STATE OF MARYLAND

Single Audit
with
Independent Auditors' Report

Year Ended June 30, 2009

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Honorable Peter Franchot
Comptroller of Maryland

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Maryland (the State), as of and for the year ended June 30, 2009, which collectively comprise the State's basic financial statements as listed in the table of contents. These financial statements, schedules and supplementary information are the responsibility of the State's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We did not audit the financial statements of (1) certain Economic Development-Loan Programs; (2) Unemployment Insurance Program; (3) Maryland State Lottery Agency; (4) Maryland Transportation Authority; (5) Economic Development Insurance Programs; (6) certain foundations included in the higher education component unit; (7) Maryland Environmental Service; (8) Maryland Food Center Authority; (9) Maryland Technology Development Corporation; (10) Investment Trust Fund; and (11) Deferred Compensation Plan, which represent the percentages of the assets, net assets, and operating revenues or contributions of the opinion listed below.

	Percentage of Opinion Unit		
	Total Assets	Total Net Assets	Total Operating Revenues/ Contributions
Business-Type Activities			
Economic Development - Loan Programs	46.78 %	39.44 %	8.82 %
Unemployment Insurance Program	5.50	10.92	15.60
Maryland State Lottery Agency	2.52	0.53	60.22
Maryland Transportation Authority	42.34	43.37	13.25
Economic Development Insurance Programs	1.00	1.83	0.09
Total percentage of business-type activities	98.14	96.09	97.98
Component Units			
Major -			
Higher Education Foundations	12.48	14.93	2.14
Non-Major -			
Maryland Environmental Service	1.27	0.34	3.41
Maryland Food Center Authority	0.30	0.44	0.13
Maryland Technology Development Corporation	0.34	0.09	0.66
Total percentage of component units	14.39	15.80	6.34
Fiduciary Funds			
Investment Trust Fund	6.14	7.60	72.88
Deferred Compensation Plan	4.65	5.79	2.68
Total percentage of fiduciary funds	10.79	13.39	75.56

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above-mentioned funds and component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and required supplementary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the State's basic financial statements. The combining financial statements and schedules, introductory section, statistical sections and financial schedules required by law, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections of this report and the financial schedules required by law have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Abrams, Foster, Nole & Williams, P.A.

Abrams, Foster, Nole & Williams, P.A.
Certified Public Accountants
Baltimore, Maryland
December 11, 2009

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

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The Honorable Peter Franchot
Comptroller of Maryland

We have audited the basic financial statements of the State of Maryland (State), as of and for the year ended June 30, 2009, and have issued our report thereon dated December 11, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our report on the basic financial statements included disclosures regarding our references to the reports of other auditors. The financial statements of the Economic Development – Loan Programs (except for the Maryland Water Quality Financing Administration), an administration of the Maryland Department of the Environment; the Maryland State Lottery Agency; the Maryland Transportation Authority; the Economic Development Insurance Programs; certain foundations included in the higher education component unit; the Maryland Industrial Development Financing Authority, the Maryland Local Government Investment Pool, the Maryland Transit Administration Pension Plan, and the Deferred Compensation Plan were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the State's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted other matters involving the internal control over financial reporting, which we have reported to the management of the University System of Maryland, Morgan State University and St. Mary's College in separate letters dated October 27, 2009, November 30, 2009 and January 4, 2010.

This report is intended solely for the information and use of State management, the U.S. Department of Health and Human Services (cognizant agency), 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.

Abrams, Foster, Nole + Williams, P.A.

Abrams, Foster, Nole & Williams, P.A.
Certified Public Accountants
Baltimore, Maryland

December 11, 2009

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Peter Franchot
Comptroller of Maryland

Compliance

We have audited the compliance of the State of Maryland (State) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2009. 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.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance

with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion. Our audit does not provide a legal determination on the State's compliance with those requirements.

In our opinion, the State complied in all material respects with the requirements referred to above that are applicable to its major Federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed other instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the Schedule of Findings and Questioned Costs section of this report as 2009-1, 2009-2, 2009-3, 2009-5, 2009-6, 2009-7, 2009-8, 2009-9, 2009-10, 2009-11, 2009-12, 2009-13 and 2009-14.

Internal Control over Compliance

The management of the State is responsible for establishing and maintaining effective internal control over compliance with 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 requirements that could have a direct and material effect on a major Federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. According, 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 would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2009-2, 2009-4, 2009-5, 2009-7 and 2009-14 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The State's responses to the findings indentified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of State management, others within the State, the U.S. Department of Health and Human Services (cognizant agency), 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.

Abrams, Foster, Nole & Williams, P.A.

Abrams, Foster, Nole & Williams, P.A.
Certified Public Accountants
Baltimore, Maryland

March 15, 2010

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF AGRICULTURE (DOA)						
Contract / Other	10.Unknown			22,657	22,657	
Contract / Other	10.CO31014 C09			34,912	34,912	
Agricultural Marketing Service	10.RD	13,900			13,900	
Agricultural Research Service	10.RD	1,823,215			1,823,215	
Animal and Plant Health Inspection Service	10.RD	55,352			55,352	
Economic Research Service	10.RD	116,656			116,656	
Foreign Agricultural Service	10.RD	1,325,675			1,325,675	
Forest Service	10.RD	180,110			180,110	
National Agricultural Statistics Service	10.RD	28,683			28,683	
Natural Resources Conservation Service	10.RD	431,621			431,621	
Other Department of Agriculture	10.RD	85,007			85,007	
Pass-Through BouMatic	10.RD	(8,477)			(8,477)	
Pass-Through Colorado State University	10.RD	2,799			2,799	
Pass-Through Cornell University	10.RD	96,527			96,527	
Pass-Through Delaware State University	10.RD	6,207			6,207	
Pass-Through Kansas State University	10.RD	(21,083)			(21,083)	
Pass-Through National Fish & Wildlife Foundation	10.RD	23,358			23,358	
Pass-Through North Carolina State University	10.RD	11,037			11,037	
Pass-Through Pennsylvania State University	10.RD	119,234			119,234	
Pass-Through University of Delaware	10.RD	3			3	
Pass-Through University of Vermont	10.RD	2,152			2,152	
Pass-Through University of Wisconsin	10.RD	9,601			9,601	
Pass-Through University of Wisconsin	10.RD	17,556			17,556	
Pass-Through Virginia Polytechnic Institute and State University	10.RD	1,505			1,505	
Pass-Through, Rutgers, the State University of New Jersey	10.RD	10,883			10,883	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF AGRICULTURE (DOA), cont.						
The National Institute of Food and Agriculture (NIFA)	10.RD	8,902,950			**8,902,950**	
Agricultural Research: Basic and Applied Research	10.001			12,173	**12,173**	
Pass-Through Auburn University	10.001			1,378,214	**1,378,214**	
Plant and Animal Disease, Pest Control and Animal Care	10.025			1,856,741	**1,856,741**	
Plant and Animal Disease, Pest Control and Animal Care	10.025			45,712	**45,712**	
Wildlife Service	10.028			96,039	**96,039**	
Commodity Loans and Loan Deficiency Payments	10.051			163,066	**163,066**	
Conservation Reserve Program	10.069			3,221	**3,221**	
Market Protection and Promotion	10.163			214,332	**214,332**	
Grants for Agricultural Research, Special Research Grants	10.200			86,350	**86,350**	
Pass-Through University Vermont	10.200			(1,081)	**(1,081)**	
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205			1,617,475	**1,617,475**	
Grants for Agricultural Research: Competitive Research Grants	10.206			73,355	**73,355**	
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.210			18,454	**18,454**	
Pass-Through Grants - University of Vermont	10.215			34,216	**34,216**	
Sustainable Agriculture Research and Education	10.215			489,091	**489,091**	
1890 Institution Capacity Building Grants	10.216			901,962	**901,962**	
Pass-Through Grants - Delaware State University	10.216			6,253	**6,253**	
Agricultural and Rural Economic Research	10.250			32,346	**32,346**	
Integrated Programs	10.303			727,580	**727,580**	
Pass-Through Pennsylvania State University	10.303			(1,208)	**(1,208)**	
Homeland Security_Agricultural	10.304			19,218	**19,218**	
Pass-Through University of Vermont	10.309			3,031	**3,031**	
Pass-Through Auburn University	10.316			3,331	**3,331**	
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443			109,505	**109,505**	
Crop Insurance	10.450			374,882	**374,882**	
Community Outreach and Assistance Partnership Program	10.455			2,836	**2,836**	
Egg Products Inspection	10.476			72,647	**72,647**	
Pass-Through University of Delaware	10.500			10,248	**10,248**	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF AGRICULTURE cont.						
Cooperative Extension Service	10.500			5,087,306	**5,087,306**	
Pass-Through University of Vermont	10.500			4,088	**4,088**	
Dept. of Agriculture USDA	10.550			16,888,000	**16,888,000**	
SNAP CLUSTER						
Food Stamps - ARRA	**10.551**			**27,270,533**	**27,270,533**	
Food Stamps	10.551			558,302,100	558,302,100	
Admin. Fundung for Food Stamp Program - ARRA	**10.561**			**3,567,236**	**3,567,236**	
Administrative Fundung for Food Stamp Program	10.561			54,136,672	54,136,672	
Total SNAP Cluster						643,276,541
CHILD NUTRITION CLUSTER						
School Breakfast Program	10.553			30,877,281	**30,877,281**	
National School Lunch Program	10.555			(7,431)	**(7,431)**	
Special Milk Program for Children	10.556			484,654	**484,654**	
Summer Food Service Program for Children	10.559			109,784,333	**109,784,333**	
Total Child Nutrition Cluster						141,138,837
Administrative Expenses for Child Nutrition	10.560			2,528,521	**2,528,521**	
Special Supplemental Nutrition Program - WIC ARRA	**10.557**			**2,669,550**	**2,669,550**	
Special Supplemental Nutrition Program - WIC	10.557			95,966,812	95,966,812	
Child and Adult Care Food Program	10.558			37,661,983	**37,661,983**	
EMERGENCY FOOD ASSISTANCE CLUSTER						
Emergency Food Assistance Program -ARRA	**10.568**			**38,426**	**38,426**	
Emergency Food Assistance Program (Administrative Costs)	10.568			650,651	650,651	
Emergency Food Assistance Program (Food Commodities)	10.569			5,153,565	**5,153,565**	
Total Emergency Food Assistance Cluster						5,842,642
WIC Farmers' Market Nutrition Program (FMNP)	10.572			342,653	**342,653**	
Farmers Market Nutrition Program (SFMNP)	10.576			279,707	**279,707**	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Food Stamp Program Outreach Grant	10.580			86,818	86,818	
DEPARTMENT OF AGRICULTURE (DOA), cont.						
Fresh Fruit and Vegetable Program	10.582			653,148	653,148	
Market Access Program	10.601			7,334	7,334	
Agricultural Mediation program	10.645			48,741	48,741	
Cooperative Forestry Assistance	10.664			2,071,505	2,071,505	
Urban and Community Forestry Program	10.675			4,607	4,607	
Forest Legacy Program	10.676			12,721	12,721	
Forest Land Enhancement Program	10.677			425	425	
Forest Stewardship Program	10.678			78,490	78,490	
Forest Health Protection	10.680			30,000	30,000	
Rural Cooperative Development Grants	10.771			(16,000)	(16,000)	
1890 Land Grt Institution Rural Entrepreneurial Outreach Program	10.856			148,887	148,887	
Soil Survey	10.903			58,892	58,892	
Environmental Quality	10.912			507,865	507,865	
Agricultural Land Preservation	10.913			2,176,900	2,176,900	
Agriculture Statistical Reports	10.950			32,193	32,193	
Technical Agricultural Assistance	10.960			2,003,058	2,003,058	
Total DOA					981,234,253	
DEPARTMENTOF COMMERCE (DOC)						
Contract/ Other	11.DG133E0 8SE4456	30,826			30,826	
National Institute for Standards and Technology	11.RD	13,436,018			13,436,018	
National Oceanic and Atmospheric Administration	11.RD	13,785,793			13,785,793	
Pass-Through Rutgers, The State University of New Jersey	11.RD	160,590			160,590	
Pass-Through Chesapeake Research Consortium	11.RD	392,207			392,207	
Pass-Through Clemson University	11.RD	13,352			13,352	
Pass-Through Columbia University	11.RD	663			663	
Pass-Through Florida Fish & Wildlife Conservation Commission	11.RD	67,402			67,402	
Pass-Through GreenEyes, LLC	11.RD	30,940			30,940	
Pass-Through Harbor Branch Oceanographic Institution	11.RD	4,429			4,429	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through Maryland Sea Grant College	11.RD	68,856			**68,856**	
Pass-Through Metropolitan Washington Council of Governments	11.RD	5,130			**5,130**	
DEPARTMENT OF COMMERCE (DOC), cont.						
Pass-Through North Pacific Research Board	11.RD	189,947			**189,947**	
Pass-Through Oyster Recovery Partnership	11.RD	149,845			**149,845**	
Pass-Through Research Foundation of City University of New York	11.RD	113,623			**113,623**	
Pass-Through Smithsonian Institute	11.RD	7,959			**7,959**	
Pass-Through Texas A&M Research Foundation	11.RD	59,991			**59,991**	
Pass-Through University of Florida	11.RD	35,832			**35,832**	
Pass-Through University of Massachusetts	11.RD	32,269			**32,269**	
Pass-Through University of New Hampshire	11.RD	90,672			**90,672**	
Pass-Through University of North Carolina	11.RD	28,382			**28,382**	
Pass-Through Virginia Institute of Marine Science	11.RD	391			**391**	
Contract / Other	11.SB134107 SE0992	22,514			**22,514**	
Contract / Other	11.SB134107 SE1015			9,639	**9,639**	
Contract / Other	11.SB134108 SE0756			7,438	**7,438**	
Contract / Other	11.SB134108 SE0773	69,242			**69,242**	
Census Special Tabulations and Services	11.005			27,657	**27,657**	
Economic Development: Technical Assistance	11.303			284,217	**284,217**	
PUBLIC WORKS AND ECONOMIC DEV. CLUSTER						
Investment for Public Works & Econ Dev Facilities	11.300			-	-	
Economic Adjustment Assistance	11.307			6,630,451	6,630,451	
Total Public Works and Economic Dev. Cluster						6,630,451
Interjurisdictional Fisheries Act of 1986	11.407			24,000	**24,000**	
Pass-Through Maryland Sea Grant College	11.417			424,624	**424,624**	
Sea Grant Support	11.417	1,149			**1,149**	
Coastal Zone Management Administration Awards	11.419			7,607,412	**7,607,412**	
St. Mary's River Characterization and Stream Corridor Assesment for a Watershed Implementation Plan	11.419			59,223	**59,223**	
Coastal Zone Management Estuarine Research Reserves	11.420			587,222	**587,222**	
Financial Assistance for National Centers for Coastal Ocean Science	11.426			269,690	**269,690**	

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STATE OF MARYLAND
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YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Marine Mammal Data Program	11.439			52,271	**52,271**	
DEPARTMENTOF COMMERCE (DOC), cont.						
Environmental Sciences, Applications, Data and Education	11.440			28,978	**28,978**	
Unallied Industry Projects	11.452			61,356	**61,356**	
Unallied Management Program	11.454			45,044	**45,044**	
Chesapeake Bay Studies	11.457			715,349	**715,349**	
Chesapeake Bay Studies	11.457			34,463	**34,463**	
Pass-Through Maryland Sea Grant College	11.457			3,768	**3,768**	
Chesapeake Bay Studies	11.457	101,953			**101,953**	
Atlantic Coastal Fisheries Cooperative Management Act	11.474			183,006	**183,006**	
Coastal Ocean Research Program	11.478			53,615	**53,615**	
Educational Partnership Program	11.481			2,681,184	**2,681,184**	
Public Safety Interop Comm Grant Prog FY 2007	11.555			672,926	**672,926**	
Weights and Measures Service	11.606			117,243	**117,243**	
Measurement and Engineering Research and Standards	11.609			265,233	**265,233**	
Measurement & Engineering Research & Standards	11.609			8,108	**8,108**	
Measurement & Engineering Research & Standards	11.609			4,000	**4,000**	
Manufacturing Extension Partnership	11.611			432,177	**432,177**	
Basic Minority Business Development Centers	11.800			166,926	**166,926**	
Total Department of Commerce					**50,357,196**	
DEPARTMENT OF DEFENSE (DOD)						
Pass-Through University of California	12 RD	122,687			**122,687**	
Pass-Through Combustion Reserch & Flow Technology	12.08C0687C 363	917			**917**	
Contract / Other	12.APL-940720			31,873	**31,873**	
Pass-Through Jackson State University	12.DACA42-02C-0057	724			**724**	
Contract / Other	12.H9400308 P8026			90,000	**90,000**	
Contract/Other - Defense Information Systems Agency	12.HC1047-05-D-4015			1,577,157	**1,577,157**	
Pass-Through ManTech International Corporation	12.MSEC000 734			56,282	**56,282**	
Pass-Through Tennessee Tech University	12.P0002637	9,050			**9,050**	
Pass-Through Wyle Laboratories	12.RC000355 24008	969			**969**	

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STATE OF MARYLAND
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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Defense Advanced Research Projects Agency:	12.RD	1,608,948			**1,608,948**	
DEPARTMENT OF DEFENSE (DOD), cont.						
Department of the Air Force, Material Command	12.RD	990,552			990,552	
Department of the Army, Office of the Chief of Engineers	12.RD	743,464			**743,464**	
Department of the Navy, Office of Chief of Naval Research	12.RD	19,133,797			19,133,797	
National Security Agency	12.RD	33,403,574			**33,403,574**	
Office of the Secretary of Defense	12.RD	2,329,996			**2,329,996**	
Other Department of Defense	12.RD	212,573			**212,573**	
Pass-Through AGEISS	12.RD	15,054			**15,054**	
Pass-Through BAE Systems of North America	12.RD	993,038			**993,038**	
Pass-Through Battelle Memorial Institute	12.RD	(58,795)			**(58,795)**	
Pass-Through Bechtel National Incorporated	12.RD	1,663			**1,663**	
Pass-Through Bellcore Company	12.RD	4,938			**4,938**	
Pass-Through California Institute of Technology	12.RD	234,986			**234,986**	
Pass-Through Clark University	12.RD	44,802			**44,802**	
Pass-Through Columbia University	12.RD	147,740			**147,740**	
Pass-Through Energetics Technology Center	12.RD	42,635			**42,635**	
Pass-Through Exponent, Inc	12.RD	54,931			**54,931**	
Pass-Through Georgetown University	12.RD	9,840			**9,840**	
Pass-Through Johns Hopkins Applied Physics Laboratory	12.RD	49,058			**49,058**	
Pass-Through Johns Hopkins University	12.RD	13,837			**13,837**	
Pass-Through Ohio State University	12.RD	163,182			**163,182**	
Pass-Through Princeton University	12.RD	84,624			**84,624**	
Pass-Through RETEC	12.RD	14,528			**14,528**	
Pass-Through Sandia National Labs	12.RD	162,808			**162,808**	
Pass-Through Science Applications International Corporation	12.RD	107,505			**107,505**	
Pass-Through SRI International	12.RD	7,530			**7,530**	
Pass-Through SRI International	12.RD	60,591			**60,591**	
Pass-Through Stanford University	12.RD	(3,378)			**(3,378)**	

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YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through Stevens Institute of Technology	12.RD	34,128			**34,128**	
Pass-Through Strategic Environmental Research & Development Program (STERP)	12.RD	51,902			**51,902**	
Pass-Through Technion - Israel Institute of Technology	12.RD	231,883			**231,883**	
DEPARTMENT OF DEFENSE (DOD), cont.						
Pass-Through Temple University	12.RD	(1,162)			**(1,162)**	
Pass-Through Texas University	12.RD	87,589			**87,589**	
Pass-Through University of California, Berkely	12.RD	71,676			**71,676**	
Pass-Through University of California, Irvine	12.RD	54,853			**54,853**	
Pass-Through University of Illinois	12.RD	65,649			**65,649**	
Pass-Through University of Illinois at Urbana-Champaign	12.RD	133,037			**133,037**	
Pass-Through University of Michigan	12.RD	50,769			**50,769**	
Pass-Through University of Nevada, Las Vegas	12.RD	70,518			**70,518**	
Pass-Through University of Rochester Institute of Optics	12.RD	385,806			**385,806**	
Pass-Through University of Southern California	12.RD	(512)			**(512)**	
Pass-Through University of Utah	12.RD	23,642			**23,642**	
Pass-Through Unversity of Washington	12.RD	30,178			**30,178**	
Pass-Through Woods Hole Oceanographic Institute	12.RD	35,113			**35,113**	
U.S. Army, Material Command	12.RD	15,990,506			**15,990,506**	
U.S. Army, Medical Command	12.RD	5,792,222			5,792,222	
Pass-Through Techno-Sciences, Inc	12.S08093001A	38,446			**38,446**	
Pass-Through Advanced Acoustic Concepts	12.SUB1290705	136,351			**136,351**	
Pass-Through Battelle Memorial Institute	12.TCN07215	75,044			**75,044**	
Contract other	12.unknown			155,869	**155,869**	
Pass-Through University of Washington	12.W912HQ-05	66,560			**66,560**	
Pass-Through Rutgers, The State University of New Jersey	12.W912HQ-06-C-0031	30,119			**30,119**	
Contract/Other - National Defense University	12.W9137B08P0046	125,144			**125,144**	
Contract/Other - National Geospatial-Intelligence Agency	12HM158207C0008	19,103			**19,103**	
Procurement Technical Assistance for Business Firms	12.002			251,612	**251,612**	
Contract/Other - IPA Contract	12.0701027003			190,052	**190,052**	
Pass-Through Kilware Inc.	12.07110595	21,986			21,986	
Pass-Through Advanced Acoustic Concepts	12.0800250	151,749			**151,749**	
Pass-Through Institute of International Education	12.09010158			68,066	**68,066**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through General Vortex Energy	12.091	64,609			**64,609**	
Planning Assistance to States	12.110			183,593	**183,593**	
Pass-Through Signal Processing, Inc	12.1102	62,448			**62,448**	
DEPARTMENT OF DEFENSE (DOD), cont.						
State Memo of Agreement Prog for Reimb of Tech Service	12.113			709,778	**709,778**	
Basic and Applied Scientific Research	12.300			1,015,934	**1,015,934**	
Pass-Through Iktara and Associates	12.300			72,830	**72,830**	
Basic and Applied Scientific Research	12.300	771,369			**771,369**	
Large-Number and Individual Atom Microchip Traps for Sensor Applications and Fundamental Studies	12.300			511	**511**	
Research on Chemical & Biological Defense	12.360			90,715	**90,715**	
Military Constructin, National Guard	12.400			3,088,802	**3,088,802**	
National Guard Military Operations & Maint	12.401			14,340,227	**14,340,227**	
National Guard Civilian Youth Opportunities	12.404			1,881,001	**1,881,001**	
Basic Scientific Research	12.431			122,336	**122,336**	
Basic Scientific Research	12.431	1,701,168			**1,701,168**	
Passed thru L-3 Communications	12.431	518,074			**518,074**	
Pass-Through Bryn Mawr College	12.550			56,277	**56,277**	
Pass-Through Institute of International Education	12.550			1,787,408	**1,787,408**	
Community econ. adjustment planning asst.	12.607			2,427,208	**2,427,208**	
Basic, Applied, and Advanced Research in Science and Engineering	12.630			17,995	**17,995**	
Basic, Applied, Advanced Research in Science & Engineering	12.630	3,798			**3,798**	
Motor Week Energy	12.678			184,849	**184,849**	
Air Force Defense Research Sciences	12.800			139,120	**139,120**	
Language Grant Program	12.900			283,749	**283,749**	
Mathematical Sciences Grant Program	12.901			225,253	**225,253**	
Mathematical Sciences Grants Program	12.901	18,470			**18,470**	
Information Security Grant Program	12.902			476,017	**476,017**	
Total Department of Defense					**117,145,117**	
Central Intelligence Agency (CIA)						
Contract / Other	13.2005*H37 0900*000	9,305			**9,305**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Total Central Intelligence Agency					**9,305**	
DEPARTMENT OF HOUSING AND URBAN DEV. (HUD)						
Pass Thru Homes for America	14.RD	47,283			47,283	
Department of Housing and Urban Development	14.000			861,904	**861,904**	
Supportive Housing for Persons with Disabilities	14.181			347,460	**347,460**	
SECTION 8 PROJECT-BASED CLUSTER						
Sec 8 New Construction and Substantial Rehabilitation	14.182			-	-	
Section 8 Housing Assistance Payments Program	14.195			162,736,066	**162,736,066**	
Section 8 Moderate Rehab Single Room Occupancy	14.249			-	-	
Lower Income Housing Assistance Program_Section 8	14.856			403,195	**403,195**	
Total Section 8 Project Based Cluster						163,139,261
CDBG ENTITLEMENT GRANTS CLUSTER						
Community Development Block Grants Entitlement Grants	14.218			49,959	**49,959**	
Community Development Block Grants Entitlement Grants ARRA	**14.253**			-	-	
Community Development Block Grants Spec. Purpose Grants insular Areas ARRA	**14.254**			-	-	
Total CDBG Entitlement Grants Cluster						**49,959**
CDBG STATE'S PROGRAM CLUSTER						
CDBG State's Program & Non Entitlement Grts in Hawaii	14.228			13,969,250	**13,969,250**	
CDBG State's Program & Non Entitlement Grts in Hawaii ARRA	**14.255**			-	-	
Total CDBG State's Program Cluster						13,969,250
Housing Assistance	14.231			567,975	**567,975**	
Supportive Housing Program	14.235			896,736	**896,736**	
Shelter Plus Care	14.238			2,742,438	**2,742,438**	
HOME Investment Partnership Program	14.239			7,917,496	**7,917,496**	
Housing Opportunities for Persons with AIDS	14.241			503,269	**503,269**	
Community Development Block Grants/Brownfields Economic Development Initiative	14.246			27,018	**27,018**	
Community Dev. Block Grants/Brownfields Economic Dev. Initiative	14.246			68,309	**68,309**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Fair Housing Assistance Program: State and Local	14.401			360,517	**360,517**	
Historically Black Colleges and Universities Programs	14.520			142,101	**142,101**	
DEPARTMENT OF HOUSING AND URBAN DEV. (HUD), cont.						
HBCU Program	14.520			112,260	**112,260**	
Section 8 Housing Choice Vouchers	14.871			15,764,432	**15,764,432**	
Total Dept of Housing and Urban Dev.					**207,517,667**	
DEPARTMENT OF THE INTERIOR (DOI)						
Geological Survey	15.RD	673,024			**673,024**	
National Park Service	15.RD	605,600			**605,600**	
Other Department of Interior - Research & Development	15.RD	532,166			**532,166**	
Pass-Through America View, Inc	15.RD	11,610			**11,610**	
Pass-Through Chestnut Foundation	15.RD	26,242			**26,242**	
U.S. Fish and Wildlife Service	15.RD	23,762			**23,762**	
Cultural Resource Management	15.224			(2,402)	**(2,402)**	
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250			667,155	**667,155**	
Abandoned Mine Land Reclamation (AMLR) Program	15.252			2,002,483	**2,002,483**	
FISH AND WILDLIFE CLUSTER						
Sport Fish Restoration	15.605			3,764,339	**3,764,339**	
Wildlife Restoration	15.611			2,736,428	**2,736,428**	
Total Fish and Wildlife Cluster						6,500,767
Coastal Wetlands Planning, Protection and Restoration Act	15.614			539,500	**539,500**	
Cooperative Endangered Species Conservation Fund	15.615			483,128	**483,128**	
Clean Vessel Act	15.616			422,889	**422,889**	
Wildlife Conservation Appreciation	15.617			9,272	**9,272**	
Sportfishing and Boating Safety Act	15.622			59,354	**59,354**	
Landowner Incentive	15.633			298,593	**298,593**	
State Wildlife Grants	15.634			737,037	**737,037**	

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STATE OF MARYLAND
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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through North Dakota Game and Fish Department	15.634			20,787	20,787	
Challenge Cost Share	15.642			10,981	10,981	
DEPARTMENT OF THE INTERIOR (DOI), cont.						
US Geological Survey: Research and Data Acquisition	15.808			105,114	105,114	
Pass-Through Univeristy of Maryland Baltimore County Research Park Corporation	15.808			4,718	4,718	
National Cooperative Geologic Mapping Program	15.810			40,639	40,639	
National Geological and Geophysical Data Preservation Program	15.814			10,958	10,958	
Historic Preservation Fund Grants-In-Aid	15.904			843,992	843,992	
National Historic Landmark	15.912			60,000	60,000	
Outdoor Recreation - Acquisition, Development and Planning.	15.916			5,625,789	5,625,789	
Urban Park & Recreation Recovery Program	15.919			(4,659)	(4,659)	
Native American Graves Protection and Repatriation Act	15.922			2,780	2,780	
Save America's Treasures	15.929			65,528	65,528	
Chesapeake Bay Gateways Network	15.930			25,414	25,414	
Pass-Through National Fish & Wildlife Foundation	15. Unknown			76,948	76,948	
Total Department of the Interior					20,479,169	
DEPARTMENT OF JUSTICE (DOJ)						
Contract / Other	16.2007-DD-BX			133,051	133,051	
Bureau of Justice Statistics	16.RD	1,208,393			1,208,393	
National Institute of Justice	16.RD	266,930			266,930	
Pass-Through Police Foundation	16.RD	25,585			25,585	
Office of National Drug Control Policy	16.RD	9,156,569			9,156,569	
Pass-Through George Mason University	16.RD	29,573			29,573	
Pass-Through Universitiy of Pennsylvania	16.RD	18			18	
Pass-Through University of Central Florida	16.RD	7,059			7,059	
Pass-Through University of Pittsburg	16.RD	(17,576)			(17,576)	
Office of Juvenile Justice and Delinquency Prevention	16.RD	153,028			153,028	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Federal Bureau of Investigation	16.RD	72,950			72,950	
Contract / Other	16.000			2,571,950	2,571,950	
DEPARTMENT OF JUSTICE (DOJ) cont.						
Marijuana Eradication	16.004			107,758	**107,758**	
Offender Reentry Program	16.202			34,219	**34,219**	
Law Enforcement Assistance_Narcotics and Dangerous Drugs_Laboratory Analysis	16.301			106,103	**106,103**	
Juvenile Accountability Incentive Block Grants	16.523			795,069	**795,069**	
Reduce Violent Crimes Against Women on Campus	16.525			19,993	**19,993**	
Juvenile Justice and Delinquency Prevention: Allocation to States	16.540			793,504	**793,504**	
Missing Children's assistance	16.543			379,813	**379,813**	
Title V: Delinquency Prevention Program	16.548			109,025	**109,025**	
Md. Justice Statistics Program - SACS	16.550			66,811	**66,811**	
National Criminal History Improvement Program (NCHIP)	16.554			429,843	**429,843**	
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560			557,488	**557,488**	
Forensic DNA Lab Improvement	16.564			392,935	**392,935**	
Crime Victim Assistance	16.575			8,141,103	**8,141,103**	
Crime Victim Compensation	16.576			2,300,000	**2,300,000**	
Byrne Formula Grant Program	16.579			476,076	**476,076**	
Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grant Program	16.580			422,749	**422,749**	
Violence Against Women Formula Grants - ARRA	**16.588**			**13,673**	**13,673**	
Violence Against Women Formula Grants	16.588			2,078,962	**2,078,962**	
Grant to Encourage Arrest Policies and Enforcement Of Protection Orders	16.590			397,433	**397,433**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF JUSTICE (DOJ), cont.						
Local Law Enforcement Block Grants Program	16.592			70,898	**70,898**	
Residential Substance Abuse Treatment for State Prisoners	16.593			278,159	**278,159**	
State Criminal Alien Assistance Program	16.606			1,277,619	**1,277,619**	
Bulletproof Vest Partnership Program	16.607			76,767	**76,767**	
Gun Violence Prosecution Program	16.609			131,948	**131,948**	
Public Safety Partnership and Community Policing Grants	16.710			834,878	**834,878**	
Enforcing Underage Drinking Laws Program	16.727	-		475,058	475,058	
Drug Prevention Program	16.728			25,317	**25,317**	
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735			414,528	**414,528**	
Edward Byrne Memorial Justice Assistance Grant Prog.	16.738			5,174,316	**5,174,316**	
DNA Capacity Enhancement FY 06(46195)	16.741			591,173	**591,173**	
Anti-Gang Initiative Program	16.744			702,571	**702,571**	
Support for Adam Walsh Act Implementation Grant Prog.	16.750			142,390	**142,390**	
Byrne Justice Recovery Act - ARRA	**16.803**			**46,676**	**46,676**	
Total Department of Justice					**41,472,385**	
DEPARTMENT OF LABOR (DOL)						
Employment and Training Administration	**17.RD**	**152,984**			**152,984**	
Bureau of Labor Statistics	17.RD	18,244			**18,244**	
Contract / Other	17.000			85,796	**85,796**	
Labor Force Statistics	17.002			1,361,303	**1,361,303**	
Compensation and Working Conditions	17.005			169,300	**169,300**	
EMPLOYMENT SERVICE CLUSTER						
Employment Service	17.207			12,890,970	**12,890,970**	
Disabled Veterans' Outreach Program (DVOP)	17.801			1,487,745	**1,487,745**	
Local Veterans' Employment Representative Program	17.804			1,298,418	**1,298,418**	
Total Employment Service Cluster						15,677,133

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF LABOR (DOL), cont.						
Unemployment Insurance - ARRA	**17.225**			**98,681**	**98,681**	
Unemployment Insurance (Note 2)	17.225			1,410,972,009	**1,410,972,009**	
Senior Community Service Employment Program	17.235			1,303,033	**1,303,033**	
Department of Labor - Recovery Act ARRA	**17.236**			**7,066**	**7,066**	
Trade Adjustment Assistance : Workers	17.245			2,956,707	**2,956,707**	
GWIB - Health Worker Initiative	17.257			27	**27**	
WIA CLUSTER						
Workforce Investment Act: Adult Program - ARRA	**17.258**			**118,242**	**118,242**	
Workforce Investment Act: Adult Program	17.258			10,809,865	10,809,865	
Workforce Investment Act: Youth Activities - ARRA	**17.259**			**980,405**	**980,405**	
Workforce Investment Act: Youth Activities	17.259			8,266,943	8,266,943	
Workforce Investment Act: Dislocated Workers	17.260			15,063,054	15,063,054	
Pass-Thru Tri County Council for the Lower Eastern Shore	17.260			36,609	36,609	
Total WIA Cluster						35,275,118
Employment & Training Adm. Pilots, Demo. - ARRA	**17.261**			**275,471**	**275,471**	
Work Incentives Grant	17.266			420,645	**420,645**	
WIA Incentive Grants_Section 503 Grants to States	17.267			(14,594)	**(14,594)**	
Work Opportunity Tax Credit Program	17.271			361,104	**361,104**	
Labor Certification for Alien Workers	17.273			338,906	**338,906**	
Occupational Safety & Health_Susan Harwood Training Grant	17.502			85,671	**85,671**	
Occupational Safety & Health	17.503			3,611,417	**3,611,417**	
Consultation Agreements	17.504			1,023,328	**1,023,328**	
Occupational Illness & Injury Prevention	17.600			39,839	**39,839**	
Total DOL					**1,474,219,188**	
DEPARTMENT OF STATE (DOS)						
Annapolis Peace Summit	19.001			224,895	**224,895**	
International Education Training and Research	19.430			143,484	**143,484**	
Total Department of State					**368,379**	

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF TRANSPORTATION (DOT)						
Contract / Other: Federal Highway Administration	20.DDEHBC-08-X-00118			32,598	**32,598**	
Federal Aviation Administration	20.RD	223,555			**223,555**	
Federal Highway Administration	20.RD	117,557			**117,557**	
Federal Motor Carrier Safety Administration	20.RD	144,703			**144,703**	
Other Research & Development	20.RD	504,599			**504,599**	
Pass-Through Pacific Instit. for Research & Eval.	20.RD	9,985			**9,985**	
Pass-Through Pennsylvania State University	20.RD	151,677			**151,677**	
Pass-Through University of Michigan	20.RD	72			**72**	
Pass-Through University of Wisconsin	20.RD	5,655			**5,655**	
Total Federal Transit Administration	20.RD	630,574			**630,574**	
Contract/Other	20.000			764,495	**764,495**	
Airport Improvement Program	20.106			1,574,621	**1,574,621**	
HIGHWAY PLANNING & CONSTRUCTION CLUSTER						
Highway Planning and Construction - ARRA	**20.205**			**15,026,973**	**15,026,973**	
Highway Planning and Construction	20.205			470,205,758	**470,205,758**	
Recreational Trails Program	20.219			-	-	
Appalachian Development Highway System	23.003			910,010	**910,010**	
Total Hwy Planning & Construction Cluster						486,142,741
Highway Training and Education	20.215	165,868			**165,868**	
National Motor Carrier Safety	20.218			1,277,186	**1,277,186**	
Pass-Through Open Roads Consulting	20.22235			30,306	**30,306**	
Commercial Driver Lic Grant Agreement	20.232			255,516	**255,516**	
Commercial Drivers License Information System	20.238			43,450	**43,450**	
FRA-MAGLEV	20.312			(19,279)	**(19,279)**	
FEDERAL TRANSPORTATION CLUSTER						
Federal Transit: Capital Investment Grants - ARRA	**20.500**			**495,222**	**495,222**	
Federal Transit: Capital Investment Grants	20.500			93,896,585	**93,896,585**	
Federal; Transit: Formula Grants	20.507			141,810,499	**141,810,499**	
Federal Transit: Formula Grants Stimulus ARRA	**20.507**			**3,016,233**	**3,016,233**	
Total Federal Transportation Cluster						239,218,539

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF TRANSPORTATION (DOT) cont.						
Federal Transit: Metropolitan Planning Grants	20.505			7,436,450	7,436,450	
Formula Grt for Other Than Urbanized Areas - ARRA	20.509			22,327	22,327	
Formula Grants for Other Than Urbanized Areas	20.509			4,868,839	4,868,839	
TRANSIT SERVICES PROGRAM CLUSTER						
Cap Assist. Prog. for Elderly Persons and Persons with Disabilities	20.513			3,578,747	3,578,747	
Job Access: Reverse Commute	20.516			525,391	525,391	
New Freedom Inititive	20.521			814,679	814,679	
Total Transit Services Program Cluster						4,918,817
HIGHWAY SAFETY CLUSTER						
State and Community Highway Safety	20.600			9,473,791	9,473,791	
Pass-Thru Amer. Assoc. of Motor Vehicle Administrators	20.600			7,833	7,833	
Highway Safety Cluster Programs	20.602, 20.603,			-	-	
Total State and Community Highway Safety						9,481,624
National Highway Traffic Safety Administration	20.614			14,465	14,465	
Pipeline Safety	20.700			265,618	265,618	
University Transportation Centers Program	20.701	642,957			642,957	
Research and Innovative Technology Administration University Transportation Center	20.701			9,106	9,106	
Interagency Hazardous Materials Public Sector Training and Planning	20.703			189,092	189,092	
RITA Hydrogen	20.704			271,541	271,541	
Total Department of Transportation					759,395,254	
DEPARTMENT OF THE TREASURY						
Pass-Through Md. Voluntary Lawyers Services, Inc.	21.RD	14,549			14,549	
Total Department of the Treasury					14,549	
APPLACHIAN REGIONAL COUNCIL (ARC)						
Appalachian Regional Development	23.001			204,948	204,948	
Appalachian Local Access Roads	23.008			230,547	230,547	
Appalachian State Research, Technical Asst	23.011			208,480	208,480	
Pass-Through East Tennessee State University	23.011			4,019	4,019	
Pass-Through Frostburg State University Foundation	23.011			19,548	19,548	
Total Applachian Regional Council					667,542	

"See Notes to Schedule of Expenditures of Federal Awards"

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
EQUAL EMPLOYMENT OPPORTUNITY COMMITTEE (EEOC)						
Employment Discrimination: State and Local Fair Employment Practices Agency Contracts	30.002			292,656	292,656	
Total Equal Employment Opportunity Com.					292,656	
GENERAL SERV.(GSA) NON-CASH EXPENDITURES						
Disposal of Federal Surplus Real Property	39.002			5,716	5,716	
Donation of Federal Surplus Property Program Note 3)	39.003			59,423	59,423	
Public Buildings Services	39.012			284,300	284,300	
Total General Services Administration					349,439	
LIBRARY OF CONGRESS						
Library of Congress	42.RD	174,330			174,330	
Pass-Through Univ of Illinois-Urbana Champagne	42.RD	149,844			149,844	
Pass-Through Univ of California, San Diego	42.103	155,991			155,991	
Total Library of Congress					480,165	
NATIONAL AERONAUTICS & SPACE ADMINISTRATION (NASA)						
Pass-Through New Mexico State University	43.01-507888-004			1,823	1,823	
Contract / Other	43.NASW00004	34,552			34,552	
Contract / Other	43.NNM07AA99C	990,927			990,927	
NASA	43.RD	65,967,035			65,967,035	
Pass-Through AdTech Photonics, Inc	43.RD	109,044			109,044	
Pass-Through Apeak, Inc.	43.RD	34,451			34,451	
Pass-Through Battelle Memorial Institute	43.RD	52,501			52,501	
Pass-Through Boston University	43.RD	100,337			100,337	
Pass-Through Carnegie Institute of Wash.	43.RD	69,638			69,638	
Pass-Through Colorado State University	43.RD	12,836			12,836	
Pass-Through Columbia University	43.RD	39,456			39,456	
Pass-Through Cornell University	43.RD	5,303			5,303	
Pass-Through Florida Institute of Technology	43.RD	61,424			61,424	
Pass-Through Hampton University	43.RD	20,726			20,726	
Pass-Thru Institute for Global Environment and Society	43.RD	185,216			185,216	
Pass-Through Jet Propulsion Laboratory	43.RD	722,324			722,324	

"See Notes to Schedule of Expenditures of Federal Awards"

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
NATIONAL AERONAUTICS & SPACE ADMIN. cont.						
Pass-Thru Johns Hopkins University/Applied Physics Lab	43.RD	146,872			146,872	
Pass-Through Lowell Ovservatory	43.RD	8,407			8,407	
Pass-Through Massachusetts Instit of Technology	43.RD	156,638			156,638	
Pass-Through Michigan State University	43.RD	184,091			184,091	
Pass-Through Mississippi State University	43.RD	(6,364)			(6,364)	
Pass-Through National Institute of Aerospace	43.RD	242,899			242,899	
Pass-Through Oregon State University	43.RD	(1,060)			(1,060)	
Pass-Through Princeton University	43.RD	446			446	
Pass-Thru Research Foundation of City Univ. of New York	43.RD	4,633			4,633	
Pass-Through Science and Engineering Sevice Inc	43.RD	18,496			18,496	
Pass-Through Science Systems & Application, Inc	43.RD	27,191			27,191	
Pass-Through Sigma Space Corporation	43.RD	81,682			81,682	
Pass-Through Smithsonian Astrophysical Observatory	43.RD	152			152	
Pass-Through South Dakota State University	43.RD	111,811			111,811	
Pass-Through Southwest Research Institute	43.RD	60,403			60,403	
Pass-Through Space Telescope Science Institute	43.RD	116,371			116,371	
Pass-Through Stinger Ghafferian Technologies, Inc.	43.RD	34,657			34,657	
Pass-Through Universities Space Research Association	43.RD	21,914			21,914	
Pass-Through University of Alabama Huntsville	43.RD	30,222			30,222	
Pass-Through University of California	43.RD	69,734			69,734	
Pass-Through University of California at Berkley	43.RD	52,630			52,630	
Pass-Through University of California, Irvine	43.RD	4,053			4,053	
Pass-Through University of California, Los Angeles	43.RD	78,221			78,221	
Pass-Through University of California, Santa Barbara	43.RD	989			989	
Pass-Through University of Colorado	43.RD	10,348			10,348	
Pass-Through University of Delaware	43.RD	124,073			124,073	
Pass-Through Unversity of Georgia	43.RD	(101)			(101)	
Pass-Through University of Missouri	43.RD	24,485			24,485	
Pass-Through University of North Carolina at Chapel Hill	43.RD	27,569			27,569	

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
NATIONAL AERONAUTICS & SPACE ADMIN. cont.						
Pass-Through University of Oregon	43.RD	45,519			45,519	
Pass-Through University of Utah	43.RD	44,775			44,775	
Pass-Through University of Washington	43.RD	67,848			67,848	
Pass-Through University of Wisconsin	43.RD	93,822			93,822	
Pass-Through Yale University	43.RD	95,924			95,924	
Contract / Other	43.Unknown			146,747	146,747	
Pass-Through Information Network, Inc	43.Unknown			1,500	1,500	
Contract / Other	43.W30977			88,973	88,973	
Aerospace Education Services Program	43.001			987,712	987,712	
Pass-ThrU Diversified Career & Educational Services Program	43.001			(18)	(18)	
Pass-Through Woods Hole Oceanographic Institute	43.001			72,756	72,756	
Aerospace Education Services Program	43.001	3,028,411			3,028,411	
Technology Transfer	43.002			3,434,739	3,434,739	
Technology Transfer	43.002			37,163	37,163	
Pass-Through Jet Propulsion Lab California Institute of Technology	43.1268072			22,329	22,329	
Pass-Through Science Systems & Applications, Inc	43.28090802 5	32,137			32,137	
Pass-Through Raytheon Corporation	43.44003060 47	66,953			66,953	
Pass-Through TASC	43.47000012 10	13,394			13,394	
Total National Aeronautics & Space Administration					78,319,739	
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES (NFAH)						
Institute of Museum and Library Services	45.RD	109,446			109,446	
National Endowment for the Humanities	45.RD	159,152			159,152	
Pass-Through Folger Shakespeare Library	45.RD	133,056			133,056	
Pass-Through Rice University	45.RD	121,867			121,867	
Pass-Through New England Foundation for the Arts	45.024			5,000	5,000	
Promotion of the Arts: Grts to Organizations and Individuals	45.024			55,065	55,065	
Promotion of the Arts: Partnership Agreements	45.025			707,108	707,108	
Prom. of the Humanities: Div of Preservation and Access	45.149			576,589	576,589	
Promotion for the Humanitities - Research	45.161			41,830	41,830	
Promotion of the Humanities: Education Development and Demonstration	45.162			35,394	35,394	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
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YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Promotion of the Humanities: Public Programs	45.164			14,201	**14,201**	
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES (NFAH) cont.						
Promotion of the Humanities_Digital Humanities Initiative	45.169			11,708	**11,708**	
Conservation Project Support	45.303			21,226	**21,226**	
Institute of Museum and Library Services	45.309			55,629	**55,629**	
State Library Program	45.310			4,034,939	**4,034,939**	
Institute of Museum and Library Services: National Leadership Grants	45.312			10,848	**10,848**	
Laura Bush 21 Century Librarian Program	45.313			94,303	**94,303**	
Pass-Through Institute of Museum & Library Services	45.313			103,406	**103,406**	
Total National Found. on the Arts & Humanities					**6,290,767**	
NATIONAL SCIENCE FOUNDATION (NSF)						
Contract / Other	47.DMS0552427			10,237	**10,237**	
Contract / Other	47.HDR-0853418			79,156	**79,156**	
Contract / Other	47.IIS0540645			38,245	**38,245**	
Contract / Other	47.MCB0839524			112,570	**112,570**	
National Science Foundation ARRA	**47.RD**	**24,895**			**24,895**	
National Science Foundation (NSF)	47.RD	51,964,881			51,964,881	
Pass-Thru Amar-Transportation Research and Consulting	47.RD	47,624			**47,624**	
Pass-Through Auburn University	47.RD	118			**118**	
Pass-Through Boston University	47.RD	110,252			**110,252**	
Pass-Through Carnegie Institution of Washington	47.RD	192,964			**192,964**	
Pass-Through Cary Institute of Ecosystem Studies	47.RD	(8,983)			**(8,983)**	
Pass-Through Chesapeake Research Consortium	47.RD	99,847			**99,847**	
Pass-Through Clark University	47.RD	15,890			**15,890**	
Pass-Through Columbia University	47.RD	3,439			**3,439**	
Pass-Through Consortium for Ocean Leadership	47.RD	8,751			**8,751**	
Pass-Through Education Development Foundation	47.RD	1,795			**1,795**	
Pass-Through Florida State University	47.RD	10,984			**10,984**	
Pass-Through Galludette University	47.RD	15,468			**15,468**	
Pass-Through Iowa State University	47.RD	125,076			**125,076**	
Pass-Through Louisiana State University	47.RD	8,298			**8,298**	
Pass-Through Middlebury College	47.RD	6,000			**6,000**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through National Academy of Engineering	47.RD	7,531			7,531	
NATIONAL SCIENCE FOUNDATION (NSF), cont.						
Pass-Through Natl Radio Astronomy Observatory	47.RD	14,380			14,380	
Pass-Through New Jersey Institute of Technology	47.RD	15,908			15,908	
Pass-Through New Mexico State University	47.RD	6,252			6,252	
Pass-Through Oregon Health & Science University	14.RD	95,182			95,182	
Pass-Through Purdue University	47.RD	17,478			17,478	
Pass-Through St. Joseph's College of Maine	14.RD	78,046			78,046	
Pass-Through Siena College	47.RD	193,693			193,693	
Pass-Through SRI International	47.RD	57,380			57,380	
Pass-Through University of California, Irvine	47.RD	32,272			32,272	
Pass-Through University of California, Los Angeles	47.RD	106,785			106,785	
Pass-Through University of Colorado	47.RD	67,804			67,804	
Pass-Through University of Conneticut	47.RD	(2,669)			(2,669)	
Pass-Through University of Indiana	47.RD	93,902			93,902	
Pass-Through University of Miami	47.RD	13,106			13,106	
Pass-Through University of Michigan	47.RD	278,126			278,126	
Pass-Through University of Southern California	47.RD	6,832			6,832	
Pass-Through University of Southern Florida	47.RD	6,381			6,381	
Pass-Through University of Utah	47.RD	26,182			26,182	
Pass-Through University of Wisconsin	47.RD	820,673			820,673	
Pass-Through Univesity of Washington	47.RD	148			148	
Pass-Through US Civilian Research & Development Found.	47.RD	7,588			7,588	
Pass-Through Virginia Commonwealth University	47.RD	96,747			96,747	
Pass-Through Western Michigan University	47.RD	(128)			(128)	
Pass-Through Woods Hole Oceanographic	47.RD	48,995			48,995	
Engineering Grants	47.041			531,450	531,450	
Engineering Grants	47.041	17,855			17,855	
Engineering Grants	47.041	16,692			16,692	
Mathematical and Physical Sciences	47.049			364,894	364,894	
Mathetical and Physical Science	47.049	4,759			4,759	
Anhydrous Flouride Salts	47.049			15,903	15,903	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
NATIONAL SCIENCE FOUNDATION (NSF),cont.						
Geosciences	47.050			10,013	**10,013**	
Hyperspec Remote Sensing	47.050	48,802			**48,802**	
Computer and Information Science and Engineering	47.070			53,462	**53,462**	
Collaborative Research BPC-ARTSI	47.070	16,838			**16,838**	
Biological Sciences	47.074			197,553	**197,553**	
Pass-Through Cary Institute of Ecosystem Studies	47.074			115,976	**115,976**	
Pass-Through George Washington University	47.074			1	**1**	
BHLH Protein Neur Elegan	47.074	32,749			**32,749**	
Gene Expression in Intercalary Limb Regeneration	47.074			13,612	**13,612**	
Social, Behavioral, and Economic Sciences	47.075			563,376	**563,376**	
Education and Human Resources	47.076			7,822,041	**7,822,041**	
Pass-Through Baltimore County Dept of Econ Dev	47.076			2,411	**2,411**	
Pass-Through Colorado State University	47.076			15,880	**15,880**	
Pass-Through Community College of Baltimore Co.	47.076			13,898	**13,898**	
Pass-Through Prince George's Community College	47.076			47,501	**47,501**	
Pass-Through Univ. System of Maryland Foundation	47.076			35,232	**35,232**	
Education and Human Resources	47.076	1,148,476			**1,148,476**	
AMP Prog	47.076	189,361			**189,361**	
Education and Human Resources	47.076			112,082	**112,082**	
International Science & Engineering (OISE)	47.079			310,496	**310,496**	
Pass-Through BBNT Solutions LLC	47.9500009436	83,959			**83,959**	
Total National Science Foundation					**66,741,374**	
SMALL BUSINESS ADMINISTRATION (SBA)						
Contract/Other	59.SBAHG-08-1			117,189	117,189	
Contract/Other	59.Unknown			11,560	**11,560**	
Pass-Thru Baltimore County Deparment of Economic Development	59.006			144,577	**144,577**	
7(i) Technical Assistance	59.007			74,664	**74,664**	
Small Business Development Center	59.037			2,131,606	**2,131,606**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Total Small Business Administration					**2,479,596**	
VETERANS ADMINISTATION (VA)						
Veterans Benefits Administration – R & D	64.RD	6,304,990			**6,304,990**	
Pass-Through PARRA Consulting Group, Inc	64.RD	25,146			**25,146**	
Veterans State Domiciliary Care	64.014			2,268,697	**2,268,697**	
Veterans State Nursing Home Care	64.015			5,990,006	**5,990,006**	
VETERANS ADMINISTATION (VA), cont.						
Burial Expenses Allowance	64.101			618,915	**618,915**	
Vocational and Educational Counseling for Service Members and Veterans	64.125			285,750	**285,750**	
State Cemetery Grants	64.203			2,628,527	**2,628,527**	
Total Veterans Administration					**18,122,031**	
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
Office of Administration	66.RD	92,440			**92,440**	
Office of Air and Radiation	66.RD	81,817			**81,817**	
Office of Pollution Prevention and Toxic Substances	66.RD	10,192			**10,192**	
Office of Research and Development	66.RD	1,316,503			**1,316,503**	
Office of Water	66.RD	52,840			**52,840**	
Pass-Through Center for Watershed Protection	66.RD	(3,564)			**(3,564)**	
Pass-Through Johns Hopkins University	66.RD	26,142			**26,142**	
Pass-Through Menzie Cura and Associates	66.RD	(33)			**(33)**	
Pass-Through University of Michigan	66.RD	46,742			**46,742**	
Spec. Purpose Activities	66.034			547,731	**547,731**	
Special Purpose Activities Relating to the Clean Air Act	66.034			26,970	**26,970**	
Congressionally Mandated Projects	66.202			24,477	**24,477**	
Surveys, Studies, Investigations, Demonstrations and Training Grants and Cooperative Agreements - Section 104(B)(3) of the Clean Water Act	66.436			109,331	**109,331**	
Pass-Through National Fish & Wildlife Foundation	66.436			62,139	**62,139**	
Water Quality Management Planning	66.439			108,676	**108,676**	
Nonpoint Source Implementation Grants	66.454			159,990	**159,990**	
	66.460			2,379,156	**2,379,156**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Wetlands Protection: Development Grants	66.461			87,625	**87,625**	
Water Quality Cooperative Agreements	66.463			488	**488**	
ENVIRONMENTAL PROTECTION AGENCY, cont.						
Chesapeake Bay Program	66.466			4,008,163	**4,008,163**	
Chesapeake Bay Program	66.466			330,920	**330,920**	
Operator Certification Expence Reimbursement	66.471			100,406	**100,406**	
Beach Monitoring & Notification Program Implementation Grants	66.472			355,191	**355,191**	
Water Protection Grants to the States	66.474			183,176	**183,176**	
MD Regulatory Wetland Program Enhancement	66.479			188,894	**188,894**	
Assessment & Watershed Protection	66.480			5,598	**5,598**	
Pass-Through Oak Ridge Instit. for Science & Education	66.510			74,524	**74,524**	
Science to Achieve Results Fellowship Program	66.514			(9)	**(9)**	
P3 Award: Natl.Student Design Competition for Sustainability	66.516			8,119	**8,119**	
Performance Partnership Grants (PPGs	66.605			9,931,175	**9,931,175**	
Surveys, Studies, Investigations & Special Purpose Grts	66.606			28,771	**28,771**	
Surveys, Studies, Investigations & Special Purpose Grts	66.606			286,090	**286,090**	
Environmental Information Exchange Network Grant Prog.	66.608			325,535	**325,535**	
Environmental Policy & Innovation Grants	66.611			210	**210**	
Consolidated Pesticide Enforcement Coop Agreements	66.700			339,283	**339,283**	
Pollution Prevention Grants Program	66.708			97,080	**97,080**	
Superfund State Site: Specific Cooperative Agreements	66.802			571,189	**571,189**	
State and Tribal Underground Storage Tanks Program	66.804			392,603	**392,603**	
Leaking Underground Storage Tank Program	66.805			1,227,793	**1,227,793**	
Superfund State and Indian Tribe Core Program: Cooperative Agreements	66.809			605,234	**605,234**	
State and Tribal Response Program Grants	66.817			295,199	**295,199**	
Brownfields Assessment and Cleanup Coop Agreements	66.818			160	**160**	
Total Environmental Protection Agency					**24,484,966**	
NATIONAL REGULATORY COMMISSION (NRC)						
Other National Regulatory Commission – R & D	77.RD	290,185			**290,185**	
US Nuclear Regulatory Commission Nuclear Education Grant Prog	77.006			119,708	**119,708**	
Total National Regulatory Commission					**409,893**	

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STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
DEPARTMENT OF ENERGY (DOE)						
Contract / Other	81.DE-FG02-05ER64082	84,192			**84,192**	
Contract / Other	81.DE-FG02-99ER62859	64,649			**64,649**	
Pass-Through General Atomics	81.N1009080803	12,023			**12,023**	
Other Department of Energy – Research and Development	81.RD	8,797,267			**8,797,267**	
Pass-Through Advanced Resources International, Inc	81.RD	(266)			**(266)**	
Pass-Through Brown University	81.RD	3,748			**3,748**	
Pass-Through HyperV Technologies, Inc	81.RD	163,090			**163,090**	
Pass-Through Lawrence Livermore National Laboratory	81.RD	31,721			**31,721**	
Pass-Through North Carolina State University	81.RD	56,384			**56,384**	
Pass-Through Oak Ridge Associated Universities	81.RD	15,846			**15,846**	
Pass-Through Pennsylvania State University	81.RD	72,561			**72,561**	
Pass-Through Tulane University	81.RD	95,747			**95,747**	
Pass-Through University of California	81.RD	136,936			**136,936**	
Pass-Through University of Wisconsin, Madison	81.RD	(14,673)			**(14,673)**	
State Energy Program	81.041			1,063,258	**1,063,258**	
Weatherization Assistance for Low-Income Persons	81.042			3,290,815	**3,290,815**	
Office of Science Financial Assistance Program	81.049			68,849	**68,849**	
Contract / Other	81.050913825	8,079			**8,079**	
University Coal Research	81.057	366,210			**366,210**	
Renewable Energy Research and Development	81.087			23,575	**23,575**	
State Heating Oil and Propane Programs	81.090			10,000	**10,000**	
Energy Efficiency and Renewable Energy	81.117			14,100	**14,100**	
State Energy Program Special Projects	81.119			372,532	**372,532**	
Nuclear Energy Research, Development and Demonstration	81.121			10,888	**10,888**	
Energy Efficiency & Conservation Blk Grt Prog. ARRA	**81.128**			**312,477**	**312,477**	
Pass-Through Battelle Memorial Institute	81.4000070750	79,938			**79,938**	
Technology Transfer Activities	81.511			151,093	151,093	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through General Electric Company	81.700205308	66,080			**66,080**	
DEPARTMENT OF ENERGY (DOE), cont.						
Pass-Through Batell Pacific Northwest National Laboratory	81.73401	32,528			**32,528**	
Pass-Through Batell Pacific Northwest National Laboratory	81.73450	30,786			**30,786**	
Pass-Through Batell Pacific Northwest National Laboratory	81.73461	26,666			**26,666**	
Total Department of Energy					**15,447,099**	
FEDERAL EMEGENCY MANAGEMENT AGENCY (FEMA)						
Contract / Other	83.Unknown			29,654	**29,654**	
College Access Challenge Grant Program	83.378			270,475	**270,475**	
Title XIX	83.778			5,503,315	**5,503,315**	
Total Federal Emergency Management Agency					**5,803,444**	
DEPARTMENT OF EDUCATION (DOE)						
Contract/Other	84.ED-04-CO-0137			4,004	**4,004**	
Educational Research and Improvement	84.RD	784,235			**784,235**	
Pass-Through Anne Arundel County Public Schools	84.RD	(2,277)			**(2,277)**	
Pass-Through Anne Arundel County Public Schools	84.RD	56,301			**56,301**	
Pass-Through Baltimore City Public Schools	84.RD	1,008			**1,008**	
Pass-Through Board of Education of Howard County	84.RD	34,950			**34,950**	
Pass-Through Georgia Tech Research Corp	84.RD	18			**18**	
Pass-Through National Public Radio	84.RD	30,224			**30,224**	
Postsecondary Education	84.RD	301,822			**301,822**	
Special Education and Rehabilitative Services	84.RD	88,143			**88,143**	
Adult Education: State Grant Program	84.002			9,471,458	**9,471,458**	
Federal Supplemental Educational Opportunity Grants	84.007	1,054,865	6,558,658	34,740	7,648,263	
TITLE I PART A CLUSTER						
Title I Grants to Local Educational Agencies	84.010			188,762,681	**188,762,681**	
Title I Grants to Local Educational Agencies Recovery Act	84.389			-	-	

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STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Total Title I Part A Cluster						188,762,681
DEPARTMENT OF EDUCATION (DOE), cont.						
Migrant Education: State Grant Program	84.011			570,739	**570,739**	
Title I Program for Neglected and Delinquent Children	84.013			1,980,469	**1,980,469**	
International Research & Studies	84.017			65,266	**65,266**	
International: Overseas: Group Projects Abroad	84.021			137,449	**137,449**	
Idea - Part E Innovation & Development	84.023			1,977,722	**1,977,722**	
SPECIAL EDUCATION CLUSTER (IDEA)						
Special Education: Grants to States (IDEA) (Part B)	84.027			195,995,413	**195,995,413**	
Pass-Through Government of the District of Columbia	84.027			185,000	**185,000**	
Special Education: Preschool Grants (IDEA Preschool)	84.173			7,339,507	**7,339,507**	
Special Education Grants to State (IDEA PART B) ARRA	**84.391**			**57,275**	**57,275**	
Special Education Preschool Grants - ARRA	**84.392**			-	-	
Total Special Education Cluster						203,577,195
Higher Education: Institutional Aid	84.031			16,554,960	16,554,960	
Federal Family Educational Loans	84.032		356,938,845	10,963,650	367,902,495	
Federal Work-Study Program	84.033	696,794	6,496,203	40,527	7,233,524	
Public Library Services	84.034		-		-	
Federal Perkins Loan Cancellations	84.037			587,819	587,819	
Federal Perkins Loan Prog: Federal Capital Contributions	84.038	200,046	72,973,612	26,000	73,199,658	
TRIO CLUSTER						
TRIO: Student Support Services	84.042		-	2,213,054	2,213,054	
TRIO: Talent Search	84.044			892,117	892,117	
TRIO: Upward Bound	84.047		-	4,479,633	4,479,633	
TRIO: Educational Opportunity Centers	84.066			228,962	228,962	
TRIO: McNair Post – Baccalaureate Achievement	84.217		-	739,837	739,837	

"See Notes to Schedule of Expenditures of Federal Awards"

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Total TRIO Cluster						**8,553,603**
DEPARTMENT OF EDUCATION (DOE), cont.						
Vocational Education: Basic Grants to States	84.048			18,691,352	**18,691,352**	
Federal Pell Grant Program	84.063	11,840,070	78,437,165	742,908	**91,020,143**	
Leveraging educational assistance Partnership	84.069			1,253,792	**1,253,792**	
Fund for the Improvement of Postsecondary Education	84.116			293,198	**293,198**	
Video Cases for Novice College Mathematics Instructors	84.116B			9,253	**9,253**	
Minority Science and Engineering Improvement	84.120		-	95,483	95,483	
Vocational Rehabilitation Cluster						
Rehabilitation Svs: Vocational Rehabilitation Grants to States	84.126			33,036,319	**33,036,319**	
Rehabilitation Svs: Vocational Rehab Grants to States ARRA	**84.390**			**223,738**	**223,738**	
Total Vocational Rehabilitation Cluster						**33,260,057**
Rehabilitation Long-Term Training	84.129		-	625,980	625,980	
National Institute on Disability and Rehabilitation Research	84.133			483,722	**483,722**	
Migrant Education_Coordination Program	84.144			173,246	**173,246**	
Business and International Education Projects	84.153			44,039	**44,039**	
Pass-Through Galludette University	84.160			467	**467**	
Rehabilitation Services: Client Assistance Program	84.161			172,209	**172,209**	
Independent Living: State Grants	84.169			31,544	**31,544**	
Rehabilitation Service: Independent Living Services for Older Blind Individuals	84.177			(253,434)	**(253,434)**	
Early Intervention Services Cluster						
Special Education: Grants for Infants and Families with Disabilities	84.181			7,737,768	**7,737,768**	
Special Education: Grants for Infants and Families with Disabilities ARRA	**84.393**			-	-	
Total Early Intervention Svs. Cluster						7,737,768
Safe and Drug-Free Schools and Communities_National Programs	84.184			9,490	**9,490**	
Robert C. Byrd Honors Scholarships	84.185			631,649	**631,649**	
Safe & Drug-Free Schools and Communities: State Grants	84.186			4,531,727	**4,531,727**	
Supported Employment Services for Individuals with Severe Handicaps	84.187			316,717	**316,717**	
Bilingual Education: Professional Development	84.195			277,028	**277,028**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Education of Homeless Children & Youth	84.196		-	885,759	885,759	
Graduate Assistance in Areas of National Need	84.200			832,069	832,069	
Javits G/T	84.206			207,230	207,230	
Even Start: State Educational Agencies	84.213			743,483	743,483	
DEPARTMENT OF EDUCATION (DOE), cont.						
Fund for the Improvement of Education	84.215			300,898	300,898	
Pass-Through Anne Arundel County Public Schools	84.215			61,026	**61,026**	
Pass-Through Baltimore City Public Schools	84.215			30,529	**30,529**	
Pass-Through Baltimore County Public Schools	84.215			108,043	**108,043**	
Pass-Through Howard Co Public Schools	84.215			83,648	**83,648**	
Centers for International Business Education	84.220			305,288	**305,288**	
Assistive Technology	84.224			365,711	**365,711**	
Rehabilitation Services Demonstration and Training	84.235			814,825	**814,825**	
Tech--Prep Education	84.243			1,580,571	**1,580,571**	
Rehabilitation Training: State Vocational Rehabilitation Unit In-Service Training	84.265			182,857	**182,857**	
Federal Direct Loan	84.268		356,761,946		356,761,946	
Pass-Through United Negro College Fund	84.269			76,371	**76,371**	
Eisenhower Professional Development State Grants	84.281			(5,730)	**(5,730)**	
The Charter School Program	84.282			1,965,969	**1,965,969**	
Twenty-First Century Community Learning Centers	84.287			14,096,215	**14,096,215**	
Innovative Education Program Strategies	84.298			1,229,468	**1,229,468**	
Technology Literacy Challenge Fund Grants	84.318			3,621,001	**3,621,001**	
Special Education: State Program Improvement Grants for Children with Disabilities	84.323			1,940,594	**1,940,594**	
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325			2,937,838	**2,937,838**	
Dissemination to Improve Services and Results for Children with Disabilities	84.326			(36,303)	**(36,303)**	
Advanced Placement Incentive Program	84.330			953,354	**953,354**	
Grants to States for Incarcerated Youth Offenders	84.331			535,970	**535,970**	
Comprehensive School Reform Demonstration	84.332			(1,475)	**(1,475)**	
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334			3,140,930	**3,140,930**	
Pass-Through Allegany County Board of Education	84.334			1,192	**1,192**	
Child Care Access Means Parents in School	84.335			41,812	**41,812**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Teacher Quality Enhancement Grants	84.336			841,513	**841,513**	
Preparing Tomorrow's Teachers to Use Technology	84.342			3,404	**3,404**	
DEPARTMENT OF EDUCATION (DOE), cont.						
Underground Railroad Educational and Cultural Program	84.345			30,033	**30,033**	
Occupation and Employment Information State Grants	84.346			(137)	**(137)**	
Transition to Teaching	84.350			179,751	**179,751**	
Reading First State Grants	84.357			12,635,263	**12,635,263**	
English Language Acquistion Grants	84.365			8,877,702	**8,877,702**	
Mathematics and Science Partnerships	84.366			2,042,865	**2,042,865**	
Pass-Through State of Delaware	84.366			91,972	**91,972**	
Improving Teacher Quality State Grants	84.367			39,388,432	**39,388,432**	
Pass-Through State of Delaware	84.367		-	250,850	250,850	
Grants for State Assessments and Related Activities	84.369			7,538,888	**7,538,888**	
Statewide Longitudinal Data System	84.372			1,204,188	**1,204,188**	
General Supervision Enhansement Grant	84.373			39,271	**39,271**	
Academic Competitiveness Grants	84.375	43,508	836,709	46,875	927,092	
National Science and Mathematics Access to Retain Talent (Smart) Grants	84.376		778,495	20,000	798,495	
School Improvement Grants	84.377			1,969,424	**1,969,424**	
Teacher Education Assistance for College and High Education Grants (TEACH Grants)	84.379		66,250		**66,250**	
Strengthening Minority-Servicing Institutions	84.382			389	**389**	
College Intervention Prep. Prog	84.378A			30,419	**30,419**	
Indep Living Svs for Older Ind. Who are Blind-ARRA	**84.399**			**28,084**	**28,084**	
National Writing Project:	84.928			85,634	**85,634**	
Pass-Through National Writing Project Corporation	84.928			35,503	**35,503**	
Pass-Through University of California	84.928			81,236	**81,236**	
2004 Insolicited Grants	84.955			412,217	**412,217**	
Total Department of Education					**1,520,246,986**	
SMITHSONIAN INSTITUTE						
Contract/Other	85.08PO3320 0001521			7,416	**7,416**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Smithsonian Institution	85.RD	32,831			32,831	
The Woodrow Wilson International Center for Scholars	85.RD	2,518			2,518	
COMPREHENSIVE SERV-INDEPEN LIVING	85.169			153,487	153,487	
SMITHSONIAN INSTITUTE, cont.						
REHAB ACT OF 1973-ILS FOR OBI	85.177			571,226	571,226	
REHAB ACT OF 1973-SUP WEMPLOY	85.187			113,434	113,434	
Total Smithsonian Institute					880,912	
NATIONAL ARCHIVES & RECORDS ADMINISTRATION						
National Archives & Records Admin. – R & D	89.RD	258,408			258,408	
Total National Archives & Records Admin.					258,408	
ELECTION ASSISTANCE COMMISSION						
Election Assistance Commission - Research & Development	90.RD	32,136			32,136	
Help America Vote Act	90.401			1,629,338	1,629,338	
Total Election Assistance Commission					1,661,474	
U.S. INSTITUTE OF PEACE						
United States Institute of Peace - Research & Development	91.RD	95,999			95,999	
Total U.S. Institute of Peace					95,999	
DEPT. OF HEALTH AND HUMAN SERVICES (HHS)						
Contract / Other National Institute of Health	93.263MD701 587	(91)			(91)	
Contract / Other	93.HHSF222 20083808	6,000			6,000	
Contract / Other National Institute of Health	93.HHSN263 20080043	4,150			4,150	
Contract / Other National Institute of Health	93.HHSN263 20080126	19,623			19,623	
Pass-Through Mount Sinai School of Medicine	93.HHSN266 20070001	395,807			395,807	

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Contract / Other National Institute of Health	93.HHSN276 20080069	50,345			**50,345**	
Contract / Other National Institute of Health	93.N01AO60 009	690,954			**690,954**	
Administration for Children and Families	93.RD	918,798			918,798	
DEPART. OF HEALTH AND HUMAN SERVICES, cont.						
Agency for Health Care Policy & Research	93.RD	497,340			497,340	
Center for Disease Control and Prevention	93.RD	48,568,271			48,568,271	
Center for Disease Control and Prevention	93.RD	166,713			166,713	
Food and Drug Administration	93.RD	1,786,681			1,786,681	
Health Resources and Services Administration	93.RD	2,503,434			2,503,434	
National Institutes of Health ARRA	93.RD	44,253			44,253	
National Institutes of Health	93.RD	209,398,173			209,398,173	
Office of Population Affairs	93.RD	525,995			525,995	
Substance Abuse and Mental Health Services Administration	93.RD	643,634			643,634	
Other Research and Development: Pass-Thru Urban Institute	93.RD	133			133	
Pass-Through American Institutes for Research	93.RD	9,068			9,068	
Pass-Through Baltimore City Dept of Soc Svcs	93.RD	52,528			52,528	
Pass-Through Bio-Rad Laboratories	93.RD	351,702			**351,702**	
Pass-Through Boston University	93.RD	14,950			**14,950**	
Pass-Through Boston University	93.RD	163,765			**163,765**	
Pass-through Brigham and Women's Hospital	93.RD	55,755			**55,755**	
Pass-Through Brown University	93.RD	15,764			**15,764**	
Pass-Through Childrens Research Institute	93.RD	17,681			**17,681**	
Pass-Through Columbia University	93.RD	371,888			**371,888**	
Pass-Through Cornell University	93.RD	190,281			**190,281**	
Pass-Through Fisher Bioservices	93.RD	4,126			**4,126**	
Pass-Through Georgetown University	93.RD	96,395			**96,395**	
Pass-Through Georgetown University Lombardi Comprehensive Cancer Center	93.RD	117,955			**117,955**	
Pass-Through Imperial College School of Medicine	93.RD	111,241			**111,241**	
Pass-Through Indiana State University	93.RD	16,598			**16,598**	
Pass-Through Indiana University	93.RD	49,149			**49,149**	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through Johns Hopkins Applied Physics Laboratory	93.RD	57			57	
Pass-Through Johns Hopkins University	93.RD	1,272,941			1,272,941	
Pass-Through Kennedy Kreiger Institute	93.RD	441,787			441,787	
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS), cont.						
Pass-Through Medical University of South Carolina	93.RD	172,242			172,242	
Pass-Through Morehouse University	93.RD	176,823			176,823	
Pass-Through Mount Siani School of Medicine	93.RD	322,442			322,442	
Pass-Through Nanospectra Biosciences, Inc.	93.RD	447			447	
Pass-Through New York University	93.RD	6,902			6,902	
Pass-Through Ohio State University	93.RD	7,986			7,986	
Pass-Through Rice University	93.RD	128,725			128,725	
Pass-Through Seahorse Bioscience, Inc	93.RD	6,114			6,114	
Pass-Through Stanford University	93.RD	92,798			92,798	
Pass-Through Temple University	93.RD	132,311			132,311	
Pass-Through Texas Engineer Experiment Station	93.RD	(9,787)			(9,787)	
Pass-Through The Mind Research Network	93.RD	198,614			198,614	
Pass-Through University of Alabama at Birmingham	93.RD	37,921			37,921	
Pass-Through University of Alabama-Birmingham	93.RD	73,400			73,400	
Pass-Through University of California, San Francisco	93.RD	11,251			11,251	
Pass-Through University of Cincinnati	93.RD	127			127	
Pass-Through University of Illinois	93.RD	61,889			61,889	
Pass-Through University of Massachussets	93.RD	39,702			39,702	
Pass-Through University of Minnesota	93.RD	14,259			14,259	
Pass-Through University of Mississippi	93.RD	54			54	
Pass-Through University of New Mexico	93.RD	58,570			58,570	
Pass-Through University of Pittsburg	93.RD	10,693			10,693	
Pass-Through University of Texas	93.RD	169,144			169,144	
Pass-Through Univ. of Texas Southwestern Medical Center	93.RD	122,967			122,967	
Pass-Through University of Utah	93.RD	19,984			19,984	
Pass-Through University of Virginia	93.RD	44,749			44,749	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Pass-Through Johns Hopkins University	93.Unknown			33	33	
Contract / Other	93.000			1,609,515	1,609,515	
Cooperative Agreements to Improve the Health Status of Minority Populations	93.004	149,088			149,088	
Minority Health State Partnership	93.006			150,819	150,819	
DEPT. OF HEALTH AND HUMAN SERVICES, cont.						
Programs for Prevention of Elder Abuse	93.041			118,783	118,783	
Long term care ombudsman services for older individuals	93.042			387,080	387,080	
Special Programs for the Aging: Title III, Part F: Disease Prevention and Health Promotion Services	93.043			355,960	355,960	
AGING CLUSTER						
Special Programs for the Aging: Title III, Part B: Grants for Supportive Services and senior Centers	93.044			6,471,341	6,471,341	
Special Programs for the Aging: Title III, Part C: Nutrition Services	93.045			9,254,948	9,254,948	
Nutrition Services Incentive Program	93.053			2,587,000	2,587,000	
Aging Home Delivered Nutrition Svs for States ARRA	**93.705**			**9,237**	**9,237**	
Aging Congregate Nutrition Svs for States ARRA	**93.707**			**18,764**	**18,764**	
Total Aging Cluster						**18,341,290**
Special Programs for the Aging: Title IV: Training, Research and Discretionary Projects & Programs	93.048			472,505	472,505	
Nation Family Caregiver Support Program	93.052			2,401,703	2,401,703	
Public Health Emergency Preparedness	93.069			15,255,182	15,255,182	
Pass-Through Insight Policy Research	93.081	27,246			27,246	
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086			1,451,150	1,451,150	
Food and Drug Administration: Research	93.103			150,228	150,228	
Comprehensive Community Mental Health Services for SED	93.104			30,000	30,000	
Maternal and Child Health Federal Consolidated Programs	93.110			125,988	125,988	
Biological Response to Environmental Health Hazards	93.113			5,586	5,586	
Project Grants and Cooperative agreements for Tuberculosis Control Programs	93.116			1,288,786	1,288,786	
Emergency Medical Services for Children	93.127			168,949	168,949	

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FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Primary Care Services: Resource Coordination and Development: Primary Care Offices	93.130			216,591	**216,591**	
Injury Prevention & Control Research & State & Comm Based Prog	93.136			1,198,572	**1,198,572**	
Community Program to Improve Minority Hlth	93.137			36,301	**36,301**	
DEPT. OF HEALTH AND HUMAN SERVICES, cont.						
Project for assistance in Transition from Homelessness (PATH)	93.150			1,004,636	**1,004,636**	
Coordinated HIV Services and Access to Research for Children, Youth, Women and Families	93.153			1,314,934	**1,314,934**	
Grants for State Loan Repayments	93.165			250,000	**250,000**	
Research related to Deafness and Communication Disorders	93.173			156,840	**156,840**	
Nursing Workforce Diversity	93.178			258,892	258,892	
National Research Services Awards	93.186			19,210	**19,210**	
Allied Health Special Projects	93.191			(1)	**(1)**	
Childhood Lead Poisoning Prevention and Surveillance of blood Lead Levels in Children	93.197			129,922	**129,922**	
Comprehensive Community Mental Health Services	93.198			692,016	692,016	
Family Planning Services	93.217			4,719,245	**4,719,245**	
Research on Healthcare Costs, Quality and Outcomes	93.226	750,206			**750,206**	
Traumatic Brain Injury_State Demonstration Grant Prog. (TBI)	93.234			113,021	**113,021**	
Abstinence Education	93.235			415,232	**415,232**	
Mental Health Research Grants	93.242	161,809		7,357	**169,166**	
Substance Abuse and Mental Health Services	93.243			4,695,679	**4,695,679**	
Advanced Education Nursing Grant Program	93.247			212,271	212,271	
Universal Newborn Hearing Screening	93.251			160,986	160,986	
Nurse Faculty Loan Program	93.264			67,264	67,264	
Immunization Grants	93.268			4,163,269	**4,163,269**	
Drug Free Communities Support Program	93.276			223,358	**223,358**	
Drug Abuse Research Programs: Pass-Through Louisiana State University	93.279			65,460	**65,460**	
Drug Abuse Research Programs	93.279	704,831			**704,831**	
Mental Health National Research Service Awards for Research Training	93.282			119,488	**119,488**	
Center for Disease Control and Prevention: Investigations and Technical Assistance	93.283	800		11,408,876	**11,409,676**	
Small Rural Hospital Improvement Grants	93.301			26,155	**26,155**	
Minority Health and Health Disparities Research	93.307	263,724			**263,724**	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Health Profession Student Loans	93.342		11,846,504		11,846,504	
Advanced Education Nursing Traninees hips	93.358		-	27,846	27,846	
Nurse Education Practice and Retention Grants	93.359		-	281,809	281,809	
Nursing Students Loan	93.364		1,935,399	14,229	1,949,628	
Minority Research Training	93.375	234,139			**234,139**	
DEPT. OF HEALTH AND HUMAN SERVICES, cont.						
National Center For Research Resources	93.389	570,506		**51,529**	**622,035**	
Cancer Biology Research	93.396			95,242	**95,242**	
Cancer Research Manpower	93.398			56,324	**56,324**	
Food Safety and Security Monitoring Project	93.448			239,674	**239,674**	
Promoting Safe and Stable Families	93.556			2,902,836	**2,902,836**	
TANF CLUSTER						
Temp. Assistance for Needy Families (ARRA)	**93.558**			**16,113,604**	**16,113,604**	
Temporary Assistance for Needy Families	93.558			255,764,243	255,764,243	
Emergency Contingency Fund for TANF State Programs ARRA	93.714			-	-	
Temporary Assistance for Needy Families (TANF) Supple. Grants	93.716			-	-	
Total TANF Cluster						**271,877,847**
Child Support Enforcement (CSE) - ARRA	**93.563**			**13,473,599**	**13,473,599**	
Child Support Enforcement (CSE)	93.563			69,444,755	**69,444,755**	
Child Support Enforcement Research	93.564			241,897	**241,897**	
Refugee & Entrant Assistance: State Administered Programs	93.566			7,058,589	**7,058,589**	
Low-Income Home Energy Assistance (LIHEAP)	93.568			107,256,607	**107,256,607**	
CSBG CLUSTER						
Community Services Block Grant (CSBG)	93.569			11,164,772	**11,164,772**	
Community Services Block Grant ARRA	93.710			-	-	
Total CSBG Cluster						11,164,772
Pass-Through Pennsylvania State University	93.570			1,767	**1,767**	
CCDF CLUSTER						
Child Care and Development Block Grant	93.575			27,688,348	**27,688,348**	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596			60,285,942	**60,285,942**	
Child Care and Development Block Grant ARRA	**93.713**			**4,000,000**	**4,000,000**	
Total CCDF Cluster						**91,974,290**

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Refugee and Entrant Assistance: Discretionary Grants	93.576			411,950	411,950	
Refugee and Entrant Assistance- Targeted Assistance	93.584			1,033,078	1,033,078	
State Court Improvement Program	93.586			594,331	594,331	
Family Violence Prevention and Service	93.591	36,734			36,734	
DEPT. OF HEALTH AND HUMAN SERVICES, cont.						
Family Violence Prevention and Services	93.592			5,730	5,730	
Grants to States for Access and Visitation Programs	93.597			(83,367)	(83,367)	
Education and Training Vouchers	93.599			830,153	830,153	
Head Start Cluster						
Head Start Program	93.600	1,436,248		400,453	1,836,701	
Head Start Program ARRA	**93.708**			-	-	
Early Head Start ARRA	**93.709**			-	-	
Total Head Start Cluster						1,836,701
Basic Center Grt for Runaway & Homeless Youth	93.623			177,082	177,082	
Dev. Disabilities Basic Support & Advocacy Grants	93.630			780,887	780,887	
Children's Justice Grants to States	93.643			1,497,213	1,497,213	
Child Welfare Services: State Grants	93.645			4,302,816	4,302,816	
Social Services Research and Demonstration	93.647			(39,760)	(39,760)	
Foster Care: Title IV-E - ARRA	**93.658**			**5,058,957**	**5,058,957**	
Foster Care: Title IV-E	93.658			96,635,233	96,635,233	
Adoption Assistance - ARRA	**93.659**			**2,159,277**	**2,159,277**	
Adoption Assistance	93.659			24,963,935	24,963,935	
Social Services Block Grant (SSBG)	93.667			54,454,010	54,454,010	
Child Abuse and Neglect State Grants	93.669			428,436	428,436	
Family Violence Prevention and Services/Grants for Battered Women's Shelters: States & Indian Tribes	93.671			1,807,784	1,807,784	
Chafee Foster Care Independent Living	93.674			2,683,869	2,683,869	
Animal Model of Dual Diagnosis	93.701			32,095	32,095	
State Children's Insurance Program (SCHIP)	93.767			155,083,453	155,083,453	
Medicaid Infrastructure Grants To Support the Competitive Employment of People with disabilities	93.768			577,304	577,304	
MEDICAID CLUSTER						
State Medicaid Fraud Control Units	93.775			1,613,636	1,613,636	
Hurrican Katrina Relief Program	93.776			-	-	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
State Survey and Certification of Health Care Providers and Suppliers	93.777			4,668,061	4,668,061	
Medical Assistance Program (Medicaid) ARRA	**93.778**			443,488,631	**443,488,631**	
Medical Assistance Program (Medicaid)	93.778			3,358,705,423	**3,358,705,423**	
Total Medicaid Cluster						**3,808,475,751**
DEPT. OF HEALTH AND HUMAN SERVICES, cont.						
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	52,219		3,338,401	**3,390,620**	
Seed Grants to States for Qualified High-Risk Pools	93.781			2,301,233	**2,301,233**	
Alternatives to Psychiatric Residential Treatment Facilities for Children	93.789			235,762	**235,762**	
Alternate Non-Emergency Service Providers or Networks	93.790			414,993	**414,993**	
Medicaid Transformation Grants	93.793			207,961	**207,961**	
Cardiovascular Diseases Research	93.837			66,193	**66,193**	
Digestive Diseases and Nutrition Research	93.848			56,705	**56,705**	
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853			28,558	**28,558**	
Biomedical Research and Research	93.859	384,549		1,461,735	**1,846,284**	
Pass-Through American Psychological Assoc.	93.859			7,270	**7,270**	
Child Health and Human Development Extramural Research	93.865	39,335		2,146	**41,481**	
Aging Research	93.866			284,305	**284,305**	
Minority Access to Research Careers	93.880			455,982	**455,982**	
National Bioterrorism Hospital Preparedness	93.889			9,910,705	**9,910,705**	
Rural Health Outreach – Rural Network Development Program	93.912			216	**216**	
Grt to States for Operation of Offices of Rural Hlth	93.913			148,479	**148,479**	
HIV Emergency Relief Project Grants	93.914			275,277	**275,277**	
HIV Care Formula Grants	93.917			36,121,094	**36,121,094**	
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925		151,275		151,275	
Public Health Service AIDS	93.938			271,560	**271,560**	
HIV Prevention Activities: Health Dept Based	93.940			13,539,472	**13,539,472**	
HIV Demonstration, Research, Public/Professional Education Projects	93.941	10,119		144,192	**154,311**	
HIV/AIDS Surveillance	93.944			1,315,341	**1,315,341**	
Pregnancy Risk Assessment	93.946			197,319	**197,319**	
Block Grants for Community Mental Health Services	93.958			7,379,990	**7,379,990**	
Block Grt for Prevention &Treatment of Substance Abuse	93.959			32,456,385	**32,456,385**	
Preventive Health Services: Sexually Transmitted Diseases Control Grants	93.977			1,056,182	**1,056,182**	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Control Programs & Evaluation of Surveillance Systems	93.988			242,095	**242,095**	
International Research & Research Training	93.989			19,021	**19,021**	
Preventive Health & Health Services Block Grant	93.991			1,811,997	**1,811,997**	
Pass-Through Rand Corporation	93.99200500 47	47,311			**47,311**	
Maternal and Child Health Services Block Grt to States	93.994	-		12,385,834	12,385,834	
Total Dept. of Health and Human Services					**5,228,836,029**	
COMMISSION ON NATIONAL AND COMMUNITY SERVICE (CNCS)						
Corporation for National and Community Service	94.RD	1,037,307			**1,037,307**	
State Commissions	94.003			253,563	**253,563**	
Learn and Serve America: School and Community Based Programs	94.004			242,964	**242,964**	
Learn and Serve America - Higher education	94.005	22,041			**22,041**	
AmeriCorps	94.006			4,262,516	**4,262,516**	
Planning and Program Development Grants	94.007			131,222	**131,222**	
Planning and Program Development Grants	94.007			8,708	**8,708**	
Training and Technical Assistance	94.009			22,594	**22,594**	
FOSTER GRANDPARENT/SENIOR COMPANION CLUSTER						
Foster Grandparents Program	94.011			295,383	**295,383**	
Senior Companion Program	94.016			-	-	
Total foster Grandparent/Senior Companion Cluster						295,383
Volunteers in Service to America (VISTA)	94.013			5,169	**5,169**	
Total Commission on National and Community Service					**6,281,467**	
SOCIAL SECURITY ADMINISTRATION						
Pass-Thru Center for Retirement Research at Boston College	96.RD	5,628			**5,628**	
Pass-Through Westat Incorporated	96.RD	58,897			**58,897**	
Pass-Through Utah Dept. of Health	96.RD	36,533			**36,533**	
Unallocated Federal Funds	96.Unknown			703,984	**703,984**	
DISABILITY INSURANCE/SSI CLUSTER						
Social Security: Disability Insurance	96.001			21,851,742	**21,851,742**	
Supplemental Security Income (SSI)	96.006			3,240,792	**3,240,792**	
Total Disability Insurance/SSI Cluster						25,092,534

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Total Social Security Administration					**25,897,576**	
HOMELAND SECURITY						
Pass-Through John Jay College of Criminal Justice, The City University of New York	97.49112000 1A	2,098			**2,098**	
Department of Homeland Security	**97.RD**	**10,180,706**			**10,180,706**	
UT-Batelle ORNL DOE	97.002	3,476			**3,476**	
HOMELAND SECURITY CLUSTER						
State Domestic Preparedness Equip Support Program	97.004			-	-	
Homeland Security Grant Program	97.067			6,072,102	**6,072,102**	
Total Homeland Security Cluster						6,072,102
Urban Areas Security Initiative	97.008			10,460,911	**10,460,911**	
Boating Safety Financial Assistance	97.012			5,366,955	**5,366,955**	
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023			61,231	**61,231**	
Flood Mitigation Assistance (FMA)	97.029			51,390	**51,390**	
Public Assistance Grants	97.036			154,935	**154,935**	
Hazard Mitigation Grant (HMGP)	97.039			1,830,201	**1,830,201**	
National Dam Safety Program	97.041			17,124	**17,124**	
Emergency Management Performance Grants	97.042			4,451,787	**4,451,787**	
State Fire Training Systems Grant	97.043			24,000	**24,000**	
Emergency Management - Cooperating Technical Partners	97.045			1,255,000	**1,255,000**	
Pre-Disaster Mitigation	97.047			206,830	**206,830**	
Citizen Corps	97.053			90,588	**90,588**	
Port Security Grant Program for Critical National Seaports	97.056			241,804	**241,804**	
Homeland Security Information Technology Research, Testing, Evaluation and Demonstartion Program	97.066			1,416,985	**1,416,985**	
Map Modernization Mgmt. Support Prog. (MMMS)	97.070			361,193	**361,193**	
Metropolitan Medical Response Program	97.071			232,266	**232,266**	
K-9 Grant	97.072			591,993	**591,993**	
Law Enforcement Terrorism Prevention Program	97.074			4,724,203	**4,724,203**	
Homeland Security - MDOT Grant	97.075			6,007,095	**6,007,095**	
Buffer Zone Protection Program	97.078			1,067,230	**1,067,230**	
Law Enforcement Officer Reimb.	97.090			306,191	**306,191**	

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER
Repetitive Flood Claim	97.092			61,690	61,690	
Degrees at a Distance Program	97.103			7,842	7,842	
Engineering, and Mathematics (HS Stem) Career Development Program	97.104			174,991	174,991	
Technology, Engineering and Mathematics (STEM) Carrer Development	97.104	77,062			77,062	
Pass-Through Noblis, Inc	97.31484	55,061			55,061	
Pass-Through University of Connecticut	97.6265			21,864	21,864	
Total Homeland Security					55,576,804	
AGENCY FOR INTERNATIONAL DEVELOPMENT						
Pass-Through PA Consulting Group	98.RD	1,328			1,328	
Pass-Through Institute International Education	98.001			7,489,633	7,489,633	
Pass-Through Institute International Education	98.001			92,643	92,643	
John Ogonowski Farmer-to-Farmer Program	98.009			(11,874)	(11,874)	
Total Agency for International Development					7,571,730	
Other						
Vietnam Educational Foundation	99. unknown			23,982	23,982	
Total Other					23,982	
Total		597,922,319	893,781,061	9,227,729,161	10,719,432,541	6,448,283,654

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

FEDERAL DEPARTMENT/PROGRAM TITLE	CFDA#	R & D	STUDENT FINANCIAL AID	OTHER EXPENDITURES	TOTAL	TOTAL CLUSTER

"See Notes to Schedule of Expenditures of Federal Awards"

STATE OF MARYLAND
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

1. SINGLE AUDIT REPORTING ENTITY

The State includes expenditures in its Schedule of Expenditures of Federal Awards for all Federal programs administered by the funds, agencies, boards and commissions, including component units, included in the State's reporting entity used for its basic financial statements, including the component unit higher education funds—the University System of Maryland, the Baltimore City Community College, Morgan State University, and St. Mary's College of Maryland. However, the Schedule of Expenditures of Federal Awards excludes the Maryland Water Quality Financing Administration of the Maryland Department of the Environment. A separate single audit is conducted for this entity, which is part of an enterprise fund of the State of Maryland.

2. BASIS OF ACCOUNTING

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

The noncash expenditures of $16,888,000 reported under CFDA No. 10.550, Food Donation, represent the value of food commodity distributions calculated using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2008. These food commodities were received by the Maryland Department of Education from the U.S. Department of Agriculture for the year ended June 30, 2009.

The noncash expenditures of $5,153,565 relating to the Emergency Food Assistance Program reported under CFDA No. 10.569, Emergency Food Assistance Program (Food Commodities), represent the value of food commodity distributions calculated using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2008. The food commodities were received by the Maryland Department of Human Resources from the U.S. Department of Agriculture for the year ended June 30, 2009.

Expenditures of $585,572,633 reported under CFDA No. 10.551, Supplemental Nutrition Assistance Program (SNAP), represent the fair market value of food stamps distributed for participants' food-stamp purchases during the fiscal year ended June 30, 2009. The reported expenditures for benefits under the SNAP (CFDA No. 10.551) are supported by both regularly appropriated funds and incremental funding made available under section 101 of the American Recovery and Reinvestment Act of 2009. The mechanism used by USDA to make these funds available to States does not enable a State to validly disaggregate the regular and Recovery Act components of this figure. At the national aggregate level, however, Recovery Act funds account for approximately 15 percent of USDA's total expenditures for SNAP benefits in the Federal fiscal year ended September 30, 2009.

2. BASIS OF ACCOUNTING, continued

Noncash expenditures of $59,423 for CFDA No. 39.003, Donation of Federal Surplus Personal Property, represents the average fair market value percentage, per the General Services Administration (GSA) of 25% of the federal government original acquisition cost (OAC) of the federal property transferred to recipients by the State during fiscal year ended June 30, 2009.

3. CATEGORIZATION OF EXPENDITURES

The Schedule of Expenditures of Federal Awards reflects Federal expenditures for all individual grants that were active during the year. The categorization of expenditures by program included in the Schedule of Expenditures of Federal Awards is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year. In accordance with the State's policy, the Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2009 reflects CFDA changes issued through December 2008.

The expenditures for Federal awards under the Recovery Act are separately identified on the Schedule of Federal Awards (SEFA) with the letters ARRA.

4. STATE NONMONETARY FEDERAL FINANCIAL ASSISTANCE

The State distributes Federal surplus food to institutions (schools, hospitals, and prisons) and to the needy. The total inventory balance of Federal surplus food on hand as of June 30, 2009 was $159,742 for CFDA No. 10.550, Food Donation Program and $241,783 for CFDA No. 10.569, Emergency Food Assistance Program (Food Commodities). The surplus food was valued using the U.S. Department of Agriculture, Food and Nutrition Service Commodity Price List in effect as of July 1, 2008.

When surplus property is transferred to recipients, it is valued at 25 percent of its OAC, which represents an estimated fair market value of the property transferred. The value of donated Federal surplus property on hand as of June 30, 2009 was $0 for CFDA No. 39.003, Donation of Federal Surplus Personal Property Program.

5. OTHER AUDIT FINDINGS

Other audit reports exist that have also identified findings and questioned costs affecting the State's various Federal programs during the year ended June 30, 2009. Because those issues have been previously reported to the affected Federal agencies and based on guidance received from the State's cognizant agency, the issues identified in other audit reports have not been repeated in the single audit Findings and Questioned Costs for the year ended June 30, 2009.

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

6. UNEMPLOYMENT INSURANCE

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

State Regular UC benefits	$ 969,270,706
Federal UC benefits	370,622,442
Federal UC administrative costs	71,177,542
Total benefits	$1,411,070,690

7. FEDERAL MORTGAGE PLANS

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

8. LOAN PROGRAMS

St. Mary's College of Maryland

The College administers the Federal Perkins Loan Program – Federal Capital Contributions (CFDA No. 84.038). The College received no Federal funds under the Program for the fiscal year ended June 30, 2009. The outstanding loan balance of $268,891 as of June 30, 2008, and the outstanding loan balance of $255,213 for the fiscal year ended June 30, 2009 are not considered current year Federal expenditures. The Schedule of Expenditures of Federal Awards includes $26,000 for loans issued during fiscal year ended June 30, 2009.

During the fiscal year ended June 30, 2009, the College processed the following amount of new loans under the Federal Family Education Loan Program, which includes the Stafford Loan and PLUS Loan. Since this program is administered by outside financial institutions, new loans made during the fiscal year ended June 30, 2009 relating to this program are considered current-year Federal expenditures, whereas the outstanding loan balances are not. The new loans made during the fiscal year ended June 30, 2009 are reported in the Schedule of Expenditures of Federal Awards.

8. LOAN PROGRAMS (Continued)

St. Mary's College of Maryland (Continued)

CFDA Number		Loan Expenditures For Fiscal Year Ended June 30, 2009
84.032	Stafford Loan Program	$ 5,913,742
84.032	PLUS Loans	5,049,908
	Total	$10,963,650

Baltimore City Community College

The College administers the Federal Perkins Loan Program – Federal Capital Contributions (CFDA No. 84.038) and Nursing Student Loans (CFDA No. 93.364). The outstanding loan balances as of June 30, 2009 were $200,046 and $14,229, respectively. There were no new loans made in the fiscal year ended June 30, 2009. The outstanding balances are considered current-year Federal expenditures. These amounts are reported in the Schedule of Expenditures of Federal Awards.

Morgan State University

The University administers the Federal Perkins Loan Program – Federal Capital Contributions (CFDA NO. 84.038). The outstanding loan balance of $3,341,432 as of June 30, 2008, the loan expenditures of $199,595 for the fiscal year ended June 30, 2009, and the fiscal year 2009 administrative cost allowance of $9,967 are considered current-year Federal expenditures. These amounts are reported in the Schedule of Expenditures of Federal Awards.

During the fiscal year ended June 30, 2009, the University processed $37,166,400 of new loans under the Federal Direct Loan Program (CFDA No. 84.268). Since this program is administered by outside financial institutions, the new loans made in the fiscal year ended June 30, 2009 relating to this program are considered current-year Federal expenditures, whereas the outstanding loan balances are not. The new loans made in the fiscal year ended June 30, 2009 are reported in the Schedule of Expenditures of Federal Awards.

8. LOAN PROGRAMS (Continued)

University System of Maryland

During the year ended June 30, 2009, the System processed the following amount of new loans under the Direct Loan Program and Federal Family Education Loan Program, which includes the Stafford Loan, Plus Loan, School as Lender Program, and Graduate PLUS Loan Program. Since these loan programs are administered by outside financial institutions, new loans made in the fiscal year ended June 30, 2009 are reported in the Schedule of Expenditures of Federal Awards.

CFDA Number		Loan Expenditures For Fiscal Year Ended June 30, 2009
84.032	Stafford Loan Program	$248,586,871
84.032	PLUS Loan	38,637,522
84.032	School as Lender Program	22,332,415
84.032	Graduate PLUS Loan	47,382,037
84.268	Subsidized Ford Federal Direct Student Loan	123,423,970
84.268	Unsubsidized Ford Federal Direct Student Loan	142,852,231
84.268	William D Ford Federal Direct Parent Loan	53,319,346
Total		$676,534,392

The System also administers loans under the Economic Adjustment Assistance Program (CFDA No. 11.307). Under this program, the System uses revolving loan funds to enhance economic activity. The revolving loan fund assists business development and expansion. The outstanding loan balance as of June 30, 2008 of $6,073,497, new loans made in the fiscal year ended June 30, 2009 of $360,000 and administrative expenses of $196,954 are considered current-year Federal expenditures and are reported in the Schedule of Expenditures of Federal Awards.

8. LOAN PROGRAMS (Continued)

University System of Maryland (Continued)

The System administers the following Federal Student Financial Assistance Programs:

CFDA Number	Outstanding Balance as of June 30, 2008	Loan Expenditures For Fiscal Year Ended June 30, 2009
84.038 Perkins Loan Programs	$63,397,955	$6,024,663
93.264 Nurse Faculty Loan Program	37,264	30,000
93.364 Federal Nursing Loan – Undergraduate	1,541,577	76,000
93.364 Federal Nursing Loan – Graduate	237,822	80,000
93.342 Health Professional Loan – Dental	4,701,641	862,983
93.342 Health Professional Loan – Medical	105,105	0
93.342 Health Professional Loan – Pharmacy	1,167,354	146,860
93.342 Primary Care	4,487,524	375,037
Total	$75,676,242	$7,595,543

The outstanding loan balances as of June 30, 2008 and loan expenditures for the fiscal year ended June 30, 2009 are considered current-year Federal expenditures. These amounts are reported on the Schedule of Expenditures of Federal Awards.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

STATE OF MARYLAND
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified?	_____yes	__X__ no
• Significant Deficiencies identified that are not considered to be material weakness (es)?	_____yes	__X__ none reported
Noncompliance material to financial statements noted?	_____yes	__X__ none reported

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified	_____ yes	__X__ no
• Significant deficiencies identified that are not considered to be material weakness(es)?	__X__ yes	_____ no
Type of auditor's report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	__X__ yes	_____ no

STATE OF MARYLAND
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Identification of Major Programs

CFDA Number	Federal Grantor/ Pass-Through Grantor/ Program Title	Total Expenditures
10.551, 10.561	Food Stamps Program	$ 612,438,772
10.551, 10.561	Food Stamps Program **ARRA**	30,837,769
10.558	Child and Adult Care Food Program	37,661,983
14.228	Small Cities Community Dev. Block Grant	13,969,250
17.258, 17.259, 17.260	WIA CLUSTER	34,176,471
17.258, 17.259, 17.260	WIA CLUSTER **ARRA**	1,098,647
20.205. 23.003	Highway Planning and Construction Cluster	471,115,768
20.205. 23.003	Highway Planning and Construction Cluster **ARRA**	15,026,973
20.500, 20.507	Federal Transit Cluster	235,707,084
20.500, 20.507	Federal Transit Cluster **ARRA**	3,511,455
20.509	Formula Grant for Other than Urbanized Areas	4,868,839
20.509	Formula Grant for Other than Urbanized Areas **ARRA**	22,327
64.014	Veteran State Domiciliary Care	2,268,697
64.015	Veteran State Nursing Home Care	5,990,006
81.128	Weatherization Energy Efficiency & Conservation Block Grant Program **ARRA**	312,477
84.010, 84.389	Title I Grants to LEAs	188,762,681
84.027, 84.173, 84.391, 84.392	Special Education Cluster (IDEA)	203,519,920
84.027, 84.173, 84.391, 84.392	Special Education Cluster (IDEA)(ARRA)	57,275
84.126, 84.390	Rehabilitation Services-Vocational Rehab Grants to States	33,036,319
84.126, 84.390	Rehabilitation Services-Vocational Rehab Grants to States ARRA	223,738
84.367	Improving Teacher Quality	39,388,432

STATE OF MARYLAND
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

CFDA Number	Federal Grantor/ Pass-Through Grantor/ Program Title	Total Expenditures
84.318	Technology Literacy Challenge Fund Grant	3,621,001
84.365	English Language Acquisition Program	8,877,702
84.365	Grant for State Assess and Related Activities	7,538,888
93.558	Temp. Assistance to Needy Families	255,764,243
93.558	Temp. Assistance to Needy Families ARRA	16,113,604
93.563	Child Support Enforcement	69,444,755
93.563	Child Support Enforcement ARRA	13,473,599
93.658	Foster Care	96,635,233
93.658	Foster Care ARRA	5,058,957
93.659	Adoption Assistance	24,963,935
93.659	Adoption Asst ARRA	2,159,277
93.575, 93.596, 93.713	CCDF Cluster- Child Care Dev & Matching Funds	87,974,290
93.575, 93.596, 93.713	CCDF Cluster- Child Care Dev & Matching Funds ARRA	4,000,000
84.007, 84.032, 84.033, 84.038, 84.063, 84.268, 84.375, 84.376, 84.379, 93.342, 93.364, 93.925	Student Financial Assistance Cluster	893,781,061
Various	Research and Development	597,922,319
NONE	Passenger Facility Charges	33,282,839
	TOTAL MAJOR PROGRAM EXPENDITURES	**$ 8,050,622,175**

STATE OF MARYLAND
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

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

Dollar threshold used to distinguish between Type A and Type B Programs	$	32,158,298

Section II **Financial Statement Findings**
None

Section III **Federal Awards Findings and Questioned Costs**
2009-1 - 2009-14

Section IV **Summary Schedule of Prior Audit Findings**
Fiscal Years 2008 and 2007

Section III – Federal Award Findings and Questioned Costs

Finding 2009-1

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program (Medicaid Cluster)
CFDA No. 93.775, 93.776, 93.777, 93.778

US Department of Health and Human Services

Compliance deficiency over the allowable cost/cost principles – Third Party Liability (Insurance Recoveries)

Condition:
During the audit we noted a case file was missing for testing of insurance recoveries. The case file would have included a screen shot of the recipient's eligibility status, copy of absent parent screen and any other supporting documentation and actions taken to verify if the participant had insurance coverage during the time of Medicaid service.

Criteria:

OMB A-133 states that "States must have a system to identify medical services that are the legal obligation of third parties, such as private health or accident insurers. Such third-party resources should be exhausted prior to paying claims with program funds. Where a third-party liability is established after the claim is paid, reimbursement from the third party should be sought.

Cause:

A case file was not prepared for the Medicaid recipient by the Insurance Recoveries department within DHMH.

Effect:

Although the participant's name was identified on the exception report (2583 Interface Summary), there was no indication that the department gathered documentation or verified a third party liability insurer could be responsible for a portion of the medical costs received during a specific time period. This could potentially cause DHMH to understate or overstate recoveries which impact the expenditures identified on the CMS 64 (Centers for Medicare & Medicaid Services).

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009- 1 (continued)

Questioned Costs:

Unknown

Recommendation:

We recommend that DHMH comply with established Federal and State regulations for determining third party liability insurers, including obtaining and maintaining the required documentation and performing verifications to support any required reimbursement decisions.

Auditee Response and Corrective Action Plan:

The Department concurs with the recommendation. The Medical Assistance (MA) recipient's name appeared on the summary report; however, the actual referral could not be found. The normal process is to photocopy the summary page and use it as the referral. Thirty days from the receipt stamp date on all Client Automated Resource Eligibility System (CARES) reports, the Coordination of Benefits (COB) Coordinator checks 10% of the MA case numbers listed on the reports to verify that the validation process has begun. If the validation process has not begun within sixty days, the COB Coordinator refers the report to the supervisor for follow-up.

Additionally, the sampling method, which has been used for the last year or so, where the COB Coordinator checks 10% of the MA case numbers listed on the reports to verify that the validation process has begun is insufficient. As a result, The Department is considering increasing the sampling percentage to reduce the possibility of missing files and review this process periodically to determine the effectiveness of the results.

Auditor's Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-2

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program Medicaid Cluster
CFDA No. 93.775, 93.776, 93.777, 93.778

US Department of Health and Human Services

Compliance and internal control deficiency over the eligibility determination process.

Condition:

On July 1, 1985 the Maryland State Department of Health and Mental Hygiene (DHMH) entered into an agreement with the Maryland State Department of Human Resources (DHR). DHR agreed to determine eligibility for Medical Assistance on a uniform basis throughout the State for persons who are indigent or medically indigent according to regulations, guidelines and procedures established by DHMH.

We selected a total of 65 Medical Assistance claim files to review for eligibility determination. These 65 files were comprised of 13 files from each of the following five Maryland Jurisdictions: Baltimore City, Caroline County, Queen Anne's County, Montgomery County, and Frederick County. The test was composed of a selection of 8 newly established recipients and 5 existing recipients. All claims were processed during the fiscal year ended June 30, 2009. We noted the following exceptions:

Baltimore City

For Baltimore City, we found 8 non compliance issues, they are as follows:

There are 2 files that were not recovered for review and testing (1 newly/1 existing). We noted for 3 of the files a review of the Agency's decision was not made in the allotted 45 days (2 newly/1 existing). One of the newly eligible files did not have a signed application nor did it have citizenship status documented. Two of the newly eligible files did not have a noted decision made in file. We also noted one of the newly eligible files had no narration of the case during the time of the period of coverage.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-2 (continued)

Frederick County

Internal control deficiency in that one of the eight newly eligible files could not be located.

Caroline County

For one of the files a review of the Agency's decision was not made in the allotted 45 days and there was no notice of approval for spend-down category.

Queen Anne's County

For one of the files a review of the Agency's decision was not made in the allotted 45 days.

Montgomery County

For one of the files a review of the Agency's decision was not made in the allotted 45 days.

Criteria:

42 CFR 435.907 (a) states, "The agency must require a written application from the applicant, an authorized representative, or if the applicant is incompetent or incapacitated, someone acting responsibly for the applicant."

42 CFR 435.948 (a) states, "Except as provided in paragraphs (d), (e), and (f) of this section, the agency must request information from the sources specified in this paragraph for verifying Medicaid eligibility and the correct amount of medical assistance payments for each applicant (unless obviously ineligible on the face of his or her application) and recipient. The agency must request, among other things:

(1) State wage information maintained by the State Wage Information Collection Agency (SWICA) during the application period and at least on a quarterly basis.

(2) Any additional income, resource, or eligibility information relevant to determinations concerning eligibility or correct amount of medical assistance payments available from agencies in the State or other States administering the following programs as provided in the agency's State plan:
   i. Aid to Families with Dependent Children (AFDC);

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-2 (continued)

Criteria: (continued)

ii. SWICA;
iii. Unemployment compensation;
iv. Food stamps; and
v. Any State program administered under a plan approved under Title 1 (assistance to the aged), Title X (aid to the blind), Title XIV (aid to the permanently and totally disabled), or Title XVI (aid to the aged, blind, and disabled in Puerto Rico, Guam, and the Virgin Islands) of the Act."

42 CFR 435.913 (a) states, "The agency must include in each applicant's case record facts to support the agency's decision on his application"

Cause:

Department of Human Resources (DHR) and/or Local Health Department (LHD) personnel did not obtain or maintain the necessary documentation of facts to support the agency's decision on the application.

Effect:

Since documentation and verifications were not performed in accordance with program requirements, DHMH does not have adequate assurance that eligibility for medical assistance benefits is being properly determined.

Questioned Costs:

Unknown

Recommendation:

We recommend that DHR and the LHD's comply with established Federal regulations for determining eligibility to include obtaining the required documentation and performing verifications to support eligibility decisions.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-2 (continued)

Auditee Response and Corrective Action Plan:

DHMH agrees with the recommendation that Local Health Departments (LHD) and Local Departments of Social Services (LDSS) comply with requirements of federal law relating to determinations of eligibility, including obtaining required documentation and performing verifications to support eligibility decisions.

DHMH will work with DHR on issues with maintaining documentation and transferring case records between local departments, including follow-up with each cited local department, sending out system broadcast messages and an information memorandum highlighting the issues to all eligibility workers, and adding appropriate items to the agenda for regularly scheduled Regional Training sessions.

Auditors' Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-3

Department of Health and Mental Hygiene (DHMH)

State Children's Insurance Program (SCHIP)
CFDA No. 93.767

US Department of Health and Human Services

Compliance deficiency over the eligibility determination process

Condition:

The Local Health Departments (LHD) are responsible for determining eligibility under the Maryland Children's Health Insurance Program (SCHIP) on a uniform basis throughout the State for persons who are apply for the expanded State Children's Insurance Program under Title XXI of the Social Security Act.

We selected a total of 65 SCHIP claims to review files for eligibility determination. We tested 13 files from each of the following five Maryland Jurisdictions: Baltimore City, Frederick County, Caroline County, Queen Anne's County and Montgomery County. The test was composed of 8 newly established recipients and five existing recipients. All claims were processed during the fiscal year ended June 30, 2009. We noted the following exceptions:

Baltimore City

There were two files that were not available for review (newly and existing). They did not comply with the requirement to verify and maintain proof of citizenship and social security number in one of the eight new files tested. There was no redetermination letter sent out for one of the existing files and proof of citizenship was not acquired.

Caroline County

There was no redetermination letter sent out for one of the existing files tested.

Queen Anne's County

There was no redetermination letter sent out for one of the new files tested.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-3 (continued)

Condition:

Montgomery County

They did not comply with the requirement to verify and maintain proof of citizenship and social security number in one of the eight new files tested. There was no redetermination letter sent out for one of the existing files tested.

Criteria:

OMB A-133 states that "States are required to include in their State plans a description of the standards used to determine eligibility of targeted low-income children." Under the State plan, only targeted low-income children who are ineligible for Medicaid or not covered under a group health plan or health insurance coverage (including access to a state health benefits plan) are furnished child health assistance under the state child health plan.

The following are standards for eligibility determinations per OMB A-133 and Maryland's State Plan:

1. Children under age 19
2. Countable income is at or below 200% of the federal poverty level (FPL)
3. Pregnant women of any age whose countable income is at or below 250% FPL
4. Current resident of the State of Maryland
5. Applicants are required to provide a Social Security Number or apply for a Social Security Number
6. A U.S. Citizen
7. Qualified aliens, as defined at 8 USC 1641, who entered the US on or after August 22, 1996, are not eligible for SCHIP for a period of five years, beginning on the date the alien became a qualified alien, unless the alien is exempt from this five year bar under the terms of 8USC 1613.
8. Eligibility must be redetermined at least every 12 months.

Cause:

LHD personnel did not obtain or maintain the necessary documentation to support the eligibility determinations.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-3 (continued)

Effect:

Since documentation and verifications were not performed in accordance with program requirements and cases could not be located, DHMH does not have adequate assurance that eligibility for SCHIP is being properly determined.

Questioned Costs:

Unknown

Recommendation:

We recommend that DHMH's Local Health Departments comply with established Federal and State regulations for determining eligibility to include obtaining and maintaining the required documentation and performing verifications to support eligibility decisions.

Auditee Response and Corrective Action Plan:

DHMH agrees with the recommendation that Local Health Departments (LHD) comply with requirements of federal and state law for determining eligibility, including obtaining and maintaining required documents and performing verifications to support eligibility decisions.

DHMH will follow up with each cited LHD, address the issues at quarterly meetings with SCHIP Supervisors from LHDs, transmit system broadcast messages to all eligibility workers, and add appropriate items to the agendas for regular Regional Training and onsite training targeted to LHDs.

Auditor's Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-4

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program (Medicaid Cluster)
CFDA No. 93.775, 93.776, 93.777, 93.778

U.S. Department of Health and Human Services

Internal Control deficiency over Surveillance and Utilization Review Subsystems (SURS)

Condition:

According to the SURS Case Completion Guidelines, cases should be reviewed, resolved, and closed within a 90-day time period. There are only three circumstances that would allow for an exception. And these circumstances must be documented on the SURS case log. They are:

1. Awaiting documentation
2. Records sent to another Agency for review
3. Awaiting full recoveries of monies

Also, the case files should be updated to reflect the current status of the case. Upon completion of the case review, the SURS case log should be signed by the Program Director and the SURS Manager. The SURS unit failed to update 15 case records if cases were not closed within the 90-day time frame allowed and 17 were not signed by the Program Manager and/or SURS Manager.

***Criteria*:**

OMB Circular A-133, Part 4- Department of Health and Human Services-Compliance Supplement, Section N. (1) indicates, "The State plan must provide methods and procedures to safeguard against unnecessary utilization of care and services, including long term care institutions. According to 42CFR parts 455, 456, 1002, "The state must have (1) methods or criteria for identifying suspected fraud cases; (2) methods for investigating these cases; and (3) procedures developed in cooperation with legal authorities, for referring suspected fraud cases to law enforcement officials.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009- 4 (continued)

Criteria (continued):

In order to evaluate the appropriateness and quality of Medicaid services, the agency must:

- Establish and use written criteria for evaluating the appropriateness and quality of Medicaid services
- Have procedures for the ongoing post-payment review, on a sample basis, of the need for and the quality and timeliness of Medicaid Services

As an internal control process implemented in the SURS unit, a supervisor reviews all of the above as prepared by the case worker. The review is signed off by the supervisors.

Cause:

The SURS Unit could not show evidence of case updates, reviews, or supervisory signatures within the 90-day timeframe. This time frame was established in the guidelines developed by the SURS unit per the state plan requirements.

Effect:

DHMH cannot provide CMS assurance that the SURS program is effective in reducing erroneous expenditures.

Questioned Costs:

Unknown

Recommendation:

We recommend that DHMH follow the criteria outlined in 42CFR parts 455, 456, and 1002 by updating the selected active case files with proper comments and providing the supervisory review to make sure the determinations were appropriate.

Auditee Response and Corrective Action Plan:

The Department concurs that there were cases out of compliance according to the Guidelines for SURS Case Completion. However, the Guidelines for SURS Case Completion Procedures have been in place since the inception of SURS and are currently under revision by the Maryland Department of Health and Mental Hygiene's Office of the Inspector General (OIG). The guidelines are not currently being used because they were established under the Health Care

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009- 4 (continued)

Auditee Response and Corrective Action Plan (continued):

Financing Administration's (HCFA) System Performance Review (SPR). SPR required the unit open and resolve large numbers of cases on a quarterly basis. Therefore, the original case guidelines were developed with that goal in mind. Congress repealed the SPR requirements in 1997 with Section 4753 of the Balanced Budget Act (BBA) of 1997. This was done to allow States greater flexibility to concentrate on developing and working more substantive cases.

Upon its relocation to the OIG, the Program Integrity Unit (PIU) began drafting a comprehensive policy and procedure manual. The procedure manual has not yet been formally approved. The staff person tasked with completing the manual left the Department and was not replaced. More importantly, with the passage of the Deficit Reduction Act of 2005 and the creation of the Medicaid Integrity Group at the federal level, program integrity has been fluid and dynamic. Certain program integrity concepts were developing and changing at the federal level as the OIG's manual was being drafted. The OIG is currently awaiting the results of a review conducted by Center for Medicare and Medicaid Services' (CMS's) Medicaid Integrity Group of our PIU. Pending those results, OIG management will take corrective action to ensure that the manual is completed and approved by the close of the fiscal year. And that particular cases cited are brought into compliance with the revised SURS case guidelines.

Auditor's Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-5

Department of Health and Mental Hygiene (DHMH)

Substance Abuse Prevention and Treatment Block Grant
CFDA No. 93.959

U.S. Department of Health and Human Services

Compliance and Internal Control deficiency over Sub-Recipient Monitoring

Condition:

The Substance Abuse Prevention and Treatment Block Grant program is administered by the Alcohol and Drug Abuse Administration (ADAA), which is a division of the Department of Health and Mental Hygiene (DHMH). The division director for ADAA indicated that compliance reviews of the sub-recipients are conducted bi-annually. Upon completion of these reviews, if necessary, a corrective action plan must be sent from the Local Health department (LHD) or private vendor ("sub-recipient"). The corrective action plan should be approved or disapproved by ADAA and sent back to them. We reviewed twenty-five (25) files that contain documents related to the award of Federal funds to sub-recipients to obtain reasonable assurance that site visits to evaluate the program were conducted in accordance with the General Requirements of OMB A-133 and the conditions of the grant award imposed by ADAA. We noted that of the twenty-five files reviewed there were two (2) files that required corrective action plans but ADAA failed to obtain a corrective action plan from any of the sub-recipients.

Criteria:

OMB Circular A-133, General Requirements, Part 3, subpart M, states in pertinent part that during the award a pass-through entity is responsible for "monitoring the sub-recipient's use of Federal awards through…site visits, regular contact…or other means to provide reasonable assurance that the sub-recipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved." In addition, when there are findings as a result of the compliance review, ADAA's letter requires the sub-recipient to "make the necessary corrections in your program's procedures and submit a copy of your plan of correction…within thirty (30) days of the date of this letter."

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009- 5 (continued)

Cause:

DHMH failed to perform site visits in accordance with OMB A-133 and the internal control procedures in place, and failed to document other means of evaluating the program services performed by sub-recipients.

Effect:

Awards were made to sub-recipients without proper follow-up through site visits to ensure that the sub-recipients were complying with applicable laws, regulations and grant requirements.

Questioned Costs:

Unknown

Recommendation:

We recommend that DHMH adhere to the provisions of OMB Circular A-133, with site visits and follow-up on its findings as called for in OMB Circular A-133 and in its agreement with LHD and private vendors.

Auditee Response and Corrective Action Plan:

With the two sub-recipient site visits in question, the ADAA conducted its site visits as scheduled and noted that corrections by the sub-recipients were necessary. However, neither of the deficiencies by the sub-recipients rose to the level of requiring a corrective action plan. When deficiencies are noted but a corrective action plan is not required, the ADAA reviews the deficiency at the next site visit for correction. Neither a corrective action plan nor any other written response by the sub-recipient was requested by the ADAA because the level of non-compliance was low, it had not been noted as a past deficiency, and posed no threat to health or safety.

Auditor's Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Cost (Continued)

Finding 2009-6

Department of Health and Mental Hygiene (DHMH)

Substance Abuse Treatment and Prevention Block Grant
CFDA No. 93.959

U.S. Department of Health and Human Services

Compliance related to Independent Peer Review.

Condition:

The Alcohol and Drug Abuse Administration (ADAA), which is a division of the Department of Health and Mental Hygiene (DHMH), hires private contractors to perform its peer review functions. The selection of a particular contractor is made from an established list of approved vendors. However, once a selection of a contractor is made, there is no documentation of the independence of that contractor with respect to the sub-recipient that he or she is asked to review.

Criteria:

OMB Circular A-133 Part IV, paragraph III, subparagraph N of the specific requirements for the Substance Abuse Prevention and Treatment Block Grant program provides in pertinent part "the State must provide independent peer reviews which assess the quality, appropriateness, and efficacy of treatment services provided to individuals." The requirements further provide "the State shall ensure that the peer reviewers are independent by ensuring that the peer review does not involve reviewers reviewing their own programs and the peer review is not conducted as part of the licensing or certification process."

Cause:

DHMH failed to document the independence of its peer reviewers in accordance with the compliance requirement specified in OMB Circular A-133 Part IV.

Effect:

Awards are made to sub-recipients whose programs are reviewed by contractors that may not be independent of those sub-recipients. This could lead to noncompliance with laws and regulations.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-6 (continued)

Questioned Costs:

Unknown

Recommendation:

We recommend that DHMH develop a mechanism, such as an affidavit or independence letter requirement, for contractors to establish their independence with respect to the sub-recipient they are asked to review in order to adhere to the provisions of OMB Circular A-133.

Auditee Response and Corrective Action Plan:

The ADAA developed an affidavit as required by the audit performed for Fiscal Year ending June 30, 2008. This affidavit was reviewed by the Maryland State Attorney General's office and approved for use by the ADAA. The ADAA changed its policy whereby all independent peer reviewers would sign the affidavit prior to performing a peer review. A copy of the affidavit was given to the auditor.

No peer reviews have been conducted by the ADAA since that audit recommendation was made. For FY 2010, peer reviews are scheduled to occur in the fourth quarter of this fiscal year, and all peer reviewers will sign the approved affidavit prior to conducting the review.

Auditor's Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs

Finding 2009-7

St. Mary's College of Maryland

Student Financial Assistance Cluster

CFDA No. 84.007	**Federal Supplemental Education Opportunity Grant**
CFDA No. 84.063	**Federal Pell Grant Program**
CFDA No. 84.033	**Federal Work Study Program**
CFDA No. 84.038	**Federal Perkins Loan Program**
CFDA No. 84.375	**Academic Competitiveness Grant**

U.S Department of Education (USDE)

Internal Control and Non-Compliance with Federal requirements over the return of Title IV funds.

Condition:

During testing of return of Title IV funds, we noted 2 occurrences where the College did not return Title IV funds within the timeframe established by guidelines in the OMB Circular A-133, some being returned up to a year later than required.

Criteria:

When a recipient of Title IV Grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV aid earned by the student as of the student's withdrawal date. If the total amount of the Title IV assistance earned by the student is less than the amount that was disbursed to the student on his or her behalf as of the date of the institution's determination that the student withdrew, the difference must be returned to the Title IV programs as outlined in this section and no additional disbursements may be made to the student for the payment period or period of enrollment. If the amount the student earned is greater than the amount disbursed, the difference between the amounts must be treated as a post-withdrawal disbursement (34CFR Sections 668.22(a) (1)-(3)). Post-Withdrawal disbursements must be made from available grant funds before available loan funds. If the institution wishes to credit the student's account with a post-withdrawal disbursement of loan funds or wishes to pay a post-withdrawal disbursement of either loan or grant funds directly to the student, or parent in the case of a parent PLUS loan, the institution must, within 30 days of the date the institution determines that the student withdrew, send a written notification to the student.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-7 (continued)

Cause:

The College lacked effective monitoring over compliance to ensure that the return of Title IV funds are being disbursed properly and on a timely basis.

Effect:

Without proper monitoring of controls over the return of Title IV funds, the College failed to return Federal funds in the required timeframe. The possibility then exists that interest would be accrued by the Federal Government.

Questioned Costs:

Unknown

Recommendation:

We recommend that the College comply with the return of the Title IV funds process. Additional supervisory and/or management level review and approval may help to ensure that funds are returned in a timely manner.

Auditee Response and Corrective Action Plan:

The College agrees with the recommendation to comply with the return of Title IV funds processes. The Financial Aid Office has increased its oversight of the Return of Title IV funds by instituting a formal monthly audit of the processes whereby reports of students who withdraw from classes will be delivered electronically from the Registrar's Office to the Financial Aid and Business Offices daily. These reports will be used to determine and calculate any return of Title IV funds. The monthly audit will include a supervisory review and approval to ensure that the return of Title IV funds is processed and completed in a timely manner.

Conclusion:

Based on the above, the finding remains as stated.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-8

Maryland State Department of Education (MSDE)

CFDA 84.027 Special Education - Grants to States (IDEA, Part B)
CFDA 84.173 Special Education - Preschool Grants (IDEA, Preschool)
CFDA 84.391 Special Education - Grants to States (IDEA, Part B), Recovery Act
CFDA 84.392 Special Education - Preschool Grants (IDEA, Part B), Recovery Act

U.S. Department of Education (USDE)

MSDE is not in compliance with the formula distribution for grants to Local Education Agencies (LEA).

84.027 Condition:

MSDE is required to use a formula to distribute grants to LEAs. USDE provides MSDE with an allocation table which lists the required and maximum set-asides to be deducted from the total grant award. One of the required set-asides is the LEA base allocation which represents the amount the LEA would have received from the federal fiscal year 1999 appropriation if the State had distributed 75% of its grant for that year to the LEAs.

The Hickey School was a State run facility which closed during State fiscal year 2006. The base amount allotted to the children receiving special education funds from the Hickey School should have been reallocated to the other LEAs or administrative responsibility areas which began to serve the children once the Hickey School closed; however, the base amount allocated to the Hickey School was improperly deducted from the LEA base allocation.

84.173 Condition:

Each year, the USDE also provides the IDEA, Preschool program with an updated allocation table which lists the total grant award and the maximum set-asides which can be deducted from the total grant award. MSDE did not use the Federal Fiscal Year (FFY) 2008, (State Fiscal Year (SFY) 2009) allocation table to calculate grants to LEAs, but instead used the calculation from the FFY 2006 (SFY 2007) allocation tables.

MSDE did not reperform the calculation for SFY 2009 and has been issuing grants to the LEAs based on the FFY 2006 total grant award. Since MSDE did not reperform the calculation for SFY 2009, MSDE did not obtain updated special education child counts, the population counts or poverty counts which would be required for the SFY 2009 formula grant calculation.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009- 8 (continued)

84.027 Criteria:

Chapter 34 of the Code of Federal Regulations Section 300.705 (2) (iii) states:

"If, for two or more LEAs, geographic boundaries or administrative responsibility for providing services to children with disabilities ages 3 through 21 change, the base allocations of affected LEAs must be redistributed among affected LEAs based on the relative numbers of children with disabilities ages 3 through 21, or ages 6 through 21 if a State has had its payment reduced under Sec. 300.703(b), currently provided special education by each affected LEA"

84.173 Criteria:

Chapter 34 of the Code of Federal Regulation Section 300.816(c) states:

"After making allocations under paragraph (a) of this section, the State must--
(1) Allocate 85 percent of any remaining funds to those LEAs on the basis of the relative numbers of children enrolled in public and private elementary schools and secondary schools within the LEA's jurisdiction; and
(2) Allocate 15 percent of those remaining funds to those LEAs in accordance with their relative numbers of children living in poverty, as determined by the State Educational Agency."

Further,

"For the purpose of making grants under this section, States must apply on a uniform basis across all LEAs the best data that are available to them on the numbers of children enrolled in public and private elementary and secondary schools and the numbers of children living in poverty."

Cause:

MSDE did not properly allocate Individuals with Disabilities Education Act (IDEA), Part B or IDEA, Preschool funds to LEAs.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 – 8 (continued)

84.027 Effect:

Because the LEA base allocation was improperly changed, the remaining excess funds were improperly allocated to the LEAs.

84.173 Effect:

Because the Federal Fiscal Year 2006 allocation table granted MSDE a larger award than the Federal Fiscal Year 2008 allocation table, it appears that MSDE used an incorrect Allocation sheet in determining the passthrough to the LEAs.

Questioned Costs:

Unknown

Recommendation:

We recommend that MSDE only use the documentation provided annually by the USDE to calculate required set-asides including LEA base allocations, maximum administration allocations and maximum discretionary fund allocations.

Auditee Response and Corrective Action Plan:

MSDE agrees with the finding and recommendation.

Commencing with State Fiscal Year 2010 (Federal Fiscal Year 2009) the MSDE has used the appropriate Fiscal Year Allocation Tables provided by USDE.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 –9

University System of Maryland – University of Maryland, University College

Student Financial Aid Cluster

CFDA No. 84.063-Federal Pell Grant Program (PELL)
CFDA No. 84.033-Federal Work Study Program (FWS)
CFDA No. 84.268-Federal Direct Student Loans (FDLP)
CFDA No. 84.038- Federal Perkins Loans (FPL)
CFDA No. 84.007- Federal Supplemental Educations Opportunity Grants (FSEOG)

U.S. Department of Health and Human Services

Return of Title IV Funds

Condition:

During our testing of Return of Title IV funds, we reviewed the refund calculations for 25 students. For one of the students selected, the calculation of the unearned amount of Title IV assistance was not in accordance with federal regulations. In addition, one of the title IV returns was not returned within 30 calendar days.

Criteria:

Per 34 Code of Federal Regulation (CFR) Section 668.22 states, in part, that an institution is required to have a fair and equitable refund policy. Per 34 CFR Section 668.22, when a recipient of title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of title IV grant or loan assistance that the student earned as of the student's withdrawal date withdrawals or the date the school discovers that the student has unofficially withdrawn. The unearned portion of Title IV funds must be returned to ED within 30 calendar days of the date the student officially withdrawals. Any unearned funds must be returned to the title IV program and no additional disbursements may be made to the student for the payment period.

Cause:

University of Maryland, University College omitted unearned direct loan disbursements from its calculation of return of title IV funds.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 –9 (continued)

Effect:

Without proper controls in place, there is no assurance that the correct amount of Title IV funds are being returned to Department of Education.

Questioned Costs:

Unknown

Recommendation:

We recommend that the University strengthen its internal controls over the calculation of Title IV funds. These controls should consist of proper documentation, supervision, and calculation of the returns within the required time frames.

Auditee Response and Corrective Action Plan:

We agree with this recommendation. The University of Maryland University College Financial Aid Office has conducted additional reviews of the Return of Title IV Funds process since this review and found that the two errors above were human error; no systemic errors were found. From this point forward, monthly reviews of the Return of Title IV Funds will be conducted by a supervisor so that any errors found can be corrected immediately.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 – 10

University System of Maryland – University of Maryland, University College

Student Financial Aid Cluster

CFDA No. 84.063-Federal Pell Grant Program (PELL)
CFDA No. 84.033-Federal Work Study Program (FWS)
CFDA No. 84.268-Federal Direct Student Loans (FDLP)
CFDA No. 84.038- Federal Perkins Loans (FPL)
CFDA No. 84.007- Federal Supplemental Educations Opportunity Grants (FSEOG)

U.S. Department of Education

Borrower Data Transmission and Reconciliation (Direct Loans)

Condition:

During our review of the borrower reconciliations for fiscal year 2009, we noted that the required monthly borrower reconciliations had not been completed for 2009. We understand that Management is currently performing monthly reconciliation between the Office of financial aid and the business office, and reconciles all disbursements at the end of the award year.

Criteria:

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

Cause:

University of Maryland, University College has not developed a system to efficiently reconcile the institutions records with the Direct Loan Servicing System on a monthly basis as required.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-10 (continued)

Effect:

Without proper controls in place, there is no assurance that loan disbursements are properly identified and tracked by the University.

Questioned Costs:

Unknown

Recommendation:

We recommend that the University put procedures in place to have these reconciliations performed and reviewed on a monthly basis in accordance with the Federal regulations.

Auditee Response and Corrective Action Plan:

We agree with this recommendation. The University of Maryland University College Financial Aid Office currently prepares reconciliation reports monthly for the Direct Loan Program, but the record keeping is insufficient. Several detailed steps have been put into place to rectify this deficiency. Corrective actions have been taken to assure that the monthly reconciliation is as clean as possible given that we disburse every day. New use of available technology in PeopleSoft will play a large role in these new processes and will allow any discrepancies between PeopleSoft and COD to be clearly identified and resolved in a timely manner.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 -11

CFDA 20.500, 20.507 – Federal Transit Cluster –American Recovery and Reinvestment Act (ARRA) Funds

U.S. Department of Transportation

Noncompliance Allowable Costs

Condition:

During our allowable cost testing, we tested 40 transactions, representing $3,150,980 in expenditures. Of the 40 tested, we found that 3 invoices, representing $128,483, included Maryland State tax totaling $2,210.

Criteria:

Taxes that a governmental unit is legally required to pay are allowable, except for self assessed taxes that disproportionately affect Federal programs or changes in tax policies that disproportionately affect Federal programs. This provision becomes effective for taxes paid during the governmental unit's first fiscal year that begins on or after January 1, 1998, and applies thereafter. (Office of Management and Budget(OMB) Circular No. A-87 Attachment A, Paragraph 40)

Cause:

The primary contractors included tax that was invoiced by sub-contractors.

Effect:

Maryland Transit Administration submits costs for reimbursement that are not allowable.

Questioned Costs:

Unknown

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 – 11 (continued)

Recommendation:

We recommend that the Maryland Transit Administration informs project managers and contractors to ensure that Maryland state tax is not to be included on invoices.

Auditee Response and Corrective Action Plan:

The MTA concurs with the audit finding. The MTA Office of Finance has notified the appropriate personnel within MTA who review the invoices submitted for payment from all contractors of the audit finding. The MTA personnel have been reminded of the tax policies noted in the audit finding. The MTA is preparing correspondence to send to all contractors working on Federally-funded projects reminding them also of the tax policy. This correspondence will be sent by March 19, 2010.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-12

CFDA 20.205, 20.003 – Highway Planning and Construction Cluster

Noncompliance Suspension and Debarment

U.S. Department of Transportation

Condition:

For each of the 25 contracts that received American Recovery and Reinvestment Act (ARRA) funds, we found no evidence that State Highway Administration (SHA) verified the contractor's suspension/debarment status with the State of Maryland's Board of Public Works. For 8 of the 25 contracts that received non-ARRA funds, we found no evidence that SHA verified the contractor's suspension/debarment status with the federal government. Also, for each of the 25 contracts that received non-ARRA funds, there was no evidence that SHA verified the contractor's suspension/debarment status with the State of Maryland's Board of Public Works.

Criteria:

Office of Management and Budget (OMB) Circular A-133 states that States, and government sub-recipients of States, shall use the same State policies and procedures used for procurements from non-Federal funds. Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

Cause:

SHA failed to verify that each contractor of the winning bid was not suspended or debarred from doing business with the Federal government or the State of Maryland. SHA checked the Federal database Excluded Parties List System (EPLS) for a majority of the contractors, but not all. There was no evidence that SHA checked the Maryland Board of Public Works' database for any of the contractors.

Effect:

SHA could have awarded contracts with ARRA and non-ARRA funds to contractors who were suspended or debarred by the Federal government and/or the State of Maryland's Board of Public Works.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-12 (continued)

Recommendation:

SHA should ensure they verify that all contractors of winning bids are not suspended or debarred from doing business with the Federal government or the State of Maryland by checking the Federal website EPLS, and the State of Maryland's Board of Public Works' website. They should also ensure this verification is properly documented in the contract file.

Questioned Costs:

Unknown

Auditee Response and Corrective Action Plan:

We agree with the recommendations and new guidelines were issued on March 8, 2010 detailing the process of checking for debarment and the appropriate retention of documentation. By March 31, 2010 we will check the contracts noted by the auditors and ensure that the documentation is placed in the contract file.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-13

Department of Human Resources (DHR)

CFDA No. 93.563 – Child Support Enforcement

U.S. Department of Health and Human Services

Noncompliance and Significant Deficiency over child support Inter- and Intra-State cases

Condition:

When the Child Support Administration division receives an interstate case and Maryland is responding state, within ten (10) calendar days Maryland's central registry must: acknowledge receipt of the case; ensure that all documentation received from the initiating state is complete; request any missing information necessary to process the case; forward the case to the correct local agency for location services or processing; and inform the initiating state where the case was sent for processing. In one (1) of the twelve (12) responding cases reviewed or 8.33% of cases, one or more of the actions required in the ten (10) day timeframe was not completed.

When Maryland's central registry receives an inquiry from a responding state pertaining to the case's status or for a review, the central registry has five (5) days to respond to the initiating state's request. In one (1) of the twelve (12) responding cases, or 8.33% of cases, Maryland's response to an initiating state's request for a case's status or for a review was not noted in the case file within five (5) days of receipt of the initiating state's inquiry.

After receiving the case from the central registry; within 75 days of receipt of an interstate child support enforcement transmittal form, the local agency must provide location services if the request is for location services. If the information provided is not adequate to locate the non custodial parent, the local agency must notify the initiating state if more information is needed to process the case or process the case to the extent possible pending necessary action by the initiating state. In one (1) of the twelve (12) responding cases, or 8.33% of cases, no location services was noted in the case file within seventy-five (75) days of receipt of the case.

This is a repeat finding from Fiscal Year 2006, Single Audit Report finding number 2006-5; Fiscal Year 2007, Single Audit Report finding number 2007-12 and Fiscal Year 2008, Single Audit Report finding number 2008-12.

Section III - Federal Award Findings and Questioned Costs (Continued)

Finding 2009-13 (continued)

Criteria:

45 CFR 303.7 (a) (2) states that "Within 10 working days of receipt of an interstate IV-D case from an initiating State, the central registry must:

(i) Ensure that the documentation submitted with the case has been reviewed to determine completeness;
(ii) Forward the case for necessary action either to the State PLS for location services or to the appropriate agency for processing;
(iii) Acknowledge receipt of the case and ensure that any missing documentation has been requested from the initiating State; and
(iv) Inform the IV-D agency in the initiating State where the case was sent for action."

45 CFR 303.7 (a) (4) states that "The central registry must respond to inquiries from other States within 5 working days of receipt of the request for a case status review.

45 CFR 303.7 (c) (4) within 75 calendar days of receipt of an Interstate Child Support Enforcement Transmittal Form, and documentation from its interstate central registry, the IV-D agency must:

(i) Provide location services in accordance with Sec. 303.3 of this part if the request is for location services or the form or documentation does not include adequate location information on the noncustodial parent;

(ii) If unable to proceed with the case because of inadequate documentation, notify the IV-D agency in the initiating State of the necessary additions or corrections to the form or documentation.

(iii) If the documentation received with a case is inadequate and cannot be remedied by the responding IV-D agency without the assistance of the initiating State, the IV-D agency must process the interstate IV-D case to the extent possible pending necessary action by the initiating State.

Cause:

The inadequate internal controls over the various child support cases caused DHR to be out of compliance with several of the Federal guidelines.

Effect:

DHR is unable to meet and follow Federal guidelines in child support cases and is non-compliant with certain areas of the Federal guidelines.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-13 (continued)

Questioned Costs:

Unknown

Recommendation:

We recommend that DHR put a process in place in which DHR ensures all staff members are aware of the Federal guidelines and timelines and put tracking mechanisms in place to ensure that the guidelines and timelines are being met such as system prompts when all Federal timelines are coming due. We recommend DHR adheres to documented internal controls so that supervisors are also aware of impending Federal timelines for Child Support interstate and intrastate cases to ensure compliance with Federal guidelines.

Auditee Response and Corrective Action Plan:

DHR did not meet the required timeframe for response to the initiating state.

DHR agrees with the finding. DHR agrees that the Interstate Central Registry Unit (ICR) did not meet the ten (10) days timeframe for one (1) of twelve (12) or 8.33% of responding cases.

DHR will initiate a corrective action plan for the ICR, to ensure that staff working within the department are aware of the Federal guidelines and timelines.

By May 31, 2010, DHR proposes to have conducted refresher training classes for all applicable staff members. The training will focus on (1) a review of the Federal guidelines and timelines related to Interstate Cases within the Federal Code of Regulation, (2) a review of the ICR work procedures and (3) a review of the electronic Interstate tracking system (CITS).

It should also be noted that DHR has put into place a tracking mechanism to ensure that the guidelines and timelines are being met. DHR's Interstate Central Registry Unit has a tracking system in place, called the (CITS). CITS is an interstate tracking system which assists in the management of responding case request/s processed by the ICR. CITS provides the following information and services: (1) The date that Maryland Child Support Enforcement Administration (CSEA) received the case request, (2) scans documents associated with the case, and (3) provides system prompts, via e-mail to staff and supervisors, as to when Federal timelines associated with the ICR are due.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-13 (continued)

Auditee Response and Corrective Action Plan (continued):

DHR received incorrect pertinent data (name and social security number) on the Virginia case. A correct name and number are required to conduct a location search. On October 17, 2008,, DHR requested the correct information via e-mail to the Department of Social Services requesting that the data be changed. On August 11, 2009 the information was updated and location search began on August 13, 2009.

Auditor's Conclusion:

Based on the above, the finding remains the same.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009 -14

Maryland State Department of Education (MSDE)

CFDA 84.027 Special Education - Grants to States (IDEA, Part B)
CFDA 84.173 Special Education - Preschool Grants (IDEA, Preschool)
CFDA 84.391 Special Education - Grants to States (IDEA, Part B), ARRA
CFDA 84.392 Special Education - Preschool Grants (IDEA, Part B), ARRA

U.S. Department of Education (USDE)

Non - compliance and internal controls over maximum administration earmarking requirements

Condition:

MSDE is required to spend no more than the maximum amount of $331,973 on administration for the Individuals with Disabilities Education Act (IDEA), Preschool Grant for State Fiscal Year (SFY) 2009. The maximum amount is set by the Fiscal Year 2008 Allocation Estimates Table provided by the USDE to MSDE on an annual basis. Per the Administrative Expense Detail, MSDE spent $393,185 for state level activities for SFY 2009.

Criteria:

Chapter 20 of the United States Code, Section 1419 (d) states:

"(1) In general

Each State may reserve not more than the amount described in paragraph (2) for administration and other State-level activities in accordance with subsections (e) and (f).

(2) For each fiscal year, the Secretary shall determine and report to the State educational agency an amount that is 25 percent of the amount the State received under this section for fiscal year 1997, cumulatively adjusted by the Secretary for each succeeding fiscal year..."

And

"(e) (1) In general

For the purpose of administering this section (including the coordination of activities under this subchapter with, and providing technical assistance to, other programs that provide services to

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2009-14 (continued)

Criteria (continued):

children with disabilities) a State may use not more than 20 percent of the maximum amount the State may reserve under subsection (d) for any fiscal year."

Cause:

MSDE did not adhere to the maximum administration limits set forth in the Fiscal Year 2008 Allocations Estimates table provided by the USDE.

Effect:

MSDE exceeded the maximum limit on administration expenditures for the IDEA, Preschool Grants for SFY 2009 by $61,212.

Questioned Costs:

$61,212

Recommendation:

We recommend that MSDE monitor the administrative allocations and observe the documentation provided annually by the USDE to expend the maximum administration allocations and adhere to funding limits established.

Auditee Response and Corrective Action Plan:

MSDE agrees with the Finding and Recommendation.
MSDE is currently establishing separate fund accounting codes to record the funds consistent with the Federal Fiscal Year Allocation Tables. This will enable MSDE to track and record IDEA Preschool administrative expenditures separately. This action will strengthen MSDE's monitoring controls to ensure that IDEA Preschool administrative costs are within allowable limits. MSDE has adjusted the over expenditures to another fund source. Also, commencing with State Fiscal Year 2010 (Federal Fiscal Year 2009) the MSDE has used the appropriate Federal Fiscal Year Allocation Tables provided by USDE.

Auditor's Conclusion:

Based on the above, the finding remains the same.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

STATE OF MARYLAND
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008

Finding 2008-1

Department of Health and Mental Hygiene (DHMH)

State Children's Insurance Program (SCHIP)
CFDA No. 93.767

US Department of Health and Human Services (HHS)

Compliance deficiency over the eligibility determination process

Condition:

The Local Health Departments (LHD) are responsible for determining eligibility under the Maryland Children's Health Insurance Program on a uniform basis throughout the State for persons who apply for the expanded State Children's Insurance Program under Title XXI of the Social Security Act.

We selected a total of 65 SCHIP claims to review files for eligibility determination. We tested 13 files from each of the following five Maryland Jurisdictions: Baltimore City, Frederick County, Howard County, Kent County and Allegany County. The test was composed of 8 newly established recipients and five existing recipients. All claims were processed during the fiscal year ended June 30, 2009. We noted the following exceptions:

Baltimore City

Did not comply with the requirement to verify and maintain proof of citizenship in one of the eight new files tested.

Frederick County

Existing participant was denied medical assistance due to over scale income and was sent a letter regarding the premium program in 2002. Since that time, the participant has been using the premium program without any redeterminations of the eligibility status by either the premium department, DHR or DHMH. There was no file available for review and within the CARES system, there had only been information through January 16, 2002.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-1 (continued)

Auditee Updated Response and Corrective Action Plan:

(November 2009 Update)

The Department's Local Health Departments are complying with the established Federal and State regulations for determining eligibility. All on-site reviews were performed to ensure the Local Health Departments were meeting quotas according to Supervisory Review (SRS) standards, case files accuracy, and case processing time limits. Twenty-three of the twenty-four Maryland jurisdictions timely submitted SRS review forms to the Department. One Local Health Department failed to meet the quotas according to SRS standards and was reported to the Office of the Eligibility Services, as required.

The Program Director for Medical Care Program Administration Eligibility, Baltimore Health Care Access, sent a memo on July 10, 2008 instructing eligibility staff to request and verify citizenship and identify documents for everyone applying for Medical Assistance/Maryland Children's Health Insurance Program. MCPA has continued to instruct the LHDs to adhere to all eligibility policies and regulations when determining eligibility, especially concerning the requirement of citizenship and identity through trainings and quarterly meetings.

Auditors' Conclusion:

This is a repeat finding in FY 2009, as Finding 2009-2.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-2

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program (Medicaid Cluster)
CFDA No. 93.778

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

Internal Control deficiency over the Medicaid Eligibility Quality Control System (MEQC).

Condition:

The MEQC failed to have evidence of the supervisory review over the pilot project Title XIX Low Income Children and Pregnant Women.

Auditee Updated Response and Corrective Action Plan:

(November 2009 Update)

The Office of Eligibility Services requires the MEQC Supervisor to perform supervisory reviews by completing and retaining a form developed by the Department which includes his signature and the date of review.

Auditors' Conclusion:

This finding was not repeated in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-3

Department of Health and Mental Hygiene (DHMH)

Substance Abuse Treatment and Prevention Block Grant
CFDA No. 93.959

US Department of Health and Human Services (HHS)

Compliance and Internal Control Weakness over Sub recipient Monitoring.

Condition:

The Substance Abuse Prevention and Treatment Block Grant program is administered by the Alcohol and Drug Abuse Administration (ADAA), which is a division of the Department of Health and Mental Hygiene (DHMH). The division director for ADAA indicated that compliance reviews of the sub-recipients are conducted bi-annually. AFNW reviewed twenty-five (25) files that contain documents related to the award of Federal funds to local health departments (LHDs) and private vendors ("sub recipients") to obtain reasonable assurance that site visits to evaluate the program were conducted in accordance with the General Requirements of OMB Circular A-133 and the conditions of grant award imposed by ADAA. We noted that of the twenty five files reviewed there was one (1) site that was not visited and one (1) of the files that required corrective actions but ADAA failed to obtain a corrective action plan from the recipients.

Auditee Updated Response and Corrective Action Plan:

(November 2009 Update)

The ADAA concurs with the finding and recommendation. ADAA acknowledges that one of the twenty-five site visits (.04%) was not reviewed, as required. However, we believe that the *Cause* and *Effect* comments as noted above do not match the revised finding. In the future, ADAA will ensure that 100% of the required site visits are performed, as the budget allows.

Auditors' Conclusion:

This is a repeat finding in FY 2009, as Finding 2009-5.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008

Finding 2008-4

Department of Health and Mental Hygiene (DHMH)

Substance Abuse Treatment and Prevention Block Grant
CFDA No. 93.959

US Department of Health and Human Services (HHS)

Compliance and Internal Control Weakness over Special Test & Provisions (Independent Peer Review)

Condition:

The Alcohol and Drug Abuse Administration (ADAA), which is a division of the Department of Health and Mental Hygiene (DHMH), hires private contractors to perform its peer review functions. The selection of a particular contractor is made from an established list of approved vendors. However, once a selection of a contractor is made, there is no documentation of the independence of that contractor with respect to the sub-recipient that he or she is asked to review. As part of the peer review process, the sub-recipient is asked to complete a Peer Review Follow-Up Questionnaire. We noted that in one instance when asked what parts of the peer review could be improved, the sub-recipient responded "I would also think it would be better for the reviewer to be from out of the area."

Auditee Updated Response and Corrective Action Plan:

(November 2009 Update)

The ADAA confirms that Independent Peer Reviewers never review their own programs, or programs within their jurisdictions, and that the reviews are not conducted as part of the licensing or certification process.

To conform to the requirements of OMB A-133, the ADAA developed an *Affidavit of Peer Review Independence,* which has been forwarded to the Office of the Attorney General for review. This affidavit will be used for all future peer reviews, and will attest to independence of the reviewers.

Auditors' Conclusion:

This is a repeat finding as Finding 2009-6. The implementation occurred subsequent to year end.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-5

Morgan State University

Student Financial Aid Cluster
CFDA No. 84.033 Federal Work Study Program (FWS)

U.S. Department of Education (ED)

Morgan State University did not meet the earmarking requirement for federal work study to provide a 7% earmark for community service.

Condition:

Morgan State University did not meet the mandated earmark requirement of the federal guidelines.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The University was aware of this situation and had taken appropriate corrective action before the audit started. As noted by the auditors, due to a staffing shortage and the loss of the program to which the community services were directed, the University did not meet the 7% requirement for fiscal year 2008. However, as provided for in the regulations, the University requested a waiver from this requirement and filed this with its Fiscal Operations Report and Application to Participate (FISAP) report in September 2008 and, as of March 12, 2009. The University received the approved waiver from the U.S. Department of Education. We met the requirement for fiscal year 2009 and do not expect the situation to be repeated in the future.

Auditors' Conclusion:

The finding has been resolved. There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-6

Baltimore City Community College

Student Financial Assistance Cluster
CFDA No. 84.007 Federal Supplemental Education Opportunity Grant
CFDA No. 84.063 Federal Pell Grant Program
CFDA No. 84.033 Federal Work Study Program
CFDA No. 84.038 Federal Perkins Loan Program
CFDA No. 84.375 Academic Competitiveness Grant

U.S Department of Education (ED)

Baltimore City Community College was not in compliance with Federal requirements over the return of Title IV funds.

Condition:

During testing of return of Title IV funds, we noted 6 occurrences where the College did not return Title IV funds within the timeframe established by guidelines in the OMB Circular A-133, some being returned up to 2 months later than required.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The College will incorporate the 2008 finding in the Summary Schedule of Prior Audit Findings in compliance with Sections .315(b) and .320(c) of OMB Circular A-133 as part of the 2009 audit. The Office of Student Financial Aid adjusts students' awards as a result of Return to Title IV (R2T4) calculations. Funds are restored to the programs according to the procedures established by the U.S. Department of Education and within the required 45 days timeframe

The College has corrected the system delays and going forward will ensure compliance with federal regulation 34 Code of Federal Regulations (C.F.R.) §668.22 and the timely return of Title IV funds. In order to facilitate the compliance of this timeframe, members of the Financial Aid Staff and Student Accounting will meet one month prior to the start of registration to set the appropriate calendar checkpoints to track and monitor the deadlines needed for the R2T4 process.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-6 (continued)

Auditee Updated Response and Corrective Action Plan (continued):

(November, 2009 Update)

Two members of the financial aid office have been trained to process Return to Title IV (R2T4) one as the primary staff member and the other as back-up. Members from Financial Aid and Student Accounting have developed a process that allows Students Accounting to alert Financial Aid when a process run of R2T4 is approaching prior to the appropriate cut-off date. This standard operating procedure was modified prior to December 31, 2008 and was implemented for the spring 2009 semester.

The College's Corrective Action Plan was fully implemented. The plan, as implemented, created new procedures to track and monitor the processing of the return of Title IV funds accurately and within the required timeframes in compliance with federal regulation 34 C.F.R. §668.22.

Auditors' Conclusion:

The finding has been resolved. There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-7

Maryland State Department of Education (MSDE)

CFDA No. 84.318 Education Technology State Grants
CFDA No. 84.365 English Language A cquisition Grants
CFDA No. 84.367 Improving Teacher Quality State Grants
CFDA No. 84.369 State Assessments and Related Act
CFDA No. 93.575 Child Care and Development Block Grant
CFDA No. 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

U.S. Department of Education (USDE)

MSDE has internal control weaknesses over reconciliation of the Schedule of Active Federal Grants (Schedule G) to supporting documentation

Condition:

As part of the Schedule G testing, we reviewed subsequent collections on receivables to determine whether receivables were accurate, properly recorded and collectible. We noted that MSDE reported receivables/liabilities on grants that had expired per their respective periods of availability.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

Journal entries were posted in FMIS before the close of FY09 for all the overstated and understated accounts receivable balances cited in the audit findings with the exception of those associated with Child Care grants (CFDA #'s 93.575 and 93.596) as there is ongoing activity with these grants. These entries did not result in the reclassification of expenditures to State expenditures or adjusting receivables to an uncollectible status. All liabilities for the cited CFDA #'s were cleared by the end of FY09. Also, the balances of the cited closed grants were cleared to zero as FY09 year end except for the Child Care grants due to ongoing activities.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-7 (continued)

Auditee Updated Response and Corrective Action Plan (continued):

A beginning FY09 Schedule G was developed. Beginning FY09 grant balances contained therein have since been monitored on a continual basis. In addition, Division of Business Services (DBS) has been working with the financial reps to ensure that expenditures are booked accurately in order to make appropriate draws within the proper time period. Finally, DBS will investigate and will work to resolve on a timely basis any balance determined to be a liability or any balance on a grant that has been closed.

Auditors' Conclusion:

There was no repeat finding in FY 2009.

STATE OF MARYLAND
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-8

Maryland Department of Veterans' Affairs (MDVA)

CFDA No. 64.014 Veteran State Domiciliary Care
CFDA No. 64.015 Veteran State Nursing Care

U.S. Department of Veteran Affairs (USVA)

The State of Maryland's Veterans Home Program has Internal control weakness over reconciliation of the Schedule G.

Condition:

We noted that one receipt of $ 596,073 with an effective date in R*Stars of June 1, 2008, was not reported in Schedule G as a cash receipt for the fiscal year ending June 30, 2008 or as a receivable for the fiscal year ending June 30, 2007.

Auditee Updated Response and Corrective Action Plan:

(February, 2010 Update)

The Department is in agreement with the auditors' findings and will take appropriate actions to enhance the reconciliation process. In the future, Schedule G will be prepared from R*Stars reports and the record of any necessary adjustments or reconciliations will be maintained with appropriate supporting documentation. Additionally, MDVA will establish procedures to conduct a monthly reconciliation of federal fund revenues. We believe the procedures in place will prevent the reoccurrence of this reporting error.

We are still researching the sum of $596,073 with the assistance of the State Treasurer Banking Service Office and US VA Medical Center, Washington D.C. to locate the difference.

Auditors' Conclusion:

The resolution was not completed in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-9

Department of Labor, Licensing and Regulation (DLLR)

CFDA No. 17.258 – WIA Adult Program
CFDA No. 17.259 – WIA Youth Activities
CFDA No. 17.260 – WIA Dislocated Workers

U. S. Department of Labor (DOL)

Internal control weakness related to client file maintenance.

Condition:

DLLR's Division of Workforce Development, WIA Cluster, was not in compliance with Federal OMB Circular A-133 requiring on-site monitoring review of each local area's compliance with Department of Labor (DOL) uniform administrative requirements, including the appropriate administrative requirements and cost principles for sub-recipients and other entities receiving Workforce Investment Act (WIA) funds.

The test of a Local Workforce Investment Board's (LWIB) files disclosed internal control weaknesses in case file documentation. Many of the files examined did not contain case notes which is a required procedure per review of DLLR procedures. The case notes not found in the files were maintained on the Maryland Workforce Exchange System. Also several files did not have the required Individual Employment Plan (IEP).

Auditee Response and Corrective Action Plan:

(December, 2009 Update)

DLLR continues to provide technical assistance to all Local Workforce Investment Boards regarding DOL administrative requirements, proper file maintenance and documentation as needed and requested.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-9 (contined)

Auditee Response and Corrective Action Plan (continued):

(December, 2009 Update)

DLLR continues to conduct annual programmatic and eligibility monitoring. The program monitors place emphasis on file maintenance during on site visits in the entrance conference and it is documented in our monitoring reports. The monitoring questionnaires used by DLLR state monitors address the the individual employment plan development, case management and follow-up documentation. Also, additional on site visits are made during the program year where random checks of participant files are reviewed for compliance.

Any findings are recorded on the questionnaire and used to generate a monitoring report. These documents address the concerns regarding incomplete case management notes, employment verification follow-up, file maintenance and WIA eligibility.

Federal Resolution:

January 13, 2010

The DLLR provided a copy of procedures it has implemented that adequately describe what must be contained in participants' files as supporting documentation of client eligibility for services.

Determination: Based on the above, the finding is corrected.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-10

University System of Maryland – Coppin State University

Student Financial Aid Cluster
CFDA No. 84.063-Federal Pell Grant Program (PELL)

U.S. Department of Education (ED)

Inadequate controls over Pell Payment Data (disbursement records) being submitted to the Department of Education in the required time frame.

Condition:

Institutions are required to submit origination and disbursement records no more than 30 days before or after a disbursement is to be paid. We noted for 2 of the 25 student records selected for testing, the disbursement record was reported to the Department of Education (ED) more than 30 days prior to the actual disbursement being made.

Auditee Updated Response and Corrective Action Plan:

Coppin State University has discovered the cause of the error. It occurred while implementing a System Upgrade. A Pell processing option has been updated in the system which has the ability to prevent the Pell Payment data from being transmitted to COD prior to the actual disbursement. The report that we manually review to reveal these occurrences is being utilized and reviewed on a weekly basis.

Auditors' Conclusion:

This was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-11

University System of Maryland – Coppin State University

Student Financial Aid Cluster
CFDA No. 84.063-Federal Pell Grant Program (PELL)
CFDA No. 84.268-Federal Direct Student Loans (FDLP)
CFDA No. 84.038- Federal Perkins Loans (FPL)
CFDA No. 84.007- Federal Supplemental Educations Opportunity Grants (FSEOG)

U.S. Department of Education (USDE)

Improper calculation of Title IV refunds.

Condition:

During our testing of the Return of Title IV funds, we reviewed the refund calculations for 25 students. For 2 out of the 25 students, the calculation of the unearned amount of Title IV assistance was not in accordance with federal regulations. We also noted that there was no management approval noting review of the calculated unearned amount or noting the return of these unearned funds to the Department of Education (ED).

Auditee Updated Response and Corrective Action Plan:

The Director of Financial Aid reviews the calculation of returned Title IV funds on a random basis. During the first three months of a semester, 25% of the calculations are reviewed (calculations are not required after 60% of the semester per Federal Government Regulations). Utilizing this approach, any systemic problem will surface and the necessary corrective action will be taken.

Auditors' Conclusion:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-12

Department of Human Resources (DHR)
CFDA No. 93.563 – Child Support Enforcement
U.S. Department of Health and Human Services (HHS)

Inadequate internal controls over child support Inter- and Intra-State cases

Condition:

When the Child Support Administration division receives an interstate case, Maryland as the initiating state, has 20 days to refer the case to the responding state's central registry after determining that the non-custodial parent is located in another state, and if necessary, receipt of any necessary information to process the case. During our review, we noted that in 6 out of 13 initiating cases, or 45.15% of the cases reviewed, that the case was not referred to the responding state's central registry within 20 days after determining that the non-custodial parent was located in another state and after receipt of all information necessary to process the case.

When the Child Support Administration division receives a request for more information from a responding state, Maryland as the initiating state has 30 calendar days to either provide the responding state with the requested information or notify the responding state when the information will be provided. In 3 out of 13 initiating cases reviewed, or 23.08% of the cases, the requested information was not provided to the responding state nor was the date that the requested information would be provided documented in the case file.

When the Child Support Administration division receives an interstate case and Maryland is responding state, within 10 calendar days Maryland's central registry must: acknowledge receipt of the case; ensure that all documentation received from the initiating state is complete; request any missing information necessary to process the case; forward the case to the correct local agency for location services or processing; and inform the initiating state where the case was sent for processing. In 3 of the 12 responding cases reviewed or 25% of cases, 1 or more of the actions required in the 10-day timeframe was not completed.

When Maryland's central registry receives an inquiry from a responding state pertaining to the case's status or for a review, the central registry has five days to respond to the initiating state's request. In 1 of the 12 responding cases, or 8.33% of cases, Maryland's response to an initiating state's request for a case's status or for a review was not noted in the case file within five days of receipt of the initiating state's inquiry.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-12 (continued)

Condition (continued):

After a Child Support order has been established, within 30 days of identifying a delinquency, Maryland as the responding/enforcing state must take and document some enforcement action was taken and documented unless a service of process is necessary. In 8 of 12 responding cases reviewed, or 66.67% of responding cases, no enforcement action was taken and documented within 30 days of identifying a delinquency.

The Federal guidelines require that the agency responsible for Child Support Enforcement attempts to establish paternity and a support obligation for children born out of wedlock. During our testing, we noted that 1 of 13 initiating cases reviewed, or 7.69% of initiating cases, no paternity and support obligation was established.

The Federal guidelines require that the Child Support attempts to secure medical support information, and establish and enforce medical support obligations for all individuals eligible for DCSE services. During our testing, we noted that in 1 of 13 initiating cases reviewed, or 7.69% of initiating cases, no medical support obligation was established and enforced.

This is a repeat finding from the Fiscal Year 2005, Single Audit Report finding number 2005-16; Fiscal Year 2006, Single Audit Report finding number 2006-5; and Fiscal Year 2007 Single Audit Report finding number 2007-12.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

Actions Taken: The Department of Human Resources Child Support Enforcement Administration (CSEA) has tracking mechanisms and processes in place to facilitate internal control over the Administration's Interstate and Intrastate cases. The following tracking tools are used to track Interstate cases: (1) The Federal Self Assessment Review, (2) The Maryland Central Registry Interstate Tracking System (CITS), (3) CSEA Quality Control Report and (4) CSEA Staff Training Academy.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-12 (continued)

Auditee Updated Response and Corrective Action Plan (continued):

(1) **Federal Self Assessment Review Tool**
The Federal Self Assessment Review is an evaluating and measuring tool, required by the Federal Office of Child Support (OCSE), to determine whether the state of Maryland is meeting the Federal case processing criteria. It is also used to conduct the Program Audit on Interstate case processing (45 CFR 303.7). Maryland's CSEA passed the Self Assessment Review in 2007 and 2008.

(2) **Maryