Outstanding at June 30, 2012 |
|---|------------------------|--|---|
| Education and Human Resources | 47.076 | \$ 0 | \$ 304,200 |
| ARRA—Trans-NSF Recovery Act Research Support | 47.082 | 125,800 | 183,300 |
| Federal Perkins Loan Program—Federal Capital Contributions | 84.038 | 3,644,303 | 28,143,549 |
| Nurse Faculty Loan Program (NFLP) | 93.264 | 1,249,988 | 3,478,119 |
| Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students | 93.342 | 222,520 | 2,427,469 |
| Nursing Student Loans | 93.364 | 203,583 | 1,367,859 |
| ARRA—Nurse Faculty Loan Program | 93.408 | 0 | 512,568 |

State of Arizona
Notes to Schedule of Expenditure of Federal Awards
Year Ended June 30, 2012

In addition, the universities distribute loans from a federal loan program that is administered by an independent third party. For the year ended June 30, 2012, the universities distributed \$849,506,872 of Federal Direct Student Loans (CFDA number 84.268).

Housing Program

The Department of Housing administers the Home Investment Partnerships Program (CFDA number 14.239), which provides loans to municipalities, nonprofit organizations, and individuals to purchase homes and rental properties. The Department distributed \$3,052,596 in loans during fiscal year 2012 and had \$25,954,517 in loan balances outstanding at June 30, 2012.

Note 6 - Food Commodities

Food commodities received by the State are disbursed through distributing agencies. Such commodities are included in the definition of federal awards when distributed and, accordingly, are included in the amounts presented on the schedule. The State's food commodity distributions during fiscal year 2012 totaled \$42,886,117, and the amounts, by CFDA number, are presented as follows:

| CFDA Number | Program Title | Amount |
|--------------------|--|---------------|
| 10.555 | National School Lunch Program | \$29,521,902 |
| 10.565 | Commodity Supplemental Food Program | 3,167,179 |
| 10.569 | Emergency Food Assistance Program (Food Commodities) | 10,197,036 |

Note 7 - Donation of Federal Surplus Personal Property

The value of the Donation of Federal Surplus Personal Property program (CFDA number 39.003) reported on the schedule is based on a "market basket formula" developed by the U.S. General Services Administration. This market basket formula represents 23.68 percent of the original federal acquisition cost, totaling \$1,634,880 for the year ended June 30, 2012.

Note 8 - Immunization Cluster

The Immunization Cluster (CFDA number 93.268 and CFDA number 93.712) expenditures of \$89,550,210 include \$81,941,440 worth of vaccines. Vaccines administered by the Department of Health Services are included in the definition of federal awards and, accordingly, are included in the amount presented on the schedule.

State of Arizona
Notes to Schedule of Expenditure of Federal Awards
Year Ended June 30, 2012

Note 9 - Unemployment Insurance (CFDA No. 17.225)

The unemployment compensation system is a unique federal-state partnership, founded upon federal law, but implemented through state law. As prescribed by the U.S. Department of Labor in consultation with the Office of Management and Budget, certain state monies, in addition to federal monies, were considered federal awards for determining Type A programs, and were included in the Schedule of Expenditures of Federal Awards.

The amount presented on the schedule consists of the following:

| | |
|---|------------------------|
| Regular unemployment compensation benefits | \$1,037,616,757 |
| ARRA—Federal Additional Compensation (FAC) Recoupment | 7,933,367 |
| Unemployment compensation for federal employees | 6,741,164 |
| Unemployment compensation for ex-service members | 5,887,871 |
| Administrative costs | 56,131,352 |
| ARRA—Administrative costs | <u>3,632,608</u> |
| Total expenditures | <u>\$1,117,943,119</u> |

State of Arizona
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2012

Summary of Auditors' Results

Financial Statements

| | | |
|---|-------------|-----------|
| Type of auditors' report issued: | Unqualified | |
| | Yes | No |
| Internal control over financial reporting: | | |
| Material weaknesses identified? | <u>X</u> | ___ |
| Significant deficiencies identified? | <u>X</u> | ___ |
| Noncompliance material to the financial statements noted? | ___ | <u>X</u> |

Federal Awards

| | | |
|--|----------|-----|
| Internal control over major programs: | | |
| Material weaknesses? | <u>X</u> | ___ |
| Significant deficiencies? | <u>X</u> | ___ |
| Type of auditors' report issued on compliance for major programs: Unqualified for all major programs except for the Military Construction, National Guard program; Vocational Rehabilitation Cluster; and TANF Cluster, which were qualified. | | |
| Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510[a])? | <u>X</u> | ___ |

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------------|---|
| 10.553/10.555/10.556/10.559 | Child Nutrition Cluster |
| 10.558 | Child and Adult Care Food Program |
| 10.568/10.569 | Emergency Food Assistance Cluster |
| 12.400 | Military Construction, National Guard |
| 12.401 | National Guard Military Operations and Maintenance (O&M) Projects |
| 14.195 | Section 8 Project-Based Cluster |
| 14.239 | Home Investment Partnerships Program |
| 16.575 | Crime Victim Assistance |
| 17.225 | Unemployment Insurance |
| 20.205/20.219 | Highway Planning and Construction Cluster |
| 81.041 | State Energy Program |

State of Arizona
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2012

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|---|--|
| 84.007/84.033/84.038/ 84.063/84.268/84.375/84.376/ 84.379/84.408/93.264/93.342/ 93.364/93.408/93.925 | Student Financial Assistance Cluster |
| 84.010/84.389 | Title I, Part A Cluster |
| 84.027/84.173/84.391/84.392 | Special Education Cluster (IDEA) |
| 84.048 | Career and Technical Education—Basic Grants to States |
| 84.126/84.390 | Vocational Rehabilitation Cluster |
| 84.287 | Twenty-First Century Community Learning Centers |
| 84.367 | Improving Teacher Quality State Grants |
| 84.394/84.397 | State Fiscal Stabilization Fund Cluster |
| 84.410 | Education Jobs Fund |
| 93.558/93.716 | TANF Cluster |
| 93.563 | Child Support Enforcement |
| 93.568 | Low-Income Home Energy Assistance |
| 93.575/93.596 | CCDF Cluster |
| 93.659 | Adoption Assistance |
| 93.667 | Social Services Block Grant |
| 93.767 | Children’s Health Insurance Program |
| 93.720/93.775/93.777/93.778 | Medicaid Cluster |
| 93.959 | Block Grants for Prevention and Treatment of Substance Abuse |
| R&D | Research and Development Cluster |

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

| | | |
|--|------------|-----------|
| Auditee qualified as low-risk auditee? | Yes | No |
| | — | <u>X</u> |

Other Matters

| | | |
|---|----------|---|
| Auditee’s Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])? | <u>X</u> | — |
|---|----------|---|

State of Arizona
Schedule of Findings and Questioned Costs
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Financial Statement Findings

Financial statement findings were reported in the separately issued Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with *Government Auditing Standards*.

Federal Award Findings and Questioned Costs

12-101

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**

10.555 **National School Lunch Program**

10.556 **Special Milk Program for Children**

10.559 **Summer Food Service Program for Children**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

CFDA No.: 10.558 **Child and Adult Care Food Program**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

U.S. Department of Agriculture

CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**

Award Period: Various

Award Numbers: Various

U.S. Department of Defense

CFDA No.: 14.239 **Home Investment Partnerships Program**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: M10-SG040100 and M11-SG040100

U.S. Department of Housing and Urban Development

CFDA No.: 16.575 **Crime Victim Assistance**

Award Period: October 1, 2007 through September 30, 2011

October 1, 2008 through September 30, 2012

March 1, 2009 through September 30, 2012

October 1, 2009 through September 30, 2013

October 1, 2010 through September 30, 2014

State of Arizona
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Award Numbers: 2008-VA-GX-0014, 2009-VA-GX-0060, 2009-SG-B9-0090, 2010-VA-GX-0064, and 2011-VA-GX-0019

U.S. Department of Justice

CFDA No.: 17.225 **Unemployment Insurance**

17.225 **ARRA—Unemployment Insurance**

Award Period: October 1, 2008 through September 30, 2009
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: UI-18007-09-55, UI-19569-10-55, UI 21086-11-55, and UI-22261-12-55

U.S. Department of Labor

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Award Period: Various

Award Numbers: Various

U.S. Department of Transportation

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Award Period: April 21, 2009 through April 30, 2012
July 1, 2010 through June 30, 2015

Award Numbers: DE-EE0000106 and DE-EE003872

U.S. Department of Energy

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Award Period: February 17, 2009 through September 30, 2011
July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

Award Numbers: S010A090003, S010A100003, S010A110003, and S389A090003A

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Award Period: February 17, 2009 through September 30, 2011
July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

State of Arizona
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Award Numbers: H027A090007A, H027A100007, H027A110007, H173A090003, H173A100003, H173A110003, H391A090007A, and H392A090003

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**
84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: H126A100002, H126A110002, H126A120002, and H390A090002

State Fiscal Stabilization Fund Cluster:

CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**
84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**

Award Period: June 4, 2009 through September 30, 2011
Award Numbers: S394A09003, S394A09003A, S397A09003, and S397A09003A

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

Award Period: July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

Award Numbers: V048A090003, V048A100003, and V048A110003

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

Award Period: July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

Award Numbers: S287C090003, S287C090003A, S287C100003, S287C100003–10A, S287C110003, and S287C110003–11A

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

Award Period: July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

Award Numbers: S367A090049, S367B090003, S367A100049, S367B100003A, S367A110049, and S367B110003

U.S. Department of Education

CCDF Cluster:

CFDA No.: 93.575 **Child Care and Development Block Grant**
93.596 **Child Care Mandatory and Matching Funds of the Child Care and Development Fund**

Award Period: October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

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Award Numbers: G1001AZCCDFD, G1101AZCCDFD, G1201AZCCDFD, G1001AZCCDF,
G1101AZCCDF, G1201AZCCDF, G11AZCCDFADM, G10AZCCDFADM, and
G12AZCCDFADM

Medicaid Cluster:

CFDA No.: 93.720 **ARRA—Survey and Certification Ambulatory Surgical Center Healthcare-
Associated Infection (ASC-HAI) Prevention Initiative**

93.775 **State Medicaid Fraud Control Units**

93.777 **State Survey and Certification of Health Care Providers and Suppliers (Title XVIII)
Medicare**

93.778 **Medical Assistance Program**

93.778 **ARRA—Medical Assistance Program**

Award Period: Various

Award Numbers: Various

CFDA No.: 93.767 **Children's Health Insurance Program**

Award Period: Various

Award Numbers: Various

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Award Period: October 1, 2009 through September 30, 2011

October 1, 2010 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 2B08TI010004-10, 3B08TI010004-10S1, 2B08TI010004-11, 3B08TI010004-11S1, and
2B08TI010004-12

U.S. Department of Health and Human Services

Allowable Costs/Cost Principles

Questioned Cost: \$559,162

Criteria: In accordance with 2 Code of Federal Regulations (CFR) §225, Appendix A, C.1.b and 3.a, costs charged to federal programs should be based on the relative benefits received.

Condition and context: The State of Arizona did not comply with the allowable costs/cost principles requirements with respect to the general agency counsel service costs provided by the Office of the Attorney General that were charged to federal programs administered by various state agencies. A.R.S. §41-191.09 created the Attorney General Legal Services Cost Allocation Fund (Fund) to reimburse the Attorney General's Department of Law for general agency counsel services. Beginning on July 1, 2006, all state agency funds, except those specifically exempted by the statute, were required to reimburse the Fund for the costs of general agency counsel services. Reimbursements were obtained by charging 0.675 percent of each applicable agency's total payroll expenditures, including those paid with federal monies, each pay period. Legislation during fiscal year 2012 changed the statute to reflect that the funding sources may not include federal monies. This change will be effective the first quarter of fiscal year 2013.

Effect: During fiscal year 2012, these charges totaled \$559,162, including \$217,187 for the major federal programs listed above and \$341,975 for all other federal programs. This amount is still subject to review and approval by the U.S. Department of Health and Human Services. This finding could potentially affect all federal programs administered by the affected state agencies that incurred payroll costs.

State of Arizona
Schedule of Findings and Questioned Costs
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Cause: The noncompliance resulted from a statutory requirement that these programs be charged for general agency counsel service costs and, therefore, was not caused by the federal programs' administration.

Recommendation: The Department of Administration should continue to monitor bills being considered in the Arizona State Legislature to help ensure that unallowable costs to federal programs will not be incurred in the future if a bill is enacted into law.

This finding is similar to a prior-year finding.

12-102

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**

10.555 **National School Lunch Program**

10.556 **Special Milk Program for Children**

10.559 **Summer Food Service Program for Children**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

CFDA No.: 10.558 **Child and Adult Care Food Program**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

Emergency Food Assistance Cluster:

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

10.569 **Emergency Food Assistance Program (Food Commodities)**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Number: 7AZ810AZ8

U.S. Department of Agriculture

CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**

Award Period: Various

Award Numbers: Various

U.S. Department of Defense

CFDA No.: 14.239 **Home Investment Partnerships Program**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Award Numbers: M10-SG040100 and M11-SG040100

U.S. Department of Housing and Urban Development

CFDA No.: 16.575 **Crime Victim Assistance**

Award Period: October 1, 2007 through September 30, 2011
October 1, 2008 through September 30, 2012
March 1, 2009 through September 30, 2012
October 1, 2009 through September 30, 2013
October 1, 2010 through September 30, 2014

Award Numbers: 2008-VA-GX-0014, 2009-VA-GX-0060, 2009-SG-B9-0090, 2010-VA-GX-0064, and
2011-VA-GX-0019

U.S. Department of Justice

CFDA No.: 17.225 **Unemployment Insurance**

17.225 **ARRA—Unemployment Insurance**

Award Period: October 1, 2008 through September 30, 2009
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: UI-18007-09-55, UI-19569-10-55, UI 21086-11-55, and UI-22261-12-55

U.S. Department of Labor

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Award Period: Various

Award Numbers: Various

U.S. Department of Transportation

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Award Period: April 21, 2009 through April 30, 2012
July 1, 2010 through June 30, 2015

Award Numbers: DE-EE0000106 and DE-EE003872

U.S. Department of Energy

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Award Period: February 17, 2009 through September 30, 2011
July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012

Award Numbers: S010A090003, S010A100003, S010A110003, and S389A090003A

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Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Award Period: February 17, 2009 through September 30, 2011

July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: H027A090007A, H027A100007, H027A110007, H173A090003, H173A100003, H173A110003, H391A090007A, and H392A090003

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**

84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: H126A100002, H126A110002, H126A120002, and H390A090002

State Fiscal Stabilization Fund Cluster:

CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**

84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**

Award Period: June 4, 2009 through September 30, 2011

Award Numbers: S394A09003, S394A09003A, S397A09003, and S397A09003A

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

Award Period: July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: V048A090003, V048A100003, and V048A110003

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

Award Period: July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: S287C090003, S287C090003A, S287C100003, S287C100003-10A, S287C110003, and S287C110003-11A

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

Award Period: July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: S367A090049, S367B090003, S367A100049, S367B100003A, S367A110049, and S367B110003

State of Arizona
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CFDA No.: 84.410 **Education Jobs Fund**

Award Period: August 10, 2010 through September 30, 2012

Award Number: S410A100003

U.S. Department of Education

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

CCDF Cluster:

CFDA No.: 93.575 **Child Care and Development Block Grant**

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

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G1001AZCCDFD, G1101AZCCDFD, G1201AZCCDFD, G1001AZCCDF, G1101AZCCDF, G1201AZCCDF, G10AZCCDFADM, G11AZCCDFADM, and G12AZCCDFADM

Medicaid Cluster:

CFDA No.: 93.720 **ARRA—Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative**

93.775 **State Medicaid Fraud Control Units**

93.777 **State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare**

93.778 **Medical Assistance Program**

93.778 **ARRA—Medical Assistance Program**

Award Period: Various

Award Numbers: Various

CFDA No.: 93.563 **Child Support Enforcement**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G1104AZ4004 and G1204AZ4004

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

Award Period: October 1, 2009 through September 30, 2011

October 1, 2010 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 10B1AZLIEA, G11B1AZLIEA, and G12B1AZLIEA

CFDA No.: 93.659 **Adoption Assistance**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

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Award Numbers: 1001AZ1407AD, 1101AZ1405, 1101AZ1407AD, 1101AZ1407AP, 1201AZ1407AD, and 1201AZ1407AP

CFDA No.: 93.667 **Social Services Block Grant**

Award Period: October 1, 2009 through September 30, 2011
October 1, 2010 through September 30, 2012
October 1, 2011 through September 30, 2013

Award Numbers: G1001AZSOSR, G1101AZSOSR, and G1201AZSOSR

CFDA No.: 93.767 **Children's Health Insurance Program**

Award Period: Various

Award Numbers: Various

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Award Period: October 1, 2009 through September 30, 2011
October 1, 2010 through September 30, 2012
October 1, 2011 through September 30, 2013

Award Numbers: 2B08TI010004-10, 3B08TI010004-10S1, 2B08TI010004-11, 3B08TI010004-11S1, and 2B08TI010004-12

U.S. Department of Health and Human Services

Allowable Costs/Cost Principles

Questioned Cost: \$308,724

Criteria: In accordance with 2 CFR §225, Appendix A, C.1.b and 3.a, costs charged to federal programs should be based on the relative benefits received.

Condition and context: The State of Arizona (State) did not comply with the allowable costs/cost principles requirements with respect to information technology service costs provided by the Arizona Strategic Enterprise Technology (ASET) Office, formerly the Government Information Technology Agency (GITA), that were charged to federal programs administered by various state agencies. A.R.S. §41-3505 created the Information Technology Fund (Fund) for ASET to provide information technology services. Beginning on July 1, 1997, all state agency funds were required to contribute to the Fund for the costs of information technology services. These contributions were obtained by charging 0.2 percent of each applicable agency's total payroll expenditures, including those paid with federal monies, each pay period. The information technology services ASET provided included information technology coordination, strategic planning, information security and privacy, technology project oversight services for all information technology projects costing more than \$25,000, and digital government services. The technology project oversight services were performed through a Project Investment Justification process, which allowed ASET to implement its strategic vision by requiring agencies to comply with state-wide policies and standards along with the strategic direction in the state-wide plan. The digital government services included developing strategies and deploying accessible, reliable, and cost-effective digital government services through the State's web portal, such as application website development, hosting and support services. The costs of these technology project oversight services and digital government services were determined to be unallowable because the services involved were not chargeable in accordance with relative benefits received.

State of Arizona
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Effect: During fiscal year 2012, these charges totaled \$308,724, including \$170,477 for the major federal programs listed above and \$138,247 for all other federal programs. This amount is still subject to review and approval by the U.S. Department of Health and Human Services. This finding could potentially affect all federal programs administered by the affected state agencies that incurred payroll costs.

Cause: The noncompliance resulted from a statutory requirement that these programs be charged for information technology service costs and digital government services, and therefore, was not caused by the federal programs' administration.

Recommendation: The State should ensure that technology project oversight services and digital government services are not charged to federal programs unless treated as direct costs or allocated using an equitable allocation basis, such as each agency's direct usage of technology project oversight services. In addition, the Department of Administration should monitor bills being considered in the Arizona State Legislature to help ensure that unallowable costs to federal programs will not be incurred in the future if the bill is enacted into law.

This finding is similar to a prior-year finding.

12-103

CFDA No.: **Various**

Award Period: Various

Award Numbers: Various

Allowable Costs/Cost Principles

Questioned Cost: \$6,844,114

Criteria: In accordance with 2 CFR §225, Appendix A, C.1.b and 3.a, costs charged to federal programs should be based on the relative benefits received.

Condition and context: Senate Bill 1612 of the 50th Legislature, First Regular Session 2011, Chapter 24, §§108, 129, and 138, mandated transfers of fund balances from various state agencies to the State of Arizona's (State) General Fund to help provide adequate support and maintenance for the agencies of the State. A portion of the balances transferred included federal monies and was therefore unallowable since the transfers were not based on the relative benefits received. The Department of Administration has determined the federal portion of the transfers to be \$6,844,114 during fiscal year 2012. However, the Department has not compiled the information by federal agency and program. In addition, this amount is still subject to review and approval by the U.S. Department of Health and Human Services.

Effect: The State is responsible for reimbursing the federal agencies the amount of unallowable costs. It was not practical to extend our auditing procedures sufficiently to determine whether any additional questioned costs resulted from this finding or to identify all the federal programs that were affected by this finding. This finding could potentially affect all federal programs administered by state agencies that had legislatively mandated transfers of fund balances.

State of Arizona
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Cause: The noncompliance resulted from legislatively mandated transfers of fund balances, and therefore, was not caused by the federal programs' administration.

Recommendation: The State should ensure that legislatively mandated transfers of fund balances to its General Fund do not include federal program monies. In addition, the Department of Administration should monitor bills being considered in the Arizona State Legislature to help ensure that unallowable costs to federal programs will not be incurred in the future.

This finding is similar to a prior-year finding.

12-104

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**
84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: H126A100002, H126A110002, H126A120002, and H390A090002

U.S. Department of Education

Eligibility

Questioned Cost: None

Criteria: In accordance with 29 U.S. Code 722(a)(6), the Department of Economic Security (Department) must determine whether an individual is eligible for vocational rehabilitation services within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for services, unless exceptional and unforeseen circumstances exist beyond the Department's control and the Department and the applicant agree to a specific extension of time or the Department is exploring the individual's abilities, capabilities, and capacity in order to be able to make the eligibility determination or close the case.

Condition and context: The Department of Economic Security, Division of Employment and Rehabilitation Services, Rehabilitation Services Administration (Administration), did not always follow its policies and procedures to document a specific extension of time signed by both the Administration and applicant or to document the Administration's continued exploration of the applicant's abilities, capabilities, and capacity to perform in work situations. Specifically, for 23 of 40 applications tested, it took the Administration between 61 and 377 days, or an average of 168 days, to determine eligibility. For 6 of the 23 applications, the Administration prepared a properly signed extension letter within the 60-day period, but it did not determine eligibility within the requested extension period. For 13 of the 23 applications, the Administration included an extension letter in the applicant's case file; however, it lacked the applicant's signature evidencing that the individual agreed to a specific time extension. Finally, for the 4 remaining applications, the extension letter was prepared and signed after the 60-day period ended.

State of Arizona
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Effect: Failure to make eligibility determinations in a timely manner may result in a delay of services provided.

Cause: The Administration did not react to system alerts that open applications were close to the 60-day eligibility determination requirement.

Recommendation: The Administration should provide adequate supervision of its caseworkers and enforce the following policies and procedures to help ensure compliance with eligibility requirements:

- Determine an applicant's eligibility within 60 days of the application submission date.
- Prepare a letter before the end of the 60-day eligibility period to establish a specific extension of time and to justify exceeding the 60-day period. This letter should be signed by both the Administration and the applicant.
- Determine an applicant's eligibility within the requested extension period.
- Document the Administration's continued exploration of the applicant's abilities, capabilities, and capacity to perform in work situations.

Further, the Administration should establish a control system, such as a checklist, to ensure that all documentation to determine eligibility is retained in the applicant's case file.

This finding is similar to a prior-year finding.

12-105

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

U.S. Department of Health and Human Services

Reporting

Questioned Cost: None

Criteria: In accordance with 45 CFR §265.7(a), reporting for the *ACF-196 TANF Financial Report* and *ACF-199 TANF Data Report* must be complete and accurate. Also, in accordance with 45 CFR §265.9(c)(5) and (6), reporting for the *ACF-204 Annual Report*, each state must provide the average monthly total number or the total number of eligible families served for which the state claims Maintenance of Effort (MOE) expenditures as of the fiscal year-end and the eligibility criteria for the families served under each program.

State of Arizona
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Condition and context: The Department of Economic Security (Department) did not accurately prepare various reports submitted during fiscal year 2012 for the TANF program. Auditors noted errors in three of the four reports tested. Specifically, auditors noted the following:

Financial Services Administration (FSA)

- For the December 31, 2011, quarterly *ACF-196 TANF Financial Report* for award fiscal year 2011, the FSA misreported \$20,786,593 of administrative expenditures within the 2-Parent Family Information and Maintenance reporting line. These expenditures should have been reported in the Administration reporting line. This error was corrected in the following quarter.

Family Assistance Administration (FAA)

- For the March 31, 2012, quarterly *ACF-199 TANF Data Report*, for two of the eight case files examined, the FAA understated the reported number of months countable towards the federal time limit by 1 month each.

Division of Aging and Adult Services (DAAS)

- For the fiscal year 2011 *ACF-204 Annual Report* including the *Annual Report on State Maintenance-of-Effort Programs*, the DAAS understated the number of families served by 210 families for the Coordinated Homeless Program.

Division of Business and Finance (DBF)

- For the fiscal year 2011 *ACF-204 Annual Report* including the *Annual Report on State Maintenance-of-Effort Programs*, the DBF reported that for the Domestic Violence Program there were no financial eligibility criteria for receiving MOE-funded program benefits when the program did in fact require participants to meet the TANF financial eligibility requirements.

Division of Employment and Rehabilitation Services (DERS)

- For the March 31, 2012, quarterly *ACF-199 TANF Data Report*, the FAA automatically reported a zero for the Number of Deemed Core Hours for Overall Rate and the Number of Deemed Core Hours for the Two-Parent Rate questions for all cases involving work participation activities.

Effect: Incorrect financial and nonfinancial data was submitted to the federal grantor that may result in potential errors in analysis or other determinations. This finding did not result in questioned costs since the reports were not used to request reimbursement of federal expenditures.

Cause: The Department did not have adequate controls in place over the preparation and submission of program reports in order to prevent or detect errors within their reports. In addition, the computer information system used to generate the quarterly *ACF-199 TANF Data Report* was programmed to report zero for each participant's deemed core hours.

Recommendation: The Department should establish policies and procedures to help ensure compliance with reporting requirements. Specifically, the Department should establish sufficient procedures to identify how to accumulate data for federal reports, and supervisors should perform a follow-up review over

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federal reports to ensure accurate amounts are reported. In addition, the Department should program the computer information system used to generate the quarterly *ACF-199 TANF Data Report* to report each participant's deemed core hours.

This finding is similar to a prior-year finding.

12-106

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

U.S. Department of Health and Human Services

Eligibility

Questioned Cost: \$2,460

Criteria: In accordance with 45 CFR §206.10(a)(8), each decision regarding eligibility or ineligibility must be supported by facts in the applicant's or recipient's case record.

Condition and context: The Department of Economic Security, Division of Benefits and Medical Eligibility, Family Assistance Administration (FAA), provided cash assistance to applicants who did not meet all of the Temporary Assistance for Needy Families (TANF) eligibility requirements. Specifically, auditors noted the following:

- For 1 of the 40 cases tested, the FAA issued benefits to an adult student who was not expected to graduate before their 19th birthday. Because the FAA did not obtain written verification of the expected graduation date from the student's educational institution, benefits were inappropriately issued for 10 months after the student's 18th birthday. This resulted in a questioned cost of \$1,640.
- For 1 of the 40 cases tested, the FAA issued benefits to a participant who had received cash assistance for more than 5 years. After 5 years, the participant applied for an extension of benefits because of a hardship that was not properly supported and verified. Therefore, the FAA provided unallowable benefits for 11 months, 5 of which were during the audit period. This resulted in a questioned cost of \$820.

Effect: Benefits were issued to recipients who were not eligible. It was not practical to extend our auditing procedures sufficiently to determine whether any additional questioned costs resulted from this finding.

Cause: FAA employees did not follow policies and procedures to ensure recipients of cash assistance qualified for additional assistance when their benefits originally expired. Furthermore, the FAA did not follow its policies and procedures to ensure that each decision regarding eligibility or ineligibility was supported by facts in the applicant's or recipient's case record.

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Recommendation: The FAA should provide adequate supervision of its employees and enforce the following policies and procedures to help ensure compliance with eligibility requirements:

- Monitor families who continue to receive cash assistance after the child turns 18.
- Obtain and verify the documentation supporting a hardship extension.
- Ensure that each decision regarding eligibility or ineligibility is supported by facts in the applicant's or recipient's case record.

12-107

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

U.S. Department of Health and Human Services

Subrecipient Monitoring

Questioned Cost: None

Criteria: In accordance with the OMB Circular A-133 §.210(e), the Department of Economic Security (Department) is responsible for establishing requirements to ensure compliance by for-profit subrecipients. Additionally, in accordance with the Department's Subrecipient Contract Monitoring policy number 1-16-03, §VI, part D.2.g., divisions are required to notify the Office of Procurement in writing immediately upon determination of potential compliance issues with a contract. Furthermore, in accordance with the Department's policy, §VI, part D.2.a., the contract initiator is required to complete all required contract monitoring forms at contract initiation, the start of each new fiscal year, and at any other time as is determined necessary.

Condition and context: The Department of Economic Security, Division of Employment and Rehabilitation Services (DERS), contracts with two for-profit subrecipients to carry out the TANF program. Even though the subrecipients are not subject to the audit requirements of OMB Circular A-133, they receive audits and the DERS obtains copies of their reports annually. In December 2011, the DERS received the audit report for one of the subrecipients for the year ended December 31, 2010, which included a finding related to unallowable costs within the TANF program. The DERS did not contact the subrecipient to inquire about the finding or request a corrective action plan. Additionally, the Office of Procurement was not notified that there was a potential compliance issue with the TANF contract.

Furthermore, the DERS is responsible for using subrecipient forms to sufficiently monitor TANF subrecipients throughout the life of the contract. These forms were not prepared at the start of fiscal year 2012 as policy required.

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Effect: Potentially unallowable expenditures could be paid for with TANF program monies. No questioned costs were associated with this finding since the DERS contacted the subrecipient in January 2013 and determined that the finding was not related to the Arizona TANF contract.

Cause: The DERS did not have adequate policies and procedures in place to ensure TANF findings from subrecipient audit reports were addressed and that the subrecipient took appropriate corrective action in a timely manner. Also, the DERS did not assign monitoring responsibilities to ensure the subrecipient monitoring forms were completed in a timely manner.

Recommendation: The DERS should establish policies and procedures to ensure subrecipient audit findings are addressed and that subrecipients take appropriate corrective action in a timely manner. In addition, the DERS should follow current policies to notify the Office of Procurement of any potential compliance issues with the TANF contract and complete subrecipient monitoring forms when a subrecipient contract is created and at the start of each new fiscal year.

12-108

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

U.S. Department of Health and Human Services

Special Tests and Provisions

Questioned Cost: None

Criteria: In accordance with 45 CFR §§205.55(a) and 205.60(a), income and benefit information must be requested from other federally assisted programs and federal agencies through automated data exchanges and used for identifying ineligible recipients. In addition, the information used in supporting wage and unemployment compensation verification through the data exchange must be retained.

Condition and context: The Department of Economic Security, Division of Benefits and Medical Eligibility (Division), recorded and stored eligibility information and supporting documents for participants on a documentation management system, including the support obtained from using the Income Eligibility and Verification System (IEVS). Auditors selected 40 case files to test; however, after noting that no documentation was retained to evidence that the IEVS was used when determining eligibility for 9 of the first 30 case files tested, auditors did not test the remaining 10 case files for this special test and provision requirement.

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Effect: Assistance may be granted to ineligible recipients, or incorrect benefit determinations may result in over- or underpayments. This finding did not result in questioned costs since the Division was able to provide documentation to support its eligibility determinations.

Cause: The Division did not follow its policies and procedures to use the IEVS to determine eligibility; or, if it was used, documentation was not retained to support its use.

Recommendation: The Division should ensure that employees request and use income and benefit information from the IEVS when determining eligibility for all applicants applying for cash assistance. Additionally, employees should retain support in the documentation management system to evidence the review.

This finding is similar to a prior-year finding.

12-109

Emergency Food Assistance Cluster:

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

10.569 **Emergency Food Assistance Program (Food Commodities)**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Number: 7AZ810AZ8

U.S. Department of Agriculture

Subrecipient Monitoring

Questioned Cost: None

Criteria: In accordance with 7 CFR §3052.400(d)(5) and OMB Circular A-133, §400(d)(5), the Department of Economic Security is responsible for issuing management decisions on audit findings within 6 months after receiving the subrecipient's A-133 single audit report and ensuring that the subrecipient takes appropriate corrective action.

Condition and context: The Department of Economic Security, Division of Benefits and Medical Eligibility (Division), required each of its subrecipients to submit A-133 audit reports. However, internal control procedures were not adequate to ensure all findings were reviewed and resolved in a timely manner. Specifically, for one out of four subrecipients selected for test work, the Division did not send an initial or final management decision letter within 6 months after receiving the subrecipient's single audit report.

Effect: There is an increased risk of noncompliance with program requirements because the Division did not perform adequate monitoring procedures to review the subrecipient's single audit reports and issue management decision letters in a timely manner.

Cause: Audit Management Services (AMS) did not follow its policies to notify the Division of the audit report findings in order for the Division to ensure management decision letters were issued within 6 months of receiving the reports.

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Year Ended June 30, 2012

Recommendation: The AMS should follow its policies to review single audit reports when received and promptly notify the Division of any federal audit findings so that the Division may issue management decision letters within 6 months of receiving the reports.

12-110

Emergency Food Assistance Cluster:

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

10.569 **Emergency Food Assistance Program (Food Commodities)**

Award Period: October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Number: 7AZ810AZ8

U.S. Department of Agriculture

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Award Period: October 1, 2008 through September 30, 2009
October 1, 2009 through September 30, 2010
October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: G0902AZTANF, G1002AZTANF, G1102AZTANF, and G1202AZTANF

CFDA No.: 93.563 **Child Support Enforcement**

Award Period: October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: G1104AZ4004 and G1204AZ4005

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

Award Period: October 1, 2009 through September 30, 2011
October 1, 2010 through September 30, 2012
October 1, 2011 through September 30, 2013

Award Numbers: G10B1AZLIEA, G11B1AZLIEA, and G12B1AZLIEA

CFDA No.: 93.667 **Social Services Block Grant**

Award Period: October 1, 2009 through September 30, 2011
October 1, 2010 through September 30, 2012
October 1, 2011 through September 30, 2013

Award Numbers: G1001AZSOSR, G1101AZSOSR, and G1201AZSOSR

U.S. Department of Health and Human Services

Reporting

Questioned Cost: N/A

Criteria: In accordance with 2 CFR §170 Appendix A and the Federal Funding Accountability and Transparency Act of 2006 (FFATA), for grant awards beginning on October 1, 2010, or later, the Department of Economic Security must report each subaward to a subrecipient that amounts to \$25,000 or more not including subawards of American Recovery and Reinvestment Act monies. Each subaward action must be reported no later than the end of the month following the month in which the obligation was made.

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Condition and context: The Department of Economic Security, Financial Services Administration (Administration), did not submit any reports of subawards related to current year programs. Auditors could not determine the number of monthly reports that should have been submitted for each program. The Administration did not provide evidence it communicated with the awarding agencies or the General Services Office to sufficiently demonstrate it made a "good faith" effort to comply with the FFATA requirements. Additionally, the Administration did not request or obtain permission from the Office of Management and Budget to deviate from this requirement.

Effect: Obligations to subrecipients were not posted to the federal FSRS.gov Web site, resulting in a lack of information on USASpending.gov.

Cause: The Administration did not develop and follow policies and procedures to ensure compliance with the FFATA reporting requirements. In addition, the Administration could not identify all subawards made to subrecipients from individual awards.

Recommendation: The Administration should establish the following procedures to help ensure compliance with the FFATA reporting requirements:

- Develop internal control policies and procedures to identify all subawards made to subrecipients from individual awards.
- Develop internal control policies and procedures to ensure the required reports are accurately compiled, reviewed, and submitted in a timely manner.

This finding is similar to a prior-year finding.

12-111

CFDA No.: 93.563 **Child Support Enforcement**

Award Period: October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

Award Numbers: G1104AZ4004 and G1204AZ4005

U.S. Department of Health and Human Services

Activities Allowed or Unallowed

Questioned Cost: Unknown

Criteria: In accordance with 45 CFR §74.21(b)(3), the Department of Economic Security's (Department) financial management system should provide effective accountability for all funds and ensure they are used solely for authorized purposes.

Condition and context: The Department's Division of Child Support Enforcement (Division) distributed \$816,593 in Child Support Enforcement program monies to contracted collection vendors in fiscal year 2012. The Division compensated vendors for the receipt of child support payments that were a result of their collection activities; however, a portion of the payments to vendors under the Division's Debt Collection and Locate services contracts were improper due to vague contract language, system

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weaknesses, and lack of controls within the Division's invoice payment process. Specifically, the contracts in place during fiscal year 2012 for the six vendors did not include specific performance requirements and criteria for compensation, the computer information system used to track collection activity by vendor had limitations that allowed for the inclusion of cases that were excluded from the contracts, and the invoice payment process often included very little or no review prior to payment to ensure the vendors were being paid based on their actual collection activity.

Effect: Failure to ensure contract vendors are accurately paid based on their collection efforts may result in federal monies being spent for unauthorized purposes. It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding.

Cause: The Division did not have adequate policies and procedures in place to ensure that the contract language was specific with respect to vendor payments and to ensure that contracted vendor invoices were thoroughly reviewed and approved prior to payment. In addition, the computer information system was not set up to accurately identify case collection activities.

Recommendation: To help ensure compliance with activities allowed and unallowed requirements, the Division should clarify contract language to add specific performance requirements and criteria for compensation in the vendor contracts. In addition, the Division should establish adequate policies and procedures to thoroughly review and approve vendor invoices prior to payment. Finally, to ensure the vendors are paid based on their actual collection activity, specific case collection activities should be identified in the computer information system.

12-112

CFDA No.: 93.563 **Child Support Enforcement**

Award Period: October 1, 2010 through September 30, 2011
October 1, 2011 through September 30, 2012

Award Numbers: G1104AZ4004 and G1204AZ4005

U.S. Department of Health and Human Services

Subrecipient Monitoring

Questioned Cost: Unknown

Criteria: In accordance with OMB Circular A-133, §.400(d)(3), the Department of Economic Security (Department) must monitor the activities of its subrecipients to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements. Additionally, in accordance with OMB Circular A-133, §.400(d)(5), the Department is responsible for issuing management decisions on audit findings within 6 months after receiving the subrecipient's A-133 single audit report and ensuring that the subrecipient takes appropriate corrective action.

Condition and context: During fiscal year 2012, the Department's Division of Child Support Enforcement (Division) distributed approximately \$6.8 million in Child Support Enforcement program monies to subrecipients. However, division employees did not thoroughly review the subrecipients' monthly Certified

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Public Expenditure Statements (CPES) to ensure that federal awards were used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements. For one of five subrecipients tested, the Division reimbursed the subrecipient for \$188,654 in expenditures with no supporting documentation to determine that they were for actual activities performed to carry out the federal program objectives. Additionally, for the same subrecipient, the Division did not issue a management decision letter on its audit findings within 6 months after receiving the subrecipient's A-133 single audit report or ensure that the subrecipient took appropriate corrective action.

Effect: Potentially unallowable expenditures were paid to the subrecipient with Child Support Enforcement program monies. It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding. In addition, there is an increased risk of noncompliance with program requirements because the Division did not perform adequate monitoring procedures to review the subrecipient's single audit reports and issue management decision letters in a timely manner.

Cause: The Division did not have adequate policies and procedures in place to ensure that reimbursement documentation was thoroughly reviewed and approved. Further, Audit Management Services (AMS) did not follow its policies to notify the Division of the audit report findings in order for the Division to ensure management decision letters were issued within 6 months of receiving the reports.

Recommendation: To help ensure compliance with subrecipient monitoring requirements, the Division should establish the following policies and procedures:

- Require that the monthly CPES reports are accompanied by documentation supporting the reported expenditures.
- Perform a detailed review of the monthly CPES reports and supporting documentation to ensure that the expenditures were for actual activities performed to carry out the federal program objectives prior to approving the reimbursement.

In addition, AMS should follow its policies to review single audit reports when received and promptly notify the Division of any federal audit findings so that the Division may issue management decision letters within 6 months of receiving the reports.

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12-113

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

Award Period: October 1, 2009 through September 30, 2011

October 1, 2010 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: G10B1AZLIEA, G11B1AZLIEA, and G12B1AZLIEA

U.S. Department of Health and Human Services

Reporting

Questioned Cost: None

Criteria: In accordance with 45 CFR §96.82(b) and action transmittal number LIHEAP-AT-2011-6 and the attached instructions, the Department of Economic Security must submit an accurate annual *LIHEAP Household Report*, which includes data on the number of households that were assisted with program monies and the number of households that applied for program assistance.

Condition and context: The Department of Economic Security, Division of Aging and Adult Services (Division), reported inaccurate amounts for the number of assisted and applicant households on its annual *LIHEAP Household Report* for the year ended September 30, 2011. Specifically, out of the 31 discretely presented figures on Part I of the report, 15 amounts were erroneous. Discrepancies ranged from 1 unit to 3,818 units. In addition, out of the 18 discretely presented figures on Part II, 8 amounts were erroneous. Discrepancies ranged from 1 unit to 24 units. Additionally, the Division did not retain documentation to support reported amounts. Further, there was no evidence indicating that the report was independently reviewed for accuracy and approved prior to submitting it to the U.S. Department of Health and Human Services.

Effect: Incorrect nonfinancial data was submitted to the federal grantor that may result in potential errors in analysis or other determinations and in the LIHEAP Report to Congress. This finding did not result in questioned costs since the reports were not used to request reimbursement of federal expenditures.

Cause: The Division had not implemented procedures to ensure that accurate amounts were reported and supported.

Recommendation: The Division should establish the following procedures to help ensure compliance with reporting requirements:

- Require documentation to be retained to support reported amounts.
- Establish a detailed review process to help ensure federal reports are complete and accurate before they are submitted to the U.S. Department of Health and Human Services.

This finding is similar to a prior-year finding.

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12-114

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010

July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: S010A090003, S010A100003, S010A110003, and S389A090003A

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010

July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: H027A090007A, H027A100007, H027A110007, H173A090003, H173A100003, H173A110003, H391A090007A, and H392A090003

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

Award Period: July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: S367A090049, S367B090003, S367A100049, S367B100003A, S367A110049, and S367B110003

U.S. Department of Education

Cash Management and Subrecipient Monitoring

Questioned Cost: None

Criteria: As required by 34 CFR §80.21, state educational agencies should have procedures in place to minimize the time elapsing between the transfer of monies to and disbursement by the local educational agencies (LEAs). LEAs may be paid in advance if they are able to minimize the time elapsing between the receipt of the monies and their disbursement so that they do not accumulate excess cash balances of federal monies.

Condition and context: The Department of Education (Department) requires that LEAs request monies for federal grants by submitting monthly cash management reports through its Grants Management System. At the end of the award period, the Department requires LEAs to submit completion reports, which are considered the projects' final cash management reports. Auditors tested a sample of LEAs' monthly cash management reports and completion reports for each of the major federal programs administered through the Grants Management System and noted the following deficiencies related to the Department's monitoring of LEAs:

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- The Department did not always ensure that prior-year completion reports were submitted and approved before disbursing current year monies, which resulted in some LEAs' having cash balances. Specifically, this was noted for 2 of 40 LEAs tested for the Special Education Cluster and for 10 of 40 LEAs tested for the Title I, Part A Cluster and the Improving Teacher Quality State Grants program.
- The Department did not always review and approve completion reports in a timely manner. This was noted for 9 of 40 LEAs tested for the Special Education Cluster.

Effect: The Department disbursed monies for the subsequent period's grant award when LEAs had excess cash balances from the previous grant award. Auditors were able to extend auditing procedures to determine that interest earned on excess cash balances was properly calculated and remitted to the U.S. Department of Education; therefore, no questioned costs resulted from this finding. This finding could also potentially affect other federal programs that the Department administered.

Cause: The Department has adequate policies and procedures to address LEAs that fail to submit monthly cash management reports or continue to maintain excess amounts of program cash from month to month. In addition, the Grants Management System automatically places a hold on a subsequent year's funding if the LEA does not submit a completion report within 90 days after the end of the current program year, or if the LEA does not resubmit a completion report within 30 days of rejection as a result of the Department's review. However, these controls do not preclude the disbursement of a subsequent period's grant award when completion reports have not yet been reviewed and approved by the Department. Further, the Department has no specific policy addressing when completion reports should be reviewed; therefore, the Department was not always timely in its review of LEAs' completion reports.

Recommendation: To help ensure compliance with its major federal programs' requirements related to cash management and subrecipient monitoring, the Department should improve its policies and procedures for monitoring LEAs' submission of their completion reports. For example, each program area could maintain a log of communications with the LEA based on monthly reports generated from the Grants Management System indicating which LEAs have not submitted their completion reports. Further, improved monitoring and more timely reviews of submitted completion reports would help the Department to better enforce its existing policies to ensure that future grant awards are placed on hold until the LEA submits a complete and accurate completion report.

This finding is similar to a prior-year finding.

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Year Ended June 30, 2012

12-115

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**

10.555 **National School Lunch Program**

10.556 **Special Milk Program for Children**

10.559 **Summer Food Service Program for Children**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

CFDA No.: 10.558 **Child and Adult Care Food Program**

Award Period: October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 7AZ300AZ3 and 7AZ300AZ4

U.S. Department of Agriculture

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010

July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: S010A090003, S010A100003, S010A110003, and S389A090003A

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Award Period: February 17, 2009 through September 30, 2010

July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: H027A090007A, H027A100007, H027A110007, H173A090003, H173A100003, H173A110003, H391A090007A, and H392A090003

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

Award Period: July 1, 2009 through September 30, 2010

July 1, 2010 through September 30, 2011

July 1, 2011 through September 30, 2012

Award Numbers: V048A090003, V048A100003, and V048A110003

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

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Award Period: July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012
Award Numbers: S287C090003, S287C090003A, S287C100003, S287C100003–10A, S287C110003, and S287C110003–11A
CFDA No.: 84.367 **Improving Teacher Quality State Grants**
Award Period: July 1, 2009 through September 30, 2010
July 1, 2010 through September 30, 2011
July 1, 2011 through September 30, 2012
Award Numbers: S367A090049, S367B090003, S367A100049, S367B100003A, S367A110049, and S367B110003
U.S. Department of Education
Cash Management, Eligibility, Reporting, Subrecipient Monitoring, and Special Tests and Provisions
Questioned Cost: Unknown

Criteria: The Arizona Department of Education's (Department) Grants Management System (GMS) and Child Nutrition Program (CNP) Web application are vital for approving and disbursing federal awards, and for subrecipient reporting and monitoring. Consequently, the Department should have effective policies and procedures in place to prevent and detect unauthorized access to its major information systems. In addition, the Department should have an updated and fully tested disaster recovery plan to provide for the continuity of operations and ensure that data can be recovered in the event of a system or equipment failure or other interruption.

Condition and context: Auditors tested the Department's controls over this system and application and noted the following deficiencies related to access and recovery controls:

- *Access controls*—The Department did not always maintain documentation for access granted to employees and external users, and granted access for several users without proper approval. Specifically, for 2 of 82 users tested for the GMS and for 2 of 73 users for the CNP Web application, access granted to users was not authorized and supported by an authorization form. In addition, for 1 of 2 users tested for GMS and for 9 of 20 users tested for the CNP Web application, the Department did not remove the user's access rights in a timely manner. Approximately half of the users whose access was not removed in a timely manner were former department employees.
- *Recovery controls*—The Department did not have an up-to-date and tested disaster recovery plan for the GMS, CNP Web application, and other major systems and applications.

Effect: There is a risk of noncompliance with federal requirements and of theft, manipulation, or misuse of confidential or sensitive data due to unauthorized access or changes. Additionally, the Department may not be able to recover data or materially comply with compliance requirements in the event of system or equipment failure or other interruption. It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding. In addition, this finding could potentially affect other federal programs, including American Recovery and Reinvestment Act programs, that the Department administered.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Cause: The Department did not consistently follow its policies and procedures for granting access to users and making changes to its information systems and applications. Additionally, the Department had not updated and tested the disaster recovery plan for its major systems and applications due to a lack of resources.

Recommendation: To strengthen internal controls over its systems and applications, and to help ensure compliance with federal requirements for the programs it administers, the Department should:

- Ensure that system access granted to all users is documented and authorized, and immediately revoke access for terminated employees.
- Periodically perform a comprehensive review of user access granted to all of its applications and systems, and remove inappropriate access.
- Update and test its disaster recovery plan annually.

This finding is similar to a prior-year finding.

12-116

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Award Period: April 21, 2009 through April 30, 2012

July 1, 2010 through June 30, 2015

Award Numbers: DE-EE0000106 and DE-EE0003872

U.S. Department of Energy

Suspension and Debarment

Questioned Cost: N/A

Criteria: In accordance with 2 CFR §180 and 10 CFR §600.113, the School Facilities Board (Board) and the State Land Department (Department) must not make any subaward to or contract with any party that has been suspended or debarred or is otherwise excluded from or ineligible for participation in federal assistance programs. This may be accomplished by checking the Excluded Parties List System maintained by the General Services Administration, obtaining vendor certifications, or adding clauses or conditions to the contracts.

Condition and context: The Board did not follow and the Department did not establish internal control policies and procedures over suspension and debarment compliance requirements. Specifically, the Board established procedures over suspension and debarment but did not verify that 7 of its 93 subrecipients had not been suspended or debarred. Further, the Department did not have policies and procedures and, as a result, did not ensure its vendors who received \$25,000 or more in federal monies had not been suspended or debarred, or otherwise excluded from entering into federal contracts. Auditors performed additional audit procedures and determined no payments were made to suspended or debarred parties.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Effect: Payments could be made to suspended or debarred parties. This finding could affect other federal programs that the Board and Department administered.

Cause: The Board did not ensure that its policies and procedures over suspension and debarment of subrecipients were followed by its employees, whereas the Department was unaware of the suspension and debarment requirements until the prior year audit.

Recommendation: The Board should ensure that employees follow its policies and procedures to verify that all subrecipients awarded contracts are not suspended or debarred. In addition, the Department should establish procedures to verify that all vendors awarded in excess of \$25,000 are not suspended or debarred. Documentation of this verification must be retained.

This finding is similar to a prior-year finding.

12-117
State Fiscal Stabilization Fund Cluster:
CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**
84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**
Award Period: June 4, 2009 through September 30, 2011
Award Numbers: S394A09003, S394A09003A, S397A09003, and S397A09003A
U.S. Department of Education

Eligibility and Subrecipient Monitoring Questioned Cost: \$250,000

Criteria: Federal award recipients should maintain internal controls over federal programs to provide reasonable assurance that they are managing federal awards in compliance with laws and regulations as required by OMB Circular A-133, §.300(b). Specifically, when awarding federal monies to subrecipients, there should be adequate due diligence performed on the application and supporting documentation to determine eligibility, reasonableness, and validity of the expenditure documentation received prior to disbursing federal award monies.

Condition and context: The Governor's Office of Economic Recovery (GOER) did not exercise an appropriate level of oversight and due diligence to verify that a for-profit subrecipient receiving federal monies from its internal program called the Job Creation Fund was located outside the State of Arizona and was a valid company. In addition, the GOER received allegations that the same subrecipient falsified documentation to receive reimbursement for the award but did not note anything unusual when it performed an on-site visit to address the allegation. Auditors investigated the allegation further and noted that the subrecipient falsified documentation to indicate that the company originally was located in a different state. Further, auditors determined that the subrecipient also falsified payroll records to support reimbursement of \$250,000 in program monies.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Effect: The GOER paid \$250,000 to a for-profit subrecipient that falsified documentation and used the federal monies for unauthorized purposes.

Cause: The GOER relied on another entity to perform due diligence on the subrecipient instead of reviewing the subrecipient's validity itself.

Recommendation: The GOER no longer exists because the majority of the State's American Recovery and Reinvestment Act monies has been spent. The State should establish written policies and procedures to outline its award process to subrecipients for federal monies. These procedures should include which documentation in the application should be verified to outside sources. For example, the State should validate a subrecipient's mailing address, business license, financial documentation, and background. In addition, applications should be reviewed for inconsistent or missing documentation, and when necessary, follow-up documentation should be requested from the subrecipient.

12-118

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Award Period: October 1, 2009 through September 30, 2011

October 1, 2010 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 2B08TI010004-10, 3B08TI010004-10S1, 2B08TI010004-11, 3B08TI010004-11S1, and 2B08TI010004-12

Department of Health and Human Services

Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Questioned Cost: Unknown

Criteria: In accordance with 2 CFR §225, Appendix B, Section 8(h), the Department of Health Services (Department) should maintain records that certify or confirm on an after-the-fact basis that employee compensation charged to the federal program represents a reasonable distribution of employees' actual time and effort worked on the program. The records supporting salaries and wages should be signed by the employee and approved by a supervisor having firsthand knowledge of the work the employee performed.

Condition and context: During the fiscal year, the Department spent over \$36 million of program monies, and \$1.5 million was spent on salaries and wages. Salaries and wages were charged to the program using distribution percentages that were determined before the services were performed. However, the distribution percentages were not compared to actual costs or revised to reflect actual time spent working on the program. In addition, the Department did not require certifications for employees who worked solely on the program or documentation for employees working on multiple federal and nonfederal programs reflecting an after-the-fact distribution of the actual activities performed.

Effect: The employee salaries and wages charged to the program did not reflect an accurate after-the-fact distribution of hours and activities worked, which could result in unallowed costs being charged to the program. It was not practical to extend our auditing procedures to determine questioned costs, if any, that may have resulted from this finding. This finding could potentially affect other federal programs that the Department administered.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Cause: The Department did not have policies and procedures in place to ensure that salaries and wages reflect the actual time spent working on the program. Specifically, the Department's procedures were to assign payroll distribution percentages before services were performed without comparing those percentages to reflect actual time worked. In addition, the actual time worked on an activity by employees was not always documented. Further, the Department did not have procedures in place to require certifications for those employees who worked solely on this program.

Recommendation: The Department should develop policies and procedures to help ensure that salaries and wages reflect actual time spent working on the federal program. The procedures should require that certifications for employees working solely on the program be prepared at least semiannually. For employees that work on multiple activities, documentation should be prepared at least monthly reflecting an after-the-fact distribution of the hours and activities worked. The records supporting salaries and wages should be signed by the employee and reviewed and approved by a supervisor having firsthand knowledge of the work the employee performed. Further, if the Department continues to use distribution percentages that were determined before the services were performed, it should compare the distribution percentages to the actual time worked, and make any necessary correcting adjustments to the amounts charged to the program.

12-119

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Award Period: October 1, 2009 through September 30, 2011

October 1, 2010 through September 30, 2012

October 1, 2011 through September 30, 2013

Award Numbers: 2B08TI010004-10, 3B08TI010004-10S1, 2B08TI010004-11, 3B08TI010004-11S1, and 2B08TI010004-12

Department of Health and Human Services

Suspension and Debarment

Questioned Cost: None

Criteria: In accordance with 45 CFR §92.35, the Department of Health Services (Department) must not make any subaward to or contract with any party that has been suspended or debarred or is otherwise excluded from or ineligible for participation in federal assistance programs.

Condition and context: The Department did not establish adequate internal control policies and procedures over suspension and debarment compliance requirements. Specifically, for 3 of the 15 subrecipients of federal monies, the Department did not include a suspension and debarment certification in contracts with subrecipients or verify its subrecipients had not been suspended or debarred, or otherwise excluded from entering into federal contracts. Auditors performed additional audit procedures and determined no payments were made to suspended or debarred parties.

Effect: Payments could be made to suspended or debarred parties. This finding could affect other federal programs that the Department administered.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Cause: The Department did not have policies and procedures in place to ensure that contracts with subrecipients contained the appropriate clause or perform additional procedures to determine the subrecipients were not suspended or debarred.

Recommendation: The Department should establish procedures to ensure all contracts contain suspension and debarment certifications or perform procedures to verify that all subrecipients are not suspended or debarred. Documentation of this verification should be retained.

12-120

CFDA No.: 12.400 **Military Construction, National Guard**

Award Period: October 1, 2006 through September 30, 2011
February 1, 2008 through March 31, 2013
June 1, 2009 through December 31, 2014
August 1, 2010 through March 31, 2013
October 26, 2010 through October 31, 2013
October 1, 2010 through October 31, 2013

Award Numbers: W912L2-06-2-2007, W912L2-08-2-2012, W912L2-09-2-2103, W912L2-09-2-2104,
W912L2-09-2-2105, W912L2-10-2-2001, W912L2-10-2-2002, and W912L2-10-2-2003

U.S. Department of Defense

Cash Management

Questioned Cost: Unknown

Criteria: In accordance with National Guard Regulation 5-1, effective May 28, 2010, grantees should limit the time elapsing between the transfer of monies from the U.S. Treasury and their disbursement to 45 days or less.

Condition and context: The Department of Emergency and Military Affairs (Department) did not have effective internal control procedures in place to minimize the time elapsing between the transfer of monies from the U.S. Treasury and their disbursement. Specifically, auditors analyzed the program's cash balance for the entire fiscal year and determined that the Department exceeded its allowable cash balance by an amount ranging between \$583,168 and \$3,095,547 from October 2011 to April 2012.

Effect: The Department could incur an interest liability on cash balances that exceed the required time frames. It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding.

Cause: The Department did not minimize the time elapsing between the transfer of monies and their disbursement due to a lack of adequate procedures.

Recommendation: The Department should develop adequate internal control procedures to minimize the time elapsing between the transfer of monies from the U.S. Treasury and their disbursement in accordance with program regulations.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

12-121

CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**

Award Period: Various

Award Numbers: Various

U.S. Department of Defense

Suspension and Debarment

Questioned Cost: None

Criteria: In accordance with 2 CFR §§180.220 and 180.300, the Department of Emergency and Military Affairs (Department) must not contract with any party that has been suspended or debarred or is otherwise excluded from or ineligible for participation in federal assistance programs. This may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration, obtaining vendor certifications, or adding clauses or conditions to the contracts.

Condition and context: For contracts greater than \$5,000 but less than \$50,000, the Department stated that it reviewed the EPLS website to verify that vendors providing goods and services paid with federal monies had not been suspended or debarred or otherwise excluded from federal contracts. However, the Department did not document or otherwise evidence that this procedure was performed. Specifically, for one of seven vendors tested who were paid over \$25,000 in federal monies, auditors were unable to determine whether the Department performed procedures to ensure that the contracted vendors were not suspended or debarred. Auditors performed additional audit procedures and noted no instances of payments made to suspended or debarred individuals or organizations.

Effect: Payments could be made to suspended or debarred parties. This finding could affect other federal programs that the Department administered.

Cause: The Department did not have policies that required employees to document or otherwise evidence the review of the EPLS website.

Recommendation: The Department should document its determination that vendors being paid over \$25,000 in federal monies have not been suspended or debarred from doing business with governmental entities.

This finding is similar to a prior-year finding.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

12-122

CFDA No.: 16.575 **Crime Victim Assistance**

Award Period: October 1, 2007 through September 30, 2011
October 1, 2008 through September 30, 2012
March 1, 2009 through September 30, 2012
October 1, 2009 through September 30, 2013
October 1, 2010 through September 30, 2014

Award Numbers: 2008-VA-GX-0014, 2009-VA-GX-0060, 2009-SG-B9-0090, 2010-VA-GX-0064, and
2011-VA-GX-0019

U.S. Department of Justice

Subrecipient Monitoring

Questioned Cost: N/A

Criteria: In accordance with 31 U.S. Code §7502(f)(2)(C) and OMB Circular A-133 §400(d), the Department of Public Safety (Department) must ensure that subrecipients expending \$500,000 or more in federal awards have obtained the required audits within 9 months of the end of the subrecipients' audit periods. In addition, the Department must review the audits, issue management decisions on audit findings within 6 months after the receipt of the audit report, and ensure prompt and appropriate corrective action has been taken with respect to audit findings.

Condition and context: During the fiscal year, the Department disbursed approximately \$7.7 million in program monies to 71 subrecipients; however, the Department did not ensure that all subrecipients expending \$500,000 or more in federal awards obtained the required audits within 9 months of the end of the subrecipients' audit periods. Specifically, for the 8 subrecipients selected for test work, 6 were subject to the audit requirements. However, for 4 of the 6, the Department did not obtain the required audits, review the audits, issue management decisions on audit findings within 6 months, or ensure prompt and appropriate corrective action was taken with respect to the findings.

Effect: The Department's subrecipients may not have had single audits completed, or a subrecipient's single audit may not have been reviewed so that the Department could issue management decisions on findings. This could potentially affect other federal programs that the Department administers.

Cause: The Department's application for funds required subrecipients to submit the most recent single audit, and if the audit disclosed findings or recommendations, the corrective action plan must also be submitted. In addition, the Department had procedures in place to review any audits received during the year, whether obtained from a site visit or voluntarily submitted. However, the Department did not have a process in place to determine which subrecipients were subject to the single audit requirements or ensure every subrecipient subject to the audit requirements submitted the most recent single audit and a corrective action plan when applicable.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Recommendation: The Department should establish adequate procedures to ensure all subrecipients expending \$500,000 or more in federal awards have obtained the required audits within 9 months of the end of the subrecipients' audit periods.

12-123

Research & Development Cluster

University of Arizona Research and Development grants and contracts

CFDA No.: Various

Award Period: Various

Award Number: Various

Cash Management

Questioned Cost: N/A

Criteria: As required by 2 CFR part 215, nonfederal entities receiving federal awards must establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. An independent review and approval of significant transactions such as cash reimbursement requests are an important part of this system of internal control.

Condition and context: The University of Arizona's (University) internal control policies and procedures over its research and development programs did not require an independent review and approval of cash reimbursement requests and related accounting transactions. This control is important because the University received approximately \$328 million during the fiscal year for its research and development programs.

Effect: Without an independent review and approval of reimbursement requests, the University could request reimbursement for improper amounts causing the University to receive excess cash in violation of their grant agreements. In addition, the cash received could be incorrectly recorded, causing further errors and noncompliance during the preparation of future reimbursement requests.

Cause: The University implemented a new financial reporting system during the fiscal year. During this process an accountant responsible for most of the cash reimbursement requests was allowed to process cash reimbursement requests and related transactions without requiring an independent review and approval.

Recommendation: In order to ensure compliance with federal regulations for its research and development programs, the University should implement procedures that require an independent review and approval of significant cash reimbursement requests and related accounting transactions.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Other auditors' findings:

The other auditors who audited the Arizona Department of Transportation (ADOT) reported the following significant deficiencies in internal control over compliance and noncompliance:

12-124

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Award Period: Various

Award Numbers: Various

U.S. Department of Transportation

Allowable Costs/Cost Principles

Questioned Cost: N/A

Criteria: A State DOT may submit an Indirect Cost Rate Proposal (ICRP) indicating a proposed indirect rate calculated by the DOT under the provisions of 2 CFR 225 Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87) for approval by the Federal Highway Administration. This circular establishes principles and standards over the calculation of the proposed indirect cost rate indicated in the ICRP.

Condition and context: During the audit it was noted the rate was not correctly calculated in accordance with principles of 2 CFR 225 *Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)*. ADOT submitted a rate of 5.16% which was approved by the Federal Highway Administration and utilized by ADOT during fiscal year 2012. ADOT subsequently determined the rate should have been 6.62%.

Effect: The application of an incorrect indirect cost rate did not result in any effects to the total amount of Federal Funds received and available to ADOT during the fiscal year. However, the incorrect rate resulted in ADOT recovering fewer funds for indirect costs with those potential recoverable costs going towards direct construction expenditures.

Cause: ADOT has not formally documented policies and procedures over the calculation of the indirect cost rate for the ICRP.

Recommendation: ADOT should implement policies and procedures to consistent with the requirements of 2 CFR 225 *Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)* to facilitate the correct and consistent calculation of the indirect cost rate for the ICRP submitted to the Federal Highway Administration for approval.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

12-125

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Award Period: Various

Award Numbers: Various

U.S. Department of Transportation

Subrecipient Monitoring

Questioned Cost: N/A

Criteria: As a pass-through entity, the Arizona Department of Transportation (ADOT) must have adequate controls in place to ensure all aspects of subrecipient monitoring are in compliance with federal requirements. Prior to the award of a grant ADOT must determine whether the subrecipient has an adequate project delivery system and accounting controls (23 USC 106(g)(4)(A)). At the time of the award the ADOT must identify the CFDA title and number, award name and number, and the name of the awarding agency. Additionally, ADOT must identify ARRA allocations in the award and that the subrecipient is required to identify ARRA funds in their Schedule of Expenditures of Federal Awards (SEFA). Once the grant is awarded ADOT must design and perform monitoring procedures to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that those performance goals are achieved.

These requirements are outlined in OMB Circular A-133 Compliance Supplement under the Subrecipient Monitoring section for the Department of Transportation, Highway Planning and Construction Grant.

Condition and context: The following conditions were noted during the audit:

- ADOT does not have a set of policies in place that require recertification of certified accepted entities at regular intervals as required by the agreement between ADOT and the Federal Highway Administration (FHWA).
- ADOT does not explicitly identify the CFDA number, grant name, and ARRA allocation (if any) in the award letter to subrecipients.
- ADOT does not have a formal set of policies and procedures in place or perform any procedures for monitoring subrecipients after the award has been made, including the determination of subrecipients expending \$500,000 or more in Federal awards received a timely single audit.

Effect: There is increased risk of noncompliance with applicable compliance requirements by the subrecipients of Federal Highway Administration administered by ADOT. There was no specific questioned cost noted related to this control deficiency.

Cause: ADOT has not formally documented subrecipient monitoring policies and procedures.

State of Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Recommendation: ADOT should draft and adopt a set of written policies and procedures that ensure that subrecipient monitoring procedures are performed as required by Federal requirements.

This finding is similar to a prior-year finding.

12-126

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Award Period: Various

Award Numbers: Various

U.S. Department of Transportation

Special Tests and Provisions

Questioned Cost: N/A

Criteria: A State DOT or LPA must have a quality assurance (QA) program, approved by FHWA, for construction projects on the National Highway System to ensure that materials and workmanship conform to approved plans and specifications. Verification sampling must be performed by qualified testing personnel employed by the State DOT, or by its designated agent, excluding the contractor. (23 CFR sections 637.201, 637.205, and 637.207) Samples must fall within prescribed ranges determined by the Arizona Department of Transportation Standard Specifications for Road and Bridge Construction 2008 and the ADOT Materials Quality Assurance Program to be acceptable.

Condition and context: For two of the 25 quality assurance samples reviewed, the individual taking the sample was an employee of the subcontractor and did not note the presence of an ADOT technician to observe the sample.

Effect: Substandard materials may have been used in the construction of roads and/or highways.

Cause: The approved Quality Assurance Program was not followed due to insufficient manpower and training.

Recommendation: The materials lab should hire additional engineers and technicians to ensure that workload demands are met. The materials lab should also ensure that all construction administration personnel are adequately trained.

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Appendix

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State of Arizona
Appendix
State of Arizona Agency Codes
Year Ended June 30, 2012

| Agency Code | Agency |
|--------------------|--|
| ADA | Arizona Department of Administration |
| AEA | Arizona Radiation Regulatory Agency |
| AFA | Governor's Office of Equal Opportunity |
| AGA | Office of the Attorney General |
| AHA | Arizona Department of Agriculture |
| ASA | Arizona State University |
| BNA | Arizona State Board of Nursing |
| BRA | Arizona Board of Regents |
| CCA | Arizona Corporation Commission |
| CDA | Arizona Early Childhood Development and Health Board |
| DCA | Arizona Department of Corrections |
| DEA | Arizona Department of Economic Security |
| DJA | Arizona Department of Juvenile Corrections |
| DTA | Arizona Department of Transportation |
| EDA | Arizona Department of Education |
| EVA | Arizona Department of Environmental Quality |
| FOA | Arizona State Forestry Division |
| GFA | Arizona Game and Fish Department |
| GHA | Arizona Governor's Office of Highway Safety |
| GSA | Arizona Geological Survey |
| GVA | Office of the Arizona Governor |
| HCA | Arizona Health Care Cost Containment System |
| HDA | Arizona Department of Housing |
| HLA | Arizona Department of Homeland Security |
| HSA | Arizona Department of Health Services |
| HUA | Arizona Commission on the Arts |
| ICA | Industrial Commission of Arizona |
| IDA | Arizona Department of Insurance |
| JCA | Arizona Criminal Justice Commission |
| LDA | Arizona State Land Department |
| LLA | Arizona Department of Liquor Licenses and Control |
| MAA | Arizona Department of Emergency and Military Affairs |
| MIA | Arizona State Mine Inspector |
| MMA | Department of Fire, Building and Life Safety |
| NAA | Northern Arizona University |
| PEA | Arizona Commission for Postsecondary Education |
| PRA | Arizona State Parks |
| PSA | Arizona Department of Public Safety |
| SBA | Office of Pest Management |
| SDA | Arizona State Schools for the Deaf and the Blind |

State of Arizona
Appendix
State of Arizona Agency Codes
Year Ended June 30, 2012

| Agency Code | Agency |
|--------------------|---|
| SFA | School Facilities Board |
| SPA | Arizona Supreme Court |
| STA | Office of the Secretary of State |
| TOA | Arizona Office of Tourism |
| UAA | University of Arizona |
| VSA | Arizona Department of Veterans' Services |
| WCA | Arizona Department of Water Resources |
| WFA | Water Infrastructure Finance Authority of Arizona |

State of Arizona
Corrective Action Plan
Year Ended June 30, 2012

Federal Award Findings and Questioned Costs

12-101

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**

10.555 **National School Lunch Program**

10.556 **Special Milk Program for Children**

10.559 **Summer Food Service Program for Children**

CFDA No.: 10.558 **Child and Adult Care Food Program**

CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**

CFDA No.: 14.239 **Home Investment Partnerships Program**

CFDA No.: 16.575 **Crime Victim Assistance**

CFDA No.: 17.225 **Unemployment Insurance**

17.225 **ARRA—Unemployment Insurance**

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**

84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act**

State Fiscal Stabilization Fund Cluster:

CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**

84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

CCDF Cluster:

CFDA No.: 93.575 **Child Care and Development Block Grant**

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

State of Arizona
Corrective Action Plan
Year Ended June 30, 2012

Medicaid Cluster:

CFDA No.: 93.720 **ARRA—Survey Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative**
93.775 **State Medicaid Fraud Control Units**
93.777 **State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare**
93.778 **Medical Assistance Program**
93.778 **ARRA—Medical Assistance Program**
CFDA No.: 93.767 **Children’s Health Insurance Program**
CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**
Agency: Department of Administration
Contact person: Clark Partridge, State Comptroller, (602) 542-5405
Anticipated completion date: August 2012

Agency Response: Concur

Agency Corrective Action Plan: We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and is appropriately being addressed with the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA), for the payment and appropriate resolution of the questioned costs.

12-102

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**
10.555 **National School Lunch Program**
10.556 **Special Milk Program for Children**
10.559 **Summer Food Service Program for Children**
CFDA No.: 10.558 **Child and Adult Care Food Program**
Emergency Food Assistance Cluster
CFDA No.: 10.568 **Emergency Food Assistance Program (Administrative Costs)**
10.569 **Emergency Food Assistance Program (Food Commodities)**
CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**
CFDA No.: 14.239 **Home Investment Partnerships Program**
CFDA No.: 16.575 **Crime Victim Assistance**
CFDA No.: 17.225 **Unemployment Insurance**
17.225 **ARRA—Unemployment Insurance**
Highway Planning and Construction Cluster:
CFDA No.: 20.205 **Highway Planning and Construction**
20.205 **ARRA—Highway Planning and Construction**

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20.219 **Recreational Trails Program**

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**

84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act**

State Fiscal Stabilization Fund Cluster:

CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**

84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

CFDA No.: 84.410 **Education Jobs Fund**

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

CCDF Cluster:

CFDA No.: 93.575 **Child Care and Development Block Grant**

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

Medicaid Cluster:

CFDA No.: 93.720 **ARRA—Survey Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative**

93.775 **State Medicaid Fraud Control Units**

93.777 **State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare**

93.778 **Medical Assistance Program**

93.778 **ARRA—Medical Assistance Program**

CFDA No.: 93.563 **Child Support Enforcement**

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

CFDA No.: 93.659 **Adoption Assistance**

CFDA No.: 93.667 **Social Services Block Grant**

CFDA No.: 93.767 **Children's Health Insurance Program**

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CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Agency: Department of Administration

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

Anticipated completion date: Unknown

Agency Response: Concur

Agency Corrective Action Plan: We have an established process in place for monitoring legislation. Although the majority of the fund is used for allowable purposes, we have advised that this specific portion was, in our opinion, not consistent with established federal cost principles and may be disallowed. However, this item is controlled by statute and cannot be resolved without a legislative change. Until the methodology is acceptably modified, there will likely continue to be disallowed costs which will require repayment with applicable interest. We will continue efforts to develop a solution to this issue.

This issue is a cross-cutting finding and is appropriately being addressed with the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA), for the payment and appropriate resolution of the questioned costs. We agree and commit to continue to work with DHHS-DCA, to the best of our ability, to find a resolution which ensures that the federal programs will be properly charged for these costs.

12-103

CFDA No.: **Various**

Agency: Department of Administration

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

Anticipated completion date: Unknown

Agency Response: Concur

Agency Corrective Action Plan: We have requested authority to pay the federal government its corresponding pro-rata share related to the transferred monies. This resolution is pending legislative authorization.

We have an established process in place for monitoring legislation. On multiple occasions we have advised that these transfers were, in our opinion, not consistent with established federal cost principles and would probably result in an obligation to the federal government. Until the State changes its approach to the transfer of monies, there will likely continue to be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and is appropriately being addressed with the DHHS-DCA, for the payment and appropriate resolution of the questioned costs. We agree and commit to continue to work with DHHS-DCA and appropriate bodies within the State, to the best of our ability, to find an equitable resolution to this issue.

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12-104

Vocational Rehabilitation Cluster:

CFDA No.: 84.126 **Rehabilitation Services—Vocational Rehabilitation Grants to States**
84.390 **ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States,**
Recovery Act

Agency: Department of Economic Security

Contact person: Katharine Levandowsky, RSA Administrator, (602) 542-3332

Anticipated completion date: Various, for anticipated completion dates see corrective action plan below

Agency Response: Concur

Agency Corrective Action Plan: To ensure the Department of Economic Security Rehabilitation Services Administration (RSA) follows its own policies and procedures to determine eligibility for vocational rehabilitation services within 60 days unless the RSA and the applicant agree to a specific extension of time, the RSA will complete the following corrective actions.

- Provide Eligibility Determination Training to all Rehabilitation Supervisors, Rehabilitation Counselors, and Rehabilitation Technicians. The anticipated completion date is May 30, 2013.
- Implement electronic signature policy and procedures to allow clients to sign and approve eligibility extensions via email. The anticipated completion date is June 30, 2013.
- Install digital signature pads as an attachment to RSA computers, to assist staff with obtaining client signatures in a timely manner. The anticipated completion date is June 30, 2013.

12-105

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**
93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Agency: Department of Economic Security

Contact persons: Debra Peterson, DES Chief Financial Officer, (602) 542-3786; Liz Steele, DBME Program & Project Specialist, (602) 542-7596; Melanie Starns, DAAS Assistant Director, (602) 542-2591; Greg Wetz, DES Policy Chief, (602) 542-0212; Patrick Birmingham, DERS Management Analyst III, (602) 364-4465

Anticipated completion date: Various, for anticipated completion dates see corrective action plan below

Agency Response: Concur

Agency Corrective Action Plan: To ensure the Department of Economic Security (DES) accurately prepares Temporary Assistance for Needy Families (TANF) program reports the following corrective actions have been or will be completed.

Division of Benefits and Medical Eligibility (DBME)

A unique circumstance in which a reduction in payment caused an erroneous reduction to the months countable caused this issue. To ensure the DBME provides accurate information for the ACF-100 TANF Data Report in the future, the Systems Interface Program section researched and identified the programming issue. DBME systems will update the programming logic to properly account for this

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circumstance and verify the correction through case testing to ensure that the error does not reoccur. DBME anticipates completing these corrective actions by April 30, 2013. This issue did not affect client benefits.

Financial Services Administration (FSA)

As of February 2013, the FSA formalized a quality assurance step within its three-level review process for TANF federal reporting to prevent similar entry errors from occurring in the future. After the established review process, but prior to submission of the TANF ACF-196 to the Department of Health and Human Services federal reporting system, the responsible grant analyst will print a copy of the report as entered into the system. Reviewers will crosscheck the copy of the report draft submission with the original report spreadsheet prior to certification by the manager. Reviewers will return any errors to the responsible analyst for correction; otherwise, reviewers will initial the report route slip, indicating readiness for certification.

Division of Aging and Adult Services (DAAS)

The Coordinated Homeless Program reporting error was the result of deficiencies in filing and maintaining the contracts and quarterly reports in the Contracts Library. To ensure DAAS accurately reports information for the ACF-204 Annual Report, the DAAS Coordinated Homeless program instituted a new process. Effective January 2013, the quarterly reports are monitored and reviewed by the Program Specialist each quarter and entered into a spreadsheet to count the number of reported TANF families for state and federal fiscal years. The Program Specialist will remind Contract Specialists to contact contractors who have not submitted a report by the due date. A copy of the report will be forwarded to the Program Specialist when it is received. By April 2013, the Coordinated Homeless Office and the Contract Manager will develop a procedure containing the above actions as well as a process for notifying the Program Specialist if a contractor submits an amended report that may require a change in the number of TANF families served.

Division of Business and Finance (DBF)

The DBF will submit a revised ACF-204 report no later than July 1, 2013. DBF will review all future reports to ensure that programs related to TANF goals one and two include an income eligibility standard.

Division of Employment and Rehabilitation (DERS)

To ensure the DERS reports accurate information for the ACF-199 TANF Data Report, DERS anticipates completing the following corrective actions by September 30, 2013:

- Adding a field in the Jobs Automated System (JAS) database files to capture deemed hours;
- Creating a batch job to identify cases with deemed hours (this includes testing on-line screens and batch jobs and validating the jobs program);
- Modifying the program that captures JAS data to include deemed hours; and
- Modifying the program to include deemed hours for each month for the ACF-199 TANF Data Report.

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12-106

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Agency: Department of Economic Security

Contact person: Liz Steele, DBME Program & Project Specialist, (602) 542-7596

Anticipated completion date: June 2013

Agency Response: Concur

Agency Corrective Action Plan: To ensure recipients of cash assistance qualify for additional assistance when their original benefits expire and that the facts in the applicant or recipient case record support the eligibility decisions, the DES Division of Benefits and Medical Eligibility (DBME) completed or will complete the following corrective actions.

DBME issued a Flash Bulletin on July 31, 2012 to remind all employees to obtain school attendance verification for students 18 years or older prior to TANF approval. In September 2012, DBME management reviewed this finding with the local office manager, supervisor, and responsible employee. In addition, during the quality control process reviewers check this data field in a sample of randomly selected cases.

DBME developed a new intermediate training course that includes the subject of hardship extensions. DBME started training staff in August 2012 and expect to complete the training in June 2013.

12-107

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Agency: Department of Economic Security

Contact person: Daniel Heidinger, Assistant Financial Manager, (602) 542-7966

Anticipated completion date: February 22, 2013

Agency Response: Concur

Agency Corrective Action Plan: The DES Division of Employment and Rehabilitation (DERS) will follow existing policies and procedures to ensure subrecipients address audit findings and take appropriate corrective action in a timely manner. In addition, the DERS will follow existing policies to notify the DES Office of Procurement of any potential compliance issues with the TANF contract and complete subrecipient monitoring forms when a subrecipient contract is created, at the start of each new fiscal year and at any other time as deemed necessary.

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12-108

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

Agency: Department of Economic Security

Contact person: Liz Steele, DBME Program & Project Specialist, (602) 542-7596

Anticipated completion date: October 1, 2013

Agency Response: Concur

Agency Corrective Action Plan: To ensure employees use the DHHS Income Eligibility and Verification System (IEVS) to determine eligibility and the IEVS supporting documentation is retained, the Division of Benefits and Medical Eligibility (DBME) and the document-imaging vendor are upgrading and stabilizing the document management system. DBME expects these improvements to increase the availability of the system and simplify the maintenance of supporting documentation. DBME and the Arizona Health Care Cost Containment System are implementing a new system that will automatically retain this documentation.

12-109

Emergency Food Assistance Program Cluster:

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

10.569 **Emergency Food Assistance Program (Food Commodities)**

Agency: Department of Economic Security

Contact person: Elizabeth Shoemaker, DES Chief Auditor, (602) 920-3975

Anticipated completion date: April 2013

Agency Response: Concur

Agency Corrective Action Plan: DES Audit and Management Services will follow DES policy regarding the review of single audit reports. DES divisions will be notified of federal audit findings in time to issue management decision letters within six months of receiving the single audit reports.

12-110

Emergency Food Assistance Program Cluster:

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

10.569 **Emergency Food Assistance Program (Food Commodities)**

TANF Cluster:

CFDA No.: 93.558 **Temporary Assistance for Needy Families**

93.716 **ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants**

CFDA No.: 93.563 **Child Support Enforcement**

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

CFDA No.: 93.667 **Social Services Block Grant**

Agency: Department of Economic Security

Contact person: Jonathan Lucke, FSA Principal Managing Analyst, (602) 542-3787

Anticipated completion date: October 1, 2013

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Agency Response: Concur

Agency Corrective Action Plan: The DES Financial Services Administration (FSA) continues to seek additional clarification on reporting requirements from federal representatives for the FFATA Subaward Reporting System (FSRS). As of February 2013, the FSA has not found a successful channel for adequate communication. Recently, the FSRS added additional resources for help. The FSA will investigate these other avenues of communication in order to address the complexities of reporting on a diverse pool of grants.

The FSA also contacted individual federal award agencies to learn about reporting parameters from their perspective. In every case, the FSA was given no clarification and referred back to FSRS staff. The FSA continues to work with DES client programs and the DES Office of Procurement to develop a robust set of internal controls and procedures for the identification of subawards and subrecipients applicable to FFATA as well, for accurate and timely reporting.

Proposed DES actions include:

- Developing enhanced guidelines to assist DES in identifying subrecipient relationships
- Providing applicable subrecipients with universal FFATA reporting forms and instructions when associated contracts or agreements are executed
- Developing and monitoring a subrecipient database in order to assist with the FFATA reporting requirements
- Developing universal material backup requirements for all grants
- Working with other state agencies to explore FFATA reporting best practices.

12-111

CFDA No.: 93.563 **Child Support Enforcement**

Agency: Department of Economic Security

Contact person: Mary Schumacher, DCSE Finance Administrator, (602) 771-8326

Anticipated completion date: Various, for anticipated completion dates see corrective action plan below

Agency Response: Concur

Agency Corrective Action Plan: To help ensure effective accountability for all funds and that funds are used solely for authorized purposes the DES Division of Child Support Enforcement (DCSE) has completed or will complete the following corrective actions.

- DCSE minimized overpayments for invoices received for September 1, 2011 through July 28, 2012 by completing a manual review process and adjusting the vendor payments based on the internal audit findings.
- Effective July 28, 2012, the DCSE terminated all six vendor contracts for assistance with the collection of child support. If DCSE contracts for debt collection in the future, DCSE will strengthen contract language to include specific performance requirements and criteria for compensation and vendor collection activities will be accurately identified in the computer information system (ATLAS).

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12-112

CFDA No.: 93.563 **Child Support Enforcement**

Agency: Department of Economic Security

Contact person: Mary Schumacher, DCSE Finance Administrator, (602) 771-8326

Anticipated completion date: Various, for anticipated completion dates see corrective action plan below

Agency Response: Concur

Agency Corrective Action Plan: To help ensure compliance with sub-recipient monitoring requirements, the Department of Economic Security has established the following policies and procedures.

As of February 1, 2013, the DES Division of Child Support Enforcement (DCSE) began requiring monthly Certified Public Expenditure Statements (CPES) to be accompanied by additional documentation supporting the reported expenditures. In addition, DCSE now performs detailed reviews of monthly CPES reports and the supporting documentation to ensure that the expenditures were for actual activities performed to carry out the federal program objectives prior to approving the reimbursement.

DES Audit and Management Services (AMS) will follow DES policy regarding the review of single audit reports. Divisions will be notified of federal audit findings in time to issue management decision letters within six months of receiving the single audit reports. AMS anticipates completing this corrective action in April 2013.

12-113

CFDA No.: 93.568 **Low-Income Home Energy Assistance**

Agency: Department of Economic Security

Contact person: Raoul Sada, Community Service Administrator, (602) 542-6607

Anticipated completion date: July 2013

Agency Response: Concur

Agency Corrective Action Plan: To ensure the Division of Adult and Aging Services (DAAS) reports accurate numbers of assisted households on the annual LIHEAP Household Report, DAAS implemented the following process for the Case Management Tracking (CMT) Report. The CMT Report is the supporting documentation for the Annual LIHEAP Household Report. DAAS developed a CMT Checklist that reviewers use to document review of the monthly CMT submissions from the various agencies. The checklist is also documentation that oversight of the monthly data entry was completed correctly. Following their review, the LIHEAP Program Specialist and Community Services Administrator initial the checklist. To ensure the LIHEAP Household Report is complete, accurate, and reviewed by management prior to submission, the following steps are completed:

- The Emergency and Energy Services Specialist enters data from the CMT report into the CMT spreadsheet.
- The LIHEAP Program Specialist reviews and validates the CMT spreadsheet.
- The Community Services Administrator reviews and submits the CMT spreadsheet to the Department of Health and Human Services.

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To ensure DAAS retains and can easily locate documentation, DAAS saves the CMT spreadsheet in PDF format every month in a specified folder.

In July 2013, DAAS will implement a statewide database to improve reporting accuracy. The database will automatically aggregate collected data and eliminate the need for manual entry into an EXCEL spreadsheet.

12-114

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

Agency: Department of Education

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

Anticipated completion date: June 30, 2013

Agency Response: Concur

Agency Corrective Action Plan: The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program

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areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

12-115

Child Nutrition Cluster:

CFDA No.: 10.553 **School Breakfast Program**

10.555 **National School Lunch Program**

10.556 **Special Milk Program for Children**

10.559 **Summer Food Service Program for Children**

CFDA No.: 10.558 **Child and Adult Care Food Program**

Title I, Part A Cluster:

CFDA No.: 84.010 **Title I Grants to Local Educational Agencies**

84.389 **ARRA—Title I Grants to Local Educational Agencies, Recovery Act**

Special Education Cluster (IDEA):

CFDA No.: 84.027 **Special Education—Grants to States**

84.173 **Special Education—Preschool Grants**

84.391 **ARRA—Special Education—Grants to States, Recovery Act**

84.392 **ARRA—Special Education—Preschool Grants, Recovery Act**

CFDA No.: 84.048 **Career and Technical Education—Basic Grants to States**

CFDA No.: 84.287 **Twenty-First Century Community Learning Centers**

CFDA No.: 84.367 **Improving Teacher Quality State Grants**

Agency: Department of Education

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

Anticipated completion date: June 30, 2013

Agency Response: Concur

Agency Corrective Action Plan: The Arizona Department of Education (ADE) will perform the following in order to improve access, and recovery controls over the Grants Management Enterprise System (GMS) and the Child Nutrition Program (CNP Web) system:

- *Access Controls*
 - ADE will continue utilizing policies and procedures that were updated as corrective action specific to Finding 11-113 and will actively improve on the consistency of their implementation. Specifically:
 - Units responsible for their own software, such as Grants Management (GM) and Health and Nutrition Services (HNS), now manage the permissions and documentation specific to their software.
 - Agency-level End User Network Agreement (EUNA) and the permissions granted by ADE IT are restricted to Agency-level permissions.

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- Units responsible for their own software, such as GM and HNS, now include Human Resources in their quarterly review process to verify that terminated employees do not have any active permissions. Additionally, the Grants Management Division will continue its practice of requiring appropriate documentation to grant or revoke access to any external or internal user. For those users who leave ADE or who change duties and must be removed, the Grants Management Division will coordinate with Human Resources no less frequently than once per month to determine any terminations or transfers within the Department and use this report as documentation to remove GME access.
- The HR Unit has added Grants Management and Health and Nutrition Services to the employee exit form, which will provide an additional control to ensure that access and permissions are removed on a timely basis for employees who leave the agency.
- *Recovery Controls*
 - ADE has identified applications that are critical for ADE to perform essential functions.
 - ADE has developed a draft Business Continuity and Disaster Recovery Plan that is in the process of being reviewed. After it is reviewed and approved by ADE management, it will be tested and implemented.

12-116

CFDA No.: 81.041 **State Energy Program**

81.041 **ARRA—State Energy Program**

Agency: State Land Department and School Facilities Board

Contact persons: David Trimble, State Land Department Director of Administration, (602) 542-2649 and Philip Williams, School Facilities Board Deputy Director of Finance, (602) 542-4457

Anticipated completion date: State Land Department, March 12, 2013 and School Facilities Board, March 13, 2013

State Land Department

Agency Response: Concur

Agency Corrective Action Plan: The Land Department has added a “Suspension and Debarment” clause to all contracts that involve Federal funding. The language added is: “Suspension or Debarment: The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State.” Further, the Land Department has implemented procedures to verify that all vendors funded with Federal dollars greater than \$25,000 are not suspended or debarred.

School Facilities Board

Agency Response: Concur

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Agency Corrective Action Plan: Last year, a procedure was put in place to ensure that all school districts awarded funding under federal projects would be verified against the suspension and debarment list. Even though periodic inspections were performed on new awards processed by the Agency, the audit procedure was too sporadic, and, consequently, allowed 7 out of 93 school districts to slip through the process without detection. Though limited by resource constraints, the Agency will increase the number of test cases on new federal awards in an effort to eliminate undetected errors in the future.

12-117

State Fiscal Stabilization Fund Cluster:

CFDA No.: 84.394 **ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act**

84.397 **ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act**

Agency: Arizona Office of the Governor

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

Anticipated completion date: December 31, 2013

Agency Response: Concur

The GOER did have a process in place to verify that sub-recipients were valid companies or organizations. Some of the steps taken include the following: the existence of the sub-recipient was confirmed with the Dun and Bradstreet data base; the firm's appropriateness for receiving federal funds was confirmed with CCR, EPLS, and SAM; and the financial viability and value to the state of this specific project was confirmed by the Arizona Commerce Authority and Greater Phoenix Economic Council. However, processes will be reviewed and corrected as appropriate.

12-118

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Agency: Department of Health Services

Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

Anticipated completion date: Various

Agency Response: Concur

Agency Corrective Action Plan: The Agency's Division for Planning and Operations, Business and Financial Services, and the Division of Behavioral Health Services, Bureau of Financial Operations has developed a substitute system as per OMB Circular A-87, Attachment B item 6, for allocating salaries and wages in place of individual labor activity reports. The allocation is based on Title 19, Title 21 and non-Title 19 enrollments. Non-Title 19 is further split using RBHA direct service expenditures. The allocation plan will be submitted for approval to our cognizant agency, US Department of Health and Human Services (HHS), Division of Cost Allocation and to HHS Office of Substance Abuse and Mental Health Services Administration. This allocation methodology increases the counties (Maricopa and Pima) required administrative funding. In order to meet this increase, County IGAs or additional appropriations will be needed. Either way, ADHS will not be able to complete this CAP until either is accomplished (County IGA's June 2013 and/or additional appropriations June 2015). Until this can be accomplished, for those

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individuals currently preparing Labor Activity Reports (LARs), ADHS will make quarterly comparisons to actual costs. Any necessary adjustments that are greater than 10% will be made on a quarterly basis. Adjustments less than 10% will be made on an annual basis. This will be implemented by April 2013.

The Agency will implement procedures requiring all employees working solely on the program to complete certifications by February 2013.

12-119

CFDA No.: 93.959 **Block Grants for Prevention and Treatment of Substance Abuse**

Agency: Department of Health Services

Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

Anticipated completion date: January 2013

Agency Response: Concur

Agency Corrective Action Plan: The Agency's Division for Planning and Operations, Office of Procurement will review all Agency tribal IGAs and contract extensions for suspension and debarment status and ensure that they include the appropriate clause. Procedures will be developed and implemented.

12-120

CFDA No.: 12.400 **Military Construction, National Guard**

Agency: Department of Emergency and Military Affairs

Contact person: Renee Dudden, Resource Manager, (602) 267-2730

Anticipated completion date: October 2012

Agency Response: Concur

Agency Corrective Action Plan: To ensure proper fiscal management, to include cash management, the Department instituted a process in February 2012 by which cash flow is projected and managed for each grant throughout the fiscal year. The process ensures sufficient funds are available to meet disbursement requirements, yet not exceed the 45 days between the transfer of monies from the U.S. Treasury and their disbursement. This year's finding was from the period prior to full implementation program wide.

Monthly cash flow projections are developed at the beginning of the federal fiscal year for each grant. The projections are based upon staffing, reoccurring and known operational costs and any estimated costs such as repair, maintenance and operational supplies. These cash flow projections are updated monthly reflecting actual expenditures and revenues from the prior month. During the monthly reconciliations with program managers, any necessary adjustments to the remaining monthly projections are made. After adjustments are made, the Department requests advance funds for the next 60 days. The request is based upon cumulative expenditures up to the next 60 days, minus advance funds already requested. Because it takes approximately 15 days from the close of a month to receive the request for advance funds, the agency will always maintain no more than 45 days cash on hand.

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12-121

CFDA No.: 12.401 **National Guard Military Operations and Maintenance (O&M) Projects**

Agency: Department of Emergency and Military Affairs

Contact person: Renee Dudden, Resource Manager, (602) 267-2730

Anticipated completion date: March 2012

Agency Response: Concur

Agency Corrective Action Plan: In March 2012, the Department successfully implemented a process to ensure proper documentation exists which verifies that vendors are not suspended or debarred before entering into contracts greater than \$5,000 but less than \$50,000. When the Department verifies through the Excluded Parties List System (EPLS) that a vendor has not been suspended or debarred, a printed copy of the verification is placed either into the contract folder or attached to a purchase order within ProcureAZ for non-contracted purchases. This year's finding was from a contracting action that occurred prior to the implementation.

12-122

CFDA No.: 16.575 **Crime Victim Assistance**

Agency: Department of Public Safety

Contact person: Chuck LeBlanc, Program Manager, (602) 223-2480

Anticipated completion date: July 1, 2013

Agency Response: Concur

Agency Corrective Action Plan: Beginning with the competitive application process that began on February 8, 2013, and that will culminate in contracts beginning on July 1, 2013, all applicants will be required to certify to their audit responsibilities under 31 U.S. Code §7502(f)(2)(C) and OMB Circular A-133 §400(d). The Department will monitor the Federal Audit Clearinghouse to ensure subrecipient reporting compliance and will review any audit findings, issue management decisions within 6 months of the receipt of the report and ensure prompt and appropriate corrective action has been taken with respect to relevant findings.

12-123

Research & Development Cluster:

University of Arizona Research and Development grants and contracts

CFDA No.: Various

Agency: Various

Contact person: Sherry Esham, Director Sponsored Projects Services, (520) 626-6000

Anticipated completion date: August 15, 2012

Agency Response: Concur

Agency Corrective Action Plan: The University has implemented an independent review and approval of accounting transactions. We also implemented an independent review of material Letter of Credit cash reimbursement requests as of August 15, 2012.

State of Arizona
Corrective Action Plan
Year Ended June 30, 2012

Other auditors' corrective action plans:

12-124

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Agency: Department of Transportation

Contact person: Keith Fallstrom, Controller, (602) 712-6594

Anticipated completion date: December 2013

Agency Response: Concur

Agency Corrective Action Plan: The Controller of ADOT has done a thorough review of the methodology previously used for the calculation of the department's Indirect Cost Allocation Plan (ICAP) rate, with the goal of validating principles upon which the prior rates were calculated. He has also put together different scenarios based on the existing rate type (fixed rate with carry-forward) to see if there are ways that ADOT can further capitalize on the use of an ICAP (EG: applying the rate to more types of projects than are currently being used), as well as proposed calculations using other types of rates for possible adoption. It's been established that the rate calculation and methodology will be reviewed by the Deputy Controller and Cost Accounting Administrator, as well as the Assistant Director of Finance and Accounting for soundness and accuracy. A desk procedure for the preparation of the ICAP rate is a work in progress that is expected to be completed by the end of State fiscal year 2013. Following that, a formalized ADOT Policy and Procedure should be completed by the end of calendar year 2013.

12-125

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Agency: Department of Transportation

Contact person: Winifred Gettings, Cost Accounting Administrator, (602) 712-6594

Anticipated completion date: Various, for anticipated completion dates see corrective action plan below.

Agency Response: Concur

Agency Corrective Action Plan:

Condition #1 – Policies for recertification of Certification Acceptance (CA) entities

The Local Government Section was reconfigured within ITD; it is now the Local Public Agency Section (LPA). One of the responsibilities will be the oversight and monitoring of the LPA's. The section is divided into two units; Process (including oversight and monitoring) and Program.

State of Arizona
Corrective Action Plan
Year Ended June 30, 2012

Two positions to staff the oversight and monitoring functions have been approved and the hiring process is in the works. These staff will work on the details to fill in the framework such as continuing to refine the LPA manuals, training, forms, checklists, etc. for the recertification program. The LPA Inspector Training program is planned to be in place by December, 2013. A goal was set to have the eight CA agencies recertified by September 30, 2015. While the staffing is not yet in place, steps are being taken to begin this process now, so that the timeline can be met.

Condition #2 – Identification of CFDA numbers, grant names, ARRA allocation (if any) in award letters

The ADOT has taken measures to communicate the project CFDA numbers and grant names to sub-recipients through (1) including the CFDA number and grant name in all contracts written by the Multi-modal Planning Division (MPD) and their sub-recipients receiving funds through ADOT from FTA, FHWA, FRA, and FAA, and (2) including the CFDA number and grant name as a required field for the processing of all third party agreements in the department's new Comprehensive Agreement Resource (CAR) that is to be used as a department-wide agreement database. MPD began including the CFDA numbers in their contracts in January of 2012. The CAR is scheduled for implementation for the Joint Project Agreement (JPA) group in January of 2013, with all other groups following by March of the same year. Those two measures should cover nearly all agreements with third parties, ensuring that they have correct CFDA numbers and grant names to report on their SEFA's. There are no more ARRA funds being distributed. In fact, the federal government has mandated that all projects funded with ARRA money be completed and closed by the end of the federal fiscal year 2013. ADOT will make every effort to assist sub-recipients who cannot identify ARRA funds for their SEFA's for the remainder of the time that the ARRA funded projects are still active.

Condition #3 – Procedure in place to monitor subrecipients

In November 2012, the first quarterly meeting was held between the divisions of ADOT that are jointly responsible for this area. The FMS Controllers Office and Audit and Analysis areas will meet quarterly to discuss any findings and the follow up actions necessary. At this first meeting, the following were identified:

- A new process was implemented with the preparation of the fiscal year 2012 SEFA to identify the total sub-award amounts by entity. This detailed schedule will be shared each year with Audit and Analysis. Anticipated Completion Date: October 2012.
- Audit and Analysis will add to this new schedule information that will assist FMS in following up to ensure a Single Audit was received. Anticipated Completion Date: March 2013.
- Audit and Analysis will review the Single Audit reports for findings and note them in the review letter sent to the FMS Controller's Office. The findings will be discussed at the quarterly meetings. Anticipated Completion Date: Ongoing.
- The FMS Controller's Office will work with the various business areas to resolve single audit issues with the sub-recipient's handling of Federal monies passed through ADOT. Anticipated Completion Date: Ongoing

State of Arizona
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Year Ended June 30, 2012

12-126

Highway Planning and Construction Cluster:

CFDA No.: 20.205 **Highway Planning and Construction**

20.205 **ARRA—Highway Planning and Construction**

20.219 **Recreational Trails Program**

Agency: Department of Transportation

Contact person: Brent Connor, Quality Assurance Engineer, (602) 712-7206

Anticipated completion date: February 2013

Agency Response: Concur

Agency Corrective Action Plan: A new position has been established to manage the Quality Assurance program at all levels of ADOT. The hiring process is expected to be completed by February 28, 2013. This Quality Assurance program will ensure that:

1. Materials group personnel will attend the ADOT Construction Statewide Resident Engineer's meeting February 20 – 21, 2013 to remind the construction administration personnel that ITD's policy PER-00-2 on Certification Requirements must be followed. Instances of non-conformity to personnel qualification requirements observed during construction will be escalated to the appropriate District Engineer by the Materials Group on a per incident basis.
2. Materials Group personnel will meet with construction administration personnel in their respective regions to train construction administration personnel in sampling chain of custody documentation requirements. The Regional Labs have committed to completion of Materials Coordinators and Lab Supervisors by February 28, 2013. Independent Assurance reports will be thoroughly reviewed by the Regional Materials Engineers with instances of non-conformity escalated.

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Summary Schedule of Prior Audit Findings

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State of Arizona
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012

Status of Federal Award Findings and Questioned Costs

06-107

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

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

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Summary Schedule of Prior Audit Findings
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07-101

CFDA No.: 10.553 School Breakfast Program

10.555 National School Lunch Program

10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children

10.558 Child and Adult Care Food Program

84.010 Title I Grants to Local Educational Agencies

84.011 Migrant Education—State Grant Program

84.027 Special Education—Grants to States

84.173 Special Education—Preschool Grants

84.357 Reading First—State Grants

84.367 Improving Teacher Quality State Grants

93.283 Centers for Disease Control and Prevention—Investigations and Technical Assistance

97.008 Urban Areas Security Initiative

16.007 State Domestic Preparedness Equipment Support Program

97.004 State Domestic Preparedness Equipment Support Program

97.067 Homeland Security Grant Program

Agency: Department of Administration

Status: Not Corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

07-104

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

84.011 Migrant Education—State Grant Program

84.027 Special Education—Grants to States

84.173 Special Education—Preschool Grants

84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail

State of Arizona
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012

reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

08-101

CFDA No.: 10.551 Food Stamps

10.561 State Administrative Matching Grants for Food Stamp Program

10.553 School Breakfast Program

10.555 National School Lunch Program

10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

10.558 Child and Adult Care Food Program

10.664 Cooperative Forestry Assistance

20.205 Highway Planning and Construction

66.458 Capitalization Grants for Clean Water State Revolving Funds

66.468 Capitalization Grants for Drinking Water State Revolving Funds

84.002 Adult Education—Basic Grants to States

84.010 Title I Grants to Local Educational Agencies

84.011 Migrant Education—State Grant Program

84.027 Special Education—Grants to States

84.173 Special Education—Preschool Grants

84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States

84.367 Improving Teacher Quality State Grants

State of Arizona
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93.268 Immunization Grants
93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.667 Social Services Block Grant
93.767 State Children's Insurance Program
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers
93.778 Medical Assistance Program
97.004 State Domestic Preparedness Equipment Support Program
97.067 Homeland Security Grant Program

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

08-106

CFDA No.: 17.225 Unemployment Insurance

Agency: Department of Economic Security

Status: Fully corrected

Contact person: Mark Darmer, Deputy Assistant Director, (602) 542-4910

08-115

CFDA No.: 10.553 School Breakfast Program

10.555 National School Lunch Program

10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

10.558 Child and Adult Care Food Program

84.002 Adult Education—State Grant Program

84.010 Title I Grants to Local Educational Agencies

84.011 Migrant Education—State Grant Program

84.027 Special Education—Grants to States

84.173 Special Education—Preschool Grants

84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Partially corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

State of Arizona
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012

The Arizona Department of Education (ADE) will perform the following in order to improve access, and recovery controls over the Grants Management Enterprise System (GMS) and the Child Nutrition Program (CNP Web) system:

- *Access Controls*
 - ADE will continue utilizing policies and procedures that were updated as corrective action specific to Finding 11-113 and will actively improve on the consistency of their implementation. Specifically:
 - Units responsible for their own software, such as Grants Management (GM) and Health and Nutrition Services (HNS), now manage the permissions and documentation specific to their software.
 - Agency-level End User Network Agreement (EUNA) and the permissions granted by ADE IT are restricted to Agency-level permissions.
 - Units responsible for their own software, such as GM and HNS, now include Human Resources in their quarterly review process to verify that Terminated employees do not have any active permissions. Additionally, the Grants Management Division will continue its practice of requiring appropriate documentation to grant or revoke access to any external or internal user. For those users who leave ADE or who change duties and must be removed, the Grants Management Division will coordinate with Human Resources no less frequently than once per month to determine any terminations or transfers within the Department and use this report as documentation to remove GME access.
 - The HR Unit has added Grants Management and Health and Nutrition Services to the employee exit form, which will provide an additional control to ensure that access and permissions are removed on a timely basis for employees who leave the agency.
- *Change Controls*
 - ADE corrected the Change Controls portion of this finding as of June 30, 2012 by implementing a Change Management Group that meets frequently and ensuring that all changes are fully documented.
- *Recovery Controls*
 - ADE has identified applications that are critical for ADE to perform essential functions.
 - ADE has developed a draft Business Continuity and Disaster Recovery Plan that is in the process of being reviewed. After it is reviewed and approved by ADE management, it will be tested and implemented.

08-118

CFDA No.: 84.002 Adult Education—State Grant Program
84.010 Title I Grants to Local Educational Agencies
84.011 Migrant Education—State Grant Program
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

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Summary Schedule of Prior Audit Findings
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The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

08-125

CFDA No.: 10.664 Cooperative Forestry Assistance

Agency: State Forestry Division

Status: Fully corrected

Contact Person: Glen Buettner, Grants Program Manager, (602) 771-1410

09-102

CFDA No.: 10.551 Supplemental Nutrition Assistance Program

10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

10.553 School Breakfast Program

10.555 National School Lunch Program

10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

State of Arizona
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10.558 Child and Adult Care Food Program
12.401 National Guard Military Operations and Maintenance (O&M) Projects
17.207 Employment Service/Wagner-Peyser Funded Activities
17.801 Disabled Veterans' Outreach Program (DVOP)
17.804 Local Veterans' Employment Representative Program
17.258 WIA Adult Program
17.258 ARRA—WIA Adult Program
17.259 WIA Youth Activities
17.259 ARRA—WIA Youth Activities
17.260 WIA Dislocated Workers
17.260 ARRA—WIA Dislocated Workers
20.205 Highway Planning and Construction
20.219 Recreation Trails Program
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States
84.181 Special Education—Grants for Infants and Families
84.393 Special Education—Grant for Infants and Families, Recovery Act
84.367 Improving Teacher Quality State Grants
93.558 Temporary Assistance for Needy Families
93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713 ARRA—Child Care and Development Block Grant
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers
93.778 Medical Assistance Program
93.778 ARRA—Medical Assistance Program
93.658 Foster Care—Title IV-E
93.658 ARRA—Foster Care—Title IV-E
93.767 Children's Health Insurance Program
93.959 Block Grants for Prevention and Treatment of Substance Abuse
97.067 Homeland Security Grant Program

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

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Summary Schedule of Prior Audit Findings
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This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

09-105

CFDA No.: 10.551 Supplemental Nutrition Assistance Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Annmarie Mena, DBME Operations Administrator, (602) 542-5065

09-107

CFDA No.: 17.225 Unemployment Insurance
17.225 ARRA—Unemployment Insurance
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Mark Darmer, Deputy Assistant Director, (602) 542-4910

09-121

CFDA No.: 10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.367 Improving Teacher Quality State Grants
Agency: Department of Education
Status: Partially Corrected
Contact person: Lisa Eddy, Audit Manager, (602) 364-406

The Arizona Department of Education (ADE) will perform the following in order to improve access, and recovery controls over the Grants Management Enterprise System (GMS) and the Child Nutrition Program (CNP Web) system:

- *Access Controls*
 - ADE will continue utilizing policies and procedures that were updated as corrective action specific to Finding 11-113 and will actively improve on the consistency of their implementation. Specifically:
 - Units responsible for their own software, such as Grants Management (GM) and Health and Nutrition Services (HNS), now manage the permissions and documentation specific to their software.

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Summary Schedule of Prior Audit Findings
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- Agency-level End User Network Agreement (EUNA) and the permissions granted by ADE IT are restricted to Agency-level permissions.
 - Units responsible for their own software, such as GM and HNS, now include Human Resources in their quarterly review process to verify that Terminated employees do not have any active permissions. Additionally, the Grants Management Division will continue its practice of requiring appropriate documentation to grant or revoke access to any external or internal user. For those users who leave ADE or who change duties and must be removed, the Grants Management Division will coordinate with Human Resources no less frequently than once per month to determine any terminations or transfers within the Department and use this report as documentation to remove GME access.
 - The HR Unit has added Grants Management and Health and Nutrition Services to the employee exit form, which will provide an additional control to ensure that access and permissions are removed on a timely basis for employees who leave the agency.
- *Change Controls*
 - ADE corrected the Change Controls portion of this finding as of June 30, 2012 by implementing a Change Management Group that meets frequently and ensuring that all changes are fully documented.
 - *Recovery Controls*
 - ADE has identified applications that are critical for ADE to perform essential functions.
 - ADE has developed a draft Business Continuity and Disaster Recovery Plan that is in the process of being reviewed. After it is reviewed and approved by ADE management, it will be tested and implemented.

09-122

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

09-123

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail

State of Arizona
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012

reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

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10-101

CFDA No.: 10.551 Supplemental Nutrition Assistance Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
10.558 Child and Adult Care Food Program
12.401 National Guard Military Operations and Maintenance (O&M) Projects
12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects
14.228 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
14.255 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii—(Recovery Act Funded)
16.803 Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories

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17.258 WIA Adult Program
17.258 ARRA—WIA Adult Program
17.259 WIA Youth Activities
17.259 ARRA—WIA Youth Activities
17.260 WIA Dislocated Workers
17.260 ARRA—WIA Dislocated Workers
17.225 Unemployment Insurance
17.225 ARRA—Unemployment Insurance
20.205 Highway Planning and Construction
20.205 ARRA—Highway Planning and Construction
20.219 Recreational Trails Program
66.468 Capitalization Grants for Drinking Water State Revolving Funds
66.468 ARRA—Capitalization Grants for Drinking Water State Revolving Funds
81.042 Weatherization Assistance for Low-Income Persons
81.042 ARRA—Weatherization Assistance for Low-Income Persons
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act
84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States
84.390 Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.394 State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act
84.397 State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act
84.367 Improving Teacher Quality State Grants
93.268 Immunization Grants
93.712 ARRA—Immunization
93.558 Temporary Assistance for Needy Families
93.716 ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII)
Medicare
93.778 Medical Assistance Program
93.778 ARRA—Medical Assistance Program
93.069 Public Health Emergency Preparedness
93.658 Foster Care—Title IV-E
93.658 ARRA—Foster Care—Title IV-E
93.767 Children’s Health Insurance Program
97.067 Homeland Security Grant Program

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

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Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012

We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

10-102

CFDA No.: 10.551 Supplemental Nutrition Assistance Program

10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

10.553 School Breakfast Program

10.555 National School Lunch Program

10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children

10.558 Child and Adult Care Food Program

12.401 National Guard Military Operations and Maintenance (O&M) Projects

12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects

14.228 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii

14.255 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii—(Recovery Act Funded)

16.803 Recovery Act—Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories

17.258 WIA Adult Program

17.258 ARRA—WIA Adult Program

17.259 WIA Youth Activities

17.259 ARRA—WIA Youth Activities

17.260 WIA Dislocated Workers

17.260 ARRA—WIA Dislocated Workers

17.225 Unemployment Insurance

17.225 ARRA—Unemployment Insurance

20.205 Highway Planning and Construction

20.205 ARRA—Highway Planning and Construction

20.219 Recreational Trails Program

66.468 Capitalization Grants for Drinking Water State Revolving Funds

66.468 ARRA—Capitalization Grants for Drinking Water State Revolving Funds

81.042 Weatherization Assistance for Low-Income Persons

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81.042 ARRA—Weatherization Assistance for Low-Income Persons
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act
84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States
84.390 Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.394 State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act
84.397 State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act
84.367 Improving Teacher Quality State Grants
93.268 Immunization Grants
93.712 ARRA—Immunization
93.558 Temporary Assistance for Needy Families
93.716 ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII)
Medicare
93.778 Medical Assistance Program
93.778 ARRA—Medical Assistance Program
93.069 Public Health Emergency Preparedness
93.658 Foster Care—Title IV-E
93.658 ARRA—Foster Care—Title IV-E
93.767 Children’s Health Insurance Program
97.067 Homeland Security Grant Program

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. Although the majority of the fund is used for allowable purposes, we have advised that this specific portion was, in our opinion, not consistent with established federal cost principles and may be disallowed. However, this item is controlled by statute and cannot be resolved without a legislative change. Until the methodology is acceptably modified, there will likely continue to be disallowed costs which will require repayment with applicable interest. We will continue efforts to develop a solution to this issue.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

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10-105

CFDA No.: 17.225 Unemployment Insurance

17.225 ARRA—Unemployment Insurance

Agency: Department of Economic Security

Status: Fully corrected

Contact person: Andrew Baldwin, Unemployment Insurance Administrator, (520) 770-3769

10-106

CFDA No.: 17.225 Unemployment Insurance

17.225 ARRA—Unemployment Insurance

Agency: Department of Economic Security

Status: Fully corrected

Contact person: Andrew Baldwin, Unemployment Insurance Administrator, (520) 770-3769

10-108

CFDA No.: 84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States

84.390 Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act

Agency: Department of Economic Security

Status: Not corrected

Contact person: Katherine Levandowsky, Rehabilitation Services Administrator, (602) 542-6295

Determining eligibility within 60 days remains an issue for the DES Rehabilitation Services Administration (AZRSA). AZRSA continues to focus on the importance of a signed and dated extension letter and the importance of documenting every effort to communicate with the client. Various approaches to correct the issue have been applied to everyday practice. AZRSA has provided staff with tools to assist them in tracking timelines for client eligibility determination. In May 2009, AZRSA implemented an Action Alert List in the Libera 7 System. Additionally, AZRSA incorporated use of the Action Alert List into the Libera training that is provided to all staff.

In April and May 2011, AZRSA hired sixty new field staff to decrease caseloads and allow staff additional time to complete requirements. As of February 2013, AZRSA is working with a reduction in staff at approximately 11% for Supervisors, 6% for Vocational Rehabilitation Counselors, and 18% for Rehabilitation Technicians. Consequently, AZRSA is in the process of hiring replacement staff to bring staffing back to 100%.

On January 25, 2012, AZRSA sent a request to the Council of State Administrators of Vocational Rehabilitation for distribution of a question regarding how other states handle extended disability. Ten state Vocational Rehabilitation agencies responded. After review, results of the inquiries did not provide new methods or insight to resolve the 60-day eligibility issues.

In July 2012, AZRSA asked staff to report on what they considered obstacles to determining eligibility within the required 60 days. AZRSA surveyed 165 field staff to determine specific target areas for improvement regarding eligibility issues. The response was 73% and resulted in effective feedback from the staff.

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In September 2012, AZRSA linked the Libera System 7 alert cessation to the date on the eligibility determination work sheet. This allows the eligibility alert listing to remain active until either an eligibility extension is in place or the client is determined eligible.

AZRSA updated the AZRSA Policy Manual, Section 5.4.1 to include Eligibility Extension implementation and timelines. AZRSA notified staff via email on October 5, 2012.

AZRSA revised the onboard CORE training module for new counselors to reflect a more comprehensive training on eligibility and order of selection. AZRSA began presenting the new CORE modules to staff the week of January 14, 2013.

AZRSA plans to implement electronic signature policy and procedures to allow clients to sign and approve eligibility extensions via email. AZRSA will install digital signature pads as an attachment to RSA computers, to assist staff with obtaining client signatures on the extension letters. The anticipated completion date is June 30, 2013.

In a letter dated December 12, 2011, the U.S. Department of Education determined that finding 10-108 is considered closed for the 2010 audit, as there were no questioned costs related to the finding.

10-109

CFDA No.: 93.558 Temporary Assistance for Needy Families

93.716 ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants

Agency: Department of Economic Security

Status: Partially corrected

Contact person: Annmarie Mena, Operations Administrator, (602) 542-5065

In February 2012, the DES Division of Benefits and Medical Eligibility (DBME) completed implementation of its Process Management Model. DBME focused on streamlining the initial application and interview processes, verification and eligibility decision processes, and the maintenance and re-certification processes.

The Process Management Team continues to visit local offices to observe how employees apply the Process Management Model and to provide feedback and suggestions to employees.

DBME began a review of OnBase, the document management system, in December 2011. Hyland, the OnBase vendor, and the local provider staff worked onsite with DES to review equipment issues and recommend technical upgrades. Hyland completed a review of the system and in April 2012, provided recommended upgrades to the technical architecture supporting OnBase, including upgrading the application software to v.11.2 and adding more robust web application and database servers. In September 2012, DES decided to upgrade to V.12.02. DBME planned to upgrade in February 2013, but testing has not resulted in the desired improvements. The anticipated completion date is May 2013.

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10-110

CFDA No.: 93.558 Temporary Assistance for Needy Families
93.716 ARRA—Temporary Assistance for Needy Families (TANF) Supplemental Grants
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Kathy Waite, Policy and Planning Administration Administrator, (602) 542-3882

10-113

CFDA No.: 93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778 Medical Assistance Program
96.001 Social Security—Disability Insurance
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Nancy West, Program Administrator Disability Determination Services Administration, (602) 771-7110

10-115

CFDA No.: 10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education—Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants
Agency: Department of Education
Status: Partially Corrected
Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Arizona Department of Education (ADE) will perform the following in order to improve access, and recovery controls over the Grants Management Enterprise System (GMS) and the Child Nutrition Program (CNP Web) system:

- *Access Controls*
 - ADE will continue utilizing policies and procedures that were updated as corrective action specific to Finding 11-113 and will actively improve on the consistency of their implementation. Specifically:

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- Units responsible for their own software, such as Grants Management (GM) and Health and Nutrition Services (HNS), now manage the permissions and documentation specific to their software.
 - Agency-level End User Network Agreement (EUNA) and the permissions granted by ADE IT are restricted to Agency-level permissions.
 - Units responsible for their own software, such as GM and HNS, now include Human Resources in their quarterly review process to verify that Terminated employees do not have any active permissions. Additionally, the Grants Management Division will continue its practice of requiring appropriate documentation to grant or revoke access to any external or internal user. For those users who leave ADE or who change duties and must be removed, the Grants Management Division will coordinate with Human Resources no less frequently than once per month to determine any terminations or transfers within the Department and use this report as documentation to remove GME access.
 - The HR Unit has added Grants Management and Health and Nutrition Services to the employee exit form, which will provide an additional control to ensure that access and permissions are removed on a timely basis for employees who leave the agency.
- *Change Controls*
 - ADE corrected the Change Controls portion of this finding as of June 30, 2012 by implementing a Change Management Group that meets frequently and ensuring that all changes are fully documented.
 - *Recovery Controls*
 - ADE has identified applications that are critical for ADE to perform essential functions.
 - ADE has developed a draft Business Continuity and Disaster Recovery Plan that is in the process of being reviewed. After it is reviewed and approved by ADE management, it will be tested and implemented.

10-117

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education—Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding

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those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

10-119

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education—Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

10-120

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

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10-121

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

10-123

CFDA No.: 84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 Special Education—Grants to States, Recovery Act
84.392 Special Education—Preschool Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

10-124

CFDA No.: 84.318 Educational Technology State Grants
84.386 Education Technology State Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

10-129

CFDA No.: 93.069 Public Health Emergency Preparedness

Agency: Department of Health Services

Status: Fully corrected

Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

10-130

CFDA No.: 93.069 Public Health Emergency Preparedness

Agency: Department of Health Services

Status: Partially corrected

Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

The Agency's Division of Public Health Services, Bureau of Public Health Preparedness developed a monitoring tool in SFY2012 and is planning to conduct 3-4 subrecipient site visits annually beginning SFY2013 and will include verifications of support for matching expenditures and an evaluation of internal controls.

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10-132

CFDA No.: 12.401 National Guard Military Operations and Maintenance (O&M) Projects
12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects
Agency: Department of Emergency and Military Affairs
Status: Fully corrected
Contact person: Renee Dudden, Resource Manager, (602) 267-2730

11-101

CFDA No.: 10.551 Supplemental Nutrition Assistance Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program
12.401 National Guard Military Operations and Maintenance (O&M) Projects
12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects
17.258 WIA Adult Program
17.258 ARRA—WIA Adult Program
17.259 WIA Youth Activities
17.259 ARRA—WIA Youth Activities
17.260 WIA Dislocated Workers
17.260 ARRA—WIA Dislocated Workers
17.278 WIA Dislocated Worker Formula Grants
20.205 Highway Planning and Construction
20.205 ARRA—Highway Planning and Construction
20.219 Recreational Trails Program
81.041 State Energy Program
81.041 ARRA—State Energy Program
84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 ARRA—Special Education—Grants to States, Recovery Act
84.392 ARRA—Special Education—Preschool Grants, Recovery Act
84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States
84.390 ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act
84.377 School Improvement Grants
84.388 ARRA—School Improvement Grants, Recovery Act

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84.394 ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act
84.397 ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act
84.367 Improving Teacher Quality State Grants
93.720 ARRA—Survey Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778 Medical Assistance Program
93.778 ARRA—Medical Assistance Program
93.767 Children’s Health Insurance Program
93.889 National Bioterrorism Hospital Preparedness Program
93.917 HIV Care Formula Grants Agency

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. In fact, a concern was raised for over two years prior to actually becoming law. On multiple occasions during that period we advised that this was, in our opinion, not consistent with established federal cost principles and almost certainly would be disallowed. This item is controlled by statute and was addressed in the 2012 legislative session. The legislative change was not effective for fiscal year 2012 so there will be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

11-102

CFDA No.: 10.551 Supplemental Nutrition Assistance Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.561 ARRA—State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program
12.401 National Guard Military Operations and Maintenance (O&M) Projects
12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects
17.258 WIA Adult Program
17.258 ARRA—WIA Adult Program
17.259 WIA Youth Activities
17.259 ARRA—WIA Youth Activities

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17.260 WIA Dislocated Workers
17.260 ARRA—WIA Dislocated Workers
17.278 WIA Dislocated Worker Formula Grants
17.225 Unemployment Insurance
17.225 ARRA—Unemployment Insurance
20.205 Highway Planning and Construction
20.205 ARRA—Highway Planning and Construction
20.219 Recreational Trails Program
81.041 State Energy Program
81.041 ARRA—State Energy Program
84.010 Title I Grants to Local Educational Agencies
84.389 Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 ARRA—Special Education—Grants to States, Recovery Act
84.392 ARRA—Special Education—Preschool Grants, Recovery Act
84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States
84.390 ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act
84.377 School Improvement Grants
84.388 ARRA—School Improvement Grants, Recovery Act
84.394 ARRA—State Fiscal Stabilization Fund (SFSF)—Education State Grants, Recovery Act
84.397 ARRA—State Fiscal Stabilization Fund (SFSF)—Government Services, Recovery Act
84.367 Improving Teacher Quality State Grants
84.410 Education Jobs Fund
93.558 Temporary Assistance for Needy Families
93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program
93.720 ARRA—Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative
93.775 State Medicaid Fraud Control Units
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778 Medical Assistance Program
93.778 ARRA—Medical Assistance Program
93.563 Child Support Enforcement
93.563 ARRA—Child Support Enforcement
93.568 Low-Income Home Energy Assistance
93.658 Foster Care—Title IV-E
93.658 ARRA—Foster Care—Title IV-E
93.667 Social Services Block Grant
93.767 Children’s Health Insurance Program
93.889 National Bioterrorism Hospital Preparedness Program

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93.917 HIV Care Formula Grants
96.001 Social Security—Disability Insurance

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have an established process in place for monitoring legislation. Although the majority of the fund is used for allowable purposes, we have advised that this specific portion was, in our opinion, not consistent with established federal cost principles and may be disallowed. However, this item is controlled by statute and cannot be resolved without a legislative change. Until the methodology is acceptably modified, there will likely continue to be disallowed costs which will require repayment with applicable interest. We will continue efforts to develop a solution to this issue.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

11-103

CFDA No.: Various

Agency: Department of Administration

Status: Not corrected

Contact person: Clark Partridge, State Comptroller, (602) 542-5405

We have requested authority to pay the federal government its corresponding pro-rata share related to the transferred monies. This resolution is pending legislative authorization.

We have an established process in place for monitoring legislation. On multiple occasions we have advised that these transfers were, in our opinion, not consistent with established federal cost principles and would probably result in an obligation to the federal government. Until the State changes its approach to the transfer of monies, there will likely continue to be disallowed costs which will require repayment with applicable interest.

This issue is a cross-cutting finding and has been addressed by the Department of Health and Human Services, Division of Cost Allocation (DHHS-DCA). Accordingly, all prior year questioned costs have been settled.

11-104

CFDA No.: 17.225 Unemployment Insurance

17.225 ARRA—Unemployment Insurance

Agency: Department of Economic Security

Status: Fully corrected

Contact person: Jim Benson, Financial Services Administration Manager, (602) 542-6554

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11-105

CFDA No.: 17.225 Unemployment Insurance

17.225 ARRA—Unemployment Insurance

Agency: Department of Economic Security

Status: Fully corrected

Contact person: Maria Perez-Parra, Unemployment Insurance Administration Quality Assurance Manager
(602) 364-2415

11-106

CFDA No.: 84.126 Rehabilitation Services—Vocational Rehabilitation Grants to States

84.390 ARRA—Rehabilitation Services—Vocational Rehabilitation Grants to States, Recovery Act

Agency: Department of Economic Security

Status: Not corrected

Contact person: Katharine Levandowsky, RSA Administrator, (602) 542-3332

Determining eligibility within 60 days remains an issue for the DES Rehabilitation Services Administration (AZRSA). AZRSA continues to focus on the importance of a signed and dated extension letter and the importance of documenting every effort to communicate with the client. Various approaches to correct the issue have been applied to everyday practice. AZRSA has provided staff with tools to assist them in tracking timelines for client eligibility determination. In May 2009, AZRSA implemented an Action Alert List in the Libera 7 System. Additionally, AZRSA incorporated use of the Action Alert List into the Libera training that is provided to all staff.

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On January 25, 2012, AZRSA sent a request to the Council of State Administrators of Vocational Rehabilitation for distribution of a question regarding how other states handle extended disability. Ten state Vocational Rehabilitation agencies responded. After review, results of the inquiries did not provide new methods or insight to resolve the 60-day eligibility issues.

In July 2012, AZRSA asked staff to report on what they considered obstacles to determining eligibility within the required 60 days. AZRSA surveyed 165 field staff to determine specific target areas for improvement regarding eligibility issues. The response was 73% and resulted in effective feedback from the staff.

In September 2012, AZRSA linked the Libera System 7 alert cessation to the date on the eligibility determination work sheet. This allows the eligibility alert listing to remain active until either an eligibility extension is in place or the client is determined eligible.

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AZRSA updated the AZRSA Policy Manual, Section 5.4.1 to include Eligibility Extension implementation and timelines. AZRSA notified staff via email on October 5, 2012.

AZRSA revised the onboard CORE training module for new counselors to reflect a more comprehensive training on eligibility and order of selection. AZRSA began presenting the new CORE modules to staff the week of January 14, 2013.

AZRSA plans to implement electronic signature policy and procedures to allow clients to sign and approve eligibility extensions via email. AZRSA will install digital signature pads as an attachment to RSA computers, to assist staff with obtaining client signatures on the extension letters. The anticipated completion date is June 30, 2013.

In a letter dated August 3, 2012, the U.S. Department of Education determined that finding 11-108 is considered closed for the 2011 audit, as there were no questioned costs related to the finding.

11-107

CFDA No.: 93.558 Temporary Assistance for Needy Families

93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families
(TANF) State Programs

Agency: Department of Economic Security

Status: Partially corrected

Contact persons: Monika Luksikova-Hickcox, Financial Services Administration Manager, (602) 542-6060;
Leona Hodges, Division of Benefits & Medical Eligibility Assistant Director, (602) 542-3596

To accurately prepare and provide support for reports the DES Financial Services Administration (FSA) implemented the following procedures:

- FSA modified the quarterly ACF-196 TANF Financial Report criteria used to categorize expenditures under the “Non-Assist Authorized Solely Under Prior Law” and “Other” category. All subsequent reports starting with the 09/30/2011 quarter include the revised criteria. FSA resubmitted the reports with the correction in the quarter ending June 30, 2011.
- The discrepancies in the 2010 ACF-204 Annual Report and the Annual Report on State Maintenance-of-Effort (MOE) Programs were caused by keying errors while inputting data into the report. Because the errors consisted of an understatement and an overstatement of the same amount, the report as a whole was unaffected. FSA reviewed the finding with staff responsible for reviewing the ACF-204 report in collaboration with the DES Division of Business and Finance (DBF). FSA emphasized the importance of ensuring data is correctly reported and summarily reviewed. FSA has successfully worked with DBF every quarter since March 2012 to ensure the review procedures are followed.
- To ensure community provider expenditures in the ACF-204 Annual Report and the MOE Report are allowable, FSA worked closely with providers to obtain a detailed description of expenditures determined to be allowable and closely reviewed submitted expenditures for appropriateness. FSA also developed a standardized spreadsheet for the collection of MOE data to ensure community partners provide sufficient evidence for claimed expenditures. FSA has used the new standardized collection spreadsheet since the 09/30/2012 quarter.

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To correct the error identified in the ACF-199 TANF Data Report, the DES Family Assistance Administration (FAA) Systems Unit completed an extensive review of the case in question and ran additional ad hoc reports to ensure that no other cases were in error. FAA Systems was able to verify the cause of the error and correct the case. In October 2012, DBME completed a tracking audit that included a review of all records. The audit revealed system programming was not aligned to policy and a need for additional staff training. DBME implemented a monitoring and correction process that included reviewing and addressing incorrect combinations that the system generated.

In December 2012, DBME completed the project and provided the DBME Assistant Director with the final report.

11-108
CFDA No.: 93.558 Temporary Assistance for Needy Families
93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families
(TANF) State Programs
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Dr. Melissa Williams, DERS Employment Services Support Unit Manager, (602) 771-1322

11-109
CFDA No.: 93.558 Temporary Assistance for Needy Families
93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families
(TANF) State Programs
Agency: Department of Economic Security
Status: Not corrected
Contact person: Leona Hodges, Division of Benefits & Medical Eligibility Assistant Director, (602) 542-3596

The DES Division of Benefits and Medical Eligibility (DBME) determined OnBase, the online imaging system, was not correctly storing Income Eligibility and Verification System (IEVS) documentation.

Hyland, the OnBase vendor, completed a review of the system and in April 2012, provided recommended upgrades to the technical architecture supporting OnBase, including upgrading the application software to v.11.2 and adding more robust web application and database servers. In September 2012, DES decided to upgrade to V.12.02.

DBME planned to upgrade in February 2013, but testing has not resulted in the desired improvements. The anticipated completion date is May 2013.

11-110
CFDA No.: 93.568 Low-Income Home Energy Assistance
Agency: Department of Economic Security
Status: Partially corrected
Contact person: Melanie Starns, DAAS Assistant Director, (602) 542-2591

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To ensure the DES Division of Aging & Adult Services (DAAS) accurately prepares and provides support for Low-Income Home Energy Assistance reports to the Federal Office of Community Services (OCS), DAAS implemented the following changes and protocol:

- To ensure DAAS updates estimated numbers to actual figures before reporting, the DAAS Finance & Business Operations (FBO) has been completing the Carryover and Re-allotment Report rather than the program unit. Upon receipt of the SF-269A report from the DES Financial Services Administration, FBO generates a revised Carryover and Re-allotment Report reflecting the actual Carryover figure taken from the SF-269A for submittal.
- To ensure DAAS reports accurate amounts for the number of households assisted, DAAS revised the databases provided to the contractors to track the data. All of the preprogrammed formulas and fields were protected to ensure they cannot be overwritten so future calculations should be accurate.
- To ensure Community Action Program contractors know what is required when reporting, DAAS issued an ALERT on March 23, 2012. The ALERT provided all contractors the correct form for reporting actual numbers and detailed instructions on how to complete each of the report fields.
- To ensure DAAS captures information related to approved, pending, and denied applications, DAAS provided instructions for completion of the Monthly Case Management Report in the March ALERT. The instructions specifically addressed the need to capture the number of approved, pending, or denied applications. In addition, the need to collect and report applicant data was reviewed with contractors during the monthly Directors Conference Call. DAAS also reviewed each monthly report to ensure the report is accurate and complete prior to approval of payment for that month.
- In July 2013, DAAS will implement a statewide database to improve reporting accuracy. The database will automatically aggregate collected data and eliminate the need for manual entry into an EXCEL spreadsheet.

11-111

CFDA No.: 93.558 Temporary Assistance for Needy Families

93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs

93.563 Child Support Enforcement

93.563 ARRA—Child Support Enforcement

93.568 Low-Income Home Energy Assistance

93.667 Social Services Block Grant

Agency: Department of Economic Security

Status: Not corrected

Contact person: Jonathan Lucke, FSA Principal Managing Analyst, (602) 542-3787

The DES Financial Services Administration (FSA) continues to seek additional clarification on reporting requirements from federal representatives for the FFATA Subaward Reporting System (FSRS). As of February 2013, the FSA has not found a successful channel for adequate communication. Recently, the FSRS added additional resources for help. The FSA will investigate these other avenues of communication in order to address the complexities of reporting on a diverse pool of grants.

The FSA also contacted individual federal award agencies to learn about reporting parameters from their perspective. In every case, the FSA was given no clarification and referred back to FSRS staff. The FSA

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continues to work with DES client programs and the DES Office of Procurement to develop a robust set of internal controls and procedures for the identification of subawards and subrecipients applicable to FFATA as well, for accurate and timely reporting.

Proposed DES corrective actions include:

- Developing enhanced guidelines to assist DES in identifying subrecipient relationships
- Providing applicable subrecipients with universal FFATA reporting forms and instructions when associated contracts or agreements are executed
- Developing and monitoring a subrecipient database in order to assist with the FFATA reporting requirements
- Developing universal material backup requirements for all grants
- Working with other state agencies to explore FFATA reporting best practices

FSA expects to complete these actions by October 1, 2013.

11-112

CFDA No.: 93.558 Temporary Assistance for Needy Families
93.714 ARRA—Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs
93.667 Social Services Block Grant
Agency: Department of Economic Security
Status: Fully corrected
Contact person: Sherry Seaman, DCYF Performance Improvement & Accountability Manager, (602) 542-2275

11-113

CFDA No.: 10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program
84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 ARRA—Special Education—Grants to States, Recovery Act
84.392 ARRA—Special Education—Preschool Grants, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act
84.377 School Improvements Grants
84.388 ARRA—School Improvements Grants, Recovery Act
84.367 Improving Teacher Quality State Grants
Agency: Department of Education
Status: Partially corrected
Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

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The Arizona Department of Education (ADE) will perform the following in order to improve access, and recovery controls over the Grants Management Enterprise System (GMS) and the Child Nutrition Program (CNP Web) system:

- *Access Controls*
 - ADE will continue utilizing policies and procedures that were updated as corrective action specific to Finding 11-113 and will actively improve on the consistency of their implementation. Specifically:
 - Units responsible for their own software, such as Grants Management (GM) and Health and Nutrition Services (HNS), now manage the permissions and documentation specific to their software.
 - Agency-level End User Network Agreement (EUNA) and the permissions granted by ADE IT are restricted to Agency-level permissions.
 - Units responsible for their own software, such as GM and HNS, now include Human Resources in their quarterly review process to verify that Terminated employees do not have any active permissions. Additionally, the Grants Management Division will continue its practice of requiring appropriate documentation to grant or revoke access to any external or internal user. For those users who leave ADE or who change duties and must be removed, the Grants Management Division will coordinate with Human Resources no less frequently than once per month to determine any terminations or transfers within the Department and use this report as documentation to remove GME access.
 - The HR Unit has added Grants Management and Health and Nutrition Services to the employee exit form, which will provide an additional control to ensure that access and permissions are removed on a timely basis for employees who leave the agency.
- *Change Controls*
 - ADE corrected the Change Controls portion of this finding as of June 30, 2012 by implementing a Change Management Group that meets frequently and ensuring that all changes are fully documented.
- *Recovery Controls*
 - ADE has identified applications that are critical for ADE to perform essential functions.
 - ADE has developed a draft Business Continuity and Disaster Recovery Plan that is in the process of being reviewed. After it is reviewed and approved by ADE management, it will be tested and implemented.

11-114

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act
84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 ARRA—Special Education—Grants to States, Recovery Act
84.392 ARRA—Special Education—Preschool Grants, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act

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84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Not corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

The Grants Management Division will renew its previous practice of making a report available to all Program Areas within ADE of all outstanding completion reports and the timeframe from which each was submitted. Additionally, the Grants Management Division will institute a protocol of sending e-mail reminders to grantees no later than 30 days prior to the 90 day Completion Report deadline reminding those grantees who have not submitted a completion report that they are not in compliance with provisions of the USFR and must submit a completion report immediately. These reminder e-mails will continue weekly (as well as a standing report available to ADE Program Areas) until all Completion Reports have been submitted. Additionally, the Grants Management Division will produce a standing report available to all program areas of those Projects where Completion Reports have been submitted but are not yet approved. This report will be produced no less frequently than bi-weekly and can begin being produced as soon as the first Completion Report is submitted after the close of most ADE subrecipient projects – which end on June 30th.

Further, the ADE Grants Management Division will produce a standing report made available to all Program Areas that shows those grant projects which show a balance of cash on hand. This will aid both Grants Management Division and Program Areas in their follow-up to ensure that grantees fully expend cash on hand, or risk having subsequent year's projects placed on hold – which would prevent subsequent disbursements. These measures should reduce the risk of further disbursements being issued prior to a previous year's completion report being approved. In order to further assure that no disbursements are made, the Grants Management Division will manually place a hold on all current year projects where a prior year completion report has not yet been submitted. In the case where a completion report has been submitted properly but not yet approved, the measure mentioned above to notify program areas of outstanding completion reports should reduce the risk of subsequent disbursements being made when a completion report has yet to be approved. ADE Grants Management Division will summarize these measures in a formal policy/procedure that will outline expectations of program areas and preferred timelines for processing completion reports (based on the Performance Metric of 28 days to approval). This Policy/Procedure will be drafted and submitted for internal review and adoption no later than March 29, 2013. A copy will also be routed to the Auditor General's office for their information.

11-115

CFDA No.: 84.318 Educational Technology State Grants

84.386 ARRA—Education Technology State Grants, Recovery Act

84.377 School Improvements Grants

84.388 ARRA—School Improvements Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

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11-116

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

11-117

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act
84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act
84.367 Improving Teacher Quality State Grants

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

11-118

CFDA No.: 84.010 Title I Grants to Local Educational Agencies
84.389 ARRA—Title I Grants to Local Educational Agencies, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

11-119

CFDA No.: 84.027 Special Education—Grants to States
84.173 Special Education—Preschool Grants
84.391 ARRA—Special Education—Grants to States, Recovery Act
84.392 ARRA—Special Education—Preschool Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

11-120

CFDA No. 84.318 Educational Technology State Grants
84.386 ARRA—Education Technology State Grants, Recovery Act

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

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11-121

CFDA No.: 10.553 School Breakfast Program
10.555 National School Lunch Program
10.556 Special Milk Program for Children
10.559 Summer Food Service Program for Children
10.558 Child and Adult Care Food Program

Agency: Department of Education

Status: Fully corrected

Contact person: Lisa Eddy, Audit Manager, (602) 364-4061

11-122

CFDA No.: 81.041 State Energy Program
81.041 ARRA—State Energy Program

Agency: State Land Department and School Facilities Board

Status: Partially corrected

Contact persons: David Trimble, State Land Department Director Administration, (602) 542-2649 and Philip Williams, School Facilities Board Deputy Director of Finance, (602) 542-4457

State Land Department

This finding has crossed fiscal years due to the nature and timing of when the finding was discovered. The previous audit for fiscal year 2011 was conducted in February of 2012, (fiscal year 2012), during which the Land Department was made aware of the suspension and debarment requirement. The transactions that triggered all findings for both fiscal years had occurred previous to the initial audit inspection for fiscal year 2011. They occurred in December of calendar year 2011 and January of calendar year 2012. Therefore this subsequent audit finding is a consequence of timing as related to the Land Department's awareness of the requirement.

The Department has taken corrective action to insure this finding does not recur in subsequent fiscal years. The Land Department has added a "Suspension and Debarment" clause to all contracts that involve Federal funding. The language added is: "Suspension or Debarment: The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State." Further, the Land Department has implemented procedures to verify that all vendors funded with Federal dollars greater than \$25,000 are not suspended or debarred.

School Facilities Board

A procedure was put in place to ensure that all school districts awarded funding under federal projects would be verified against the suspension and debarment list. Even though periodic inspections were performed on new awards processed by the Agency, the audit procedure was too sporadic, and, consequently, allowed 7 out of 93 school districts to slip through the process without detection. Though limited by resource constraints, the Agency will increase the number of test cases on new federal awards in an effort to eliminate undetected errors in the future.

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11-123

CFDA No.: 93.889 National Bioterrorism Hospital Preparedness Program
Agency: Department of Health Services
Status: Partially corrected
Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

The Agency's Division of Public Health Services, Bureau of Public Health Preparedness, Hospital Preparedness Program developed procedures in SFY2012 to enact funding on a six-month basis, the first six months will be based on an acceptable budget plan and the second will be based on performance of the first six months. The number of contracts will be reduced due to lack of performance or due to the participating hospitals and healthcare centers lack of interest. These procedures will be put in place SFY2013.

11-124

CFDA No.: 93.889 National Bioterrorism Hospital Preparedness Program
Agency: Department of Health Services
Status: Fully corrected
Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

11-125

CFDA No.: 93.889 National Bioterrorism Hospital Preparedness Program
Agency: Department of Health Services
Status: Partially corrected
Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

The Agency's Division of Public Health Services, Bureau of Public Health Preparedness, developed a monitoring tool in SFY2012 and is planning to conduct subrecipient site visits beginning SFY2013. The Division has also developed a template which is a mandatory requirement for reporting match and must be reported by subrecipients in order for funding to proceed.

11-126

CFDA No.: 93.889 National Bioterrorism Hospital Preparedness Program
Agency: Department of Health Services
Status: Fully corrected
Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

11-127

CFDA No.: 93.917 HIV Care Formula Grants
Agency: Department of Health Services
Status: Fully corrected
Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

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11-128

CFDA No.: 93.917 HIV Care Formula Grants

Agency: Department of Health Services

Status: Fully corrected

Contact person: Alexandra Percival, Chief Audit Officer, (602) 542-1775

11-129

CFDA No.: 12.401 National Guard Military Operations and Maintenance (O&M) Projects

12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects

12.404 National Guard ChalleNGe Program

Agency: Department of Emergency and Military Affairs

Status: Fully corrected

Contact person: Renee Dudden, Resource Manager, (602) 267-2730

11-130

CFDA No.: 12.401 National Guard Military Operations and Maintenance (O&M) Projects

12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects

Agency: Department of Emergency and Military Affairs

Status: Fully corrected

Contact person: Renee Dudden, Resource Manager, (602) 267-2730

11-131

CFDA No.: 12.401 National Guard Military Operations and Maintenance (O&M) Projects

12.401 ARRA—National Guard Military Operations and Maintenance (O&M) Projects

Agency: Department of Emergency and Military Affairs

Status: Not corrected

Contact person: Renee Dudden, Resource Manager, (602) 267-2730

The Department has instituted a process to ensure proper documentation exists which verifies that vendors are not suspended or debarred before entering into contracts greater than \$5,000 but less than \$50,000. The Department verifies through the Excluded Parties List System (EPLS) that a vendor has not been suspended or debarred and prints out the verification. The verification is placed either into the contract folders for contracts or attached to a purchase order within ProcureAZ for non-contracted purchases.

11-132

CFDA No.: 64.005 Grants to States for Construction of State Home Facilities

64.005 ARRA—Grants to States for Construction of State Home Facilities

Agency: Department of Veterans' Services

Status: Fully corrected

Contact person: Brian D. Ball, Chief Procurement Officer, (602) 234-8404

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11-133

CFDA No.: 64.005 Grants to States for Construction of State Home Facilities
64.005 ARRA—Grants to States for Construction of State Home Facilities
Agency: Department of Veterans' Services
Status: Fully corrected
Contact person: Brian D. Ball, Chief Procurement Officer, (602) 234-8404

11-134

CFDA No.: 84.007 Federal Supplemental Educational Opportunity Grants
84.032 Federal Family Education Loans
84.033 Federal Work-Study Program
84.038 Federal Perkins Loan Program—Federal Capital Contributions
84.063 Federal Pell Grant Program
84.268 Federal Direct Student Loans
84.375 Academic Competitiveness Grants
84.376 National Science and Mathematics Access to Retain Talent (SMART) Grants
84.379 Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
84.408 Postsecondary Education Scholarships for Veteran's Dependents
93.264 Nurse Faculty Loan Program
93.342 Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students
93.364 Nursing Student Loans
93.407 ARRA—Scholarships for Disadvantaged Students
93.408 ARRA—Nurse Faculty Loan Program
93.925 Scholarships for Health Professions Students from Disadvantaged Backgrounds
Agency: Arizona State University
Status: Fully corrected
Contact person: Susan Sedik-Barker, Director Client Relations, (480) 965-1127

11-135

CFDA No.: 84.007 Federal Supplemental Educational Opportunity Grants
84.032 Federal Family Education Loans
84.033 Federal Work-Study Program
84.038 Federal Perkins Loan—Federal Capital Contributions
84.063 Federal Pell Grant Program
84.268 Federal Direct Student Loans
84.375 Academic Competitiveness Grants
84.376 National Science and Mathematics Access to Retain Talent (SMART) Grants
84.379 Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
84.408 Postsecondary Education Scholarships for Veteran's Dependents
93.264 Nurse Faculty Loan Program
93.342 Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students

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93.364 Nursing Student Loans
93.407 ARRA—Scholarships for Disadvantaged Students
93.408 ARRA—Nurse Faculty Loan Program
93.925 Scholarships for Health Professions Students from Disadvantaged Backgrounds

Agency: University of Arizona

Status: Fully Corrected

Contact persons: John Nametz, Executive Director, Office of Scholarships and Financial Aid, (520) 307-1077 and Helen Horetski, Associate Director, Business and Finance, (520) 621-3543

11-136

CFDA No.: 20.205 Highway Planning and Construction
20.205 ARRA—Highway Planning and Construction
20.219 Recreational Trails Program

Agency: Department of Transportation

Status: Not corrected

Contact person: Winifred Gettings, Cost Accounting Administrator, (602) 712-6639

Condition #1 – Policies for recertification of Certification Acceptance (CA) entities

The Local Government Section was reconfigured within ITD; it is now the Local Public Agency Section (LPA). One of the responsibilities will be the oversight and monitoring of the LPA's. The section is divided into two units; Process (including oversight and monitoring) and Program.

Two positions to staff the oversight and monitoring functions have been approved and the hiring process is in the works. These staff will work on the details to fill in the framework such as continuing to refine the LPA manuals, training, forms, checklists, etc. for the recertification program. The LPA Inspector Training program is planned to be in place by December, 2013. A goal was set to have the eight CA agencies recertified by September 30, 2015. While the staffing is not yet in place, steps are being taken to begin this process now, so that the timeline can be met.

Condition #2 – Identification of CFDA numbers, grant names, ARRA allocation (if any) in award letters

The ADOT has taken measures to communicate the project CFDA numbers and grant names to sub-recipients through (1) including the CFDA number and grant name in all contracts written by the Multi-modal Planning Division (MPD) and their sub-recipients receiving funds through ADOT from FTA, FHWA, FRA, and FAA, and (2) including the CFDA number and grant name as a required field for the processing of all third party agreements in the department's new Comprehensive Agreement Resource (CAR) that is to be used as a department-wide agreement database. MPD began including the CFDA numbers in their contracts in January of 2012. The CAR is scheduled for implementation for the Joint Project Agreement (JPA) group in January of 2013, with all other groups following by March of the same year. Those two measures should cover nearly all agreements with third parties, ensuring that they have correct CFDA numbers and grant names to report on their SEFA's. There are no more ARRA funds being distributed. In fact, the federal government has mandated that all projects funded with ARRA money be completed and closed by the end of the federal fiscal year 2013. ADOT will make every effort to assist sub-recipients who cannot identify ARRA funds for their SEFA's for the remainder of the time that the ARRA funded projects are still active.

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Condition #3 – Procedure in place to monitor subrecipients

In November 2012, the first quarterly meeting was held between the divisions of ADOT that are jointly responsible for this area. The FMS Controllers Office and Audit and Analysis areas will meet quarterly to discuss any findings and the follow up actions necessary. At this first meeting, the following were identified:

- A new process was implemented with the preparation of the fiscal year 2012 SEFA to identify the total sub-award amounts by entity. This detailed schedule will be shared each year with Audit and Analysis. Anticipated Completion Date: October 2012.
- Audit and Analysis will add to this new schedule information that will assist FMS in following up to ensure a Single Audit was received. Anticipated Completion Date: March 2013.
- Audit and Analysis will review the Single Audit reports for findings and note them in the review letter sent to the FMS Controller's Office. The findings will be discussed at the quarterly meetings. Anticipated Completion Date: Ongoing.
- The FMS Controller's Office will work with the various business areas to resolve single audit issues with the sub-recipient's handling of Federal monies passed through ADOT. Anticipated Completion Date: Ongoing

11-137

CFDA No.: 20.205 Highway Planning and Construction
20.205 ARRA—Highway Planning and Construction
20.219 Recreational Trails Program

Agency: Department of Transportation

Status: Not corrected

Contact person: Brent Connor, Quality Assurance Engineer, (602) 712-7206

A new position has been established to manage the Quality Assurance program at all levels of ADOT. The hiring process is expected to be completed by February 28, 2013. This Quality Assurance program will ensure that:

1. Materials group personnel will attend the ADOT Construction Statewide Resident Engineer's meeting February 20 – 21, 2013 to remind the construction administration personnel that ITD's policy PER-00-2 on Certification Requirements must be followed. Instances of non-conformity to personnel qualification requirements observed during construction will be escalated to the appropriate District Engineer by the Materials Group on a per incident basis.
2. Materials Group personnel will meet with construction administration personnel in their respective regions to train construction administration personnel in sampling chain of custody documentation requirements. The Regional Labs have committed to completion of Materials Coordinators and Lab Supervisors by February 28, 2013. Independent Assurance reports will be thoroughly reviewed by the Regional Materials Engineers with instances of non-conformity escalated.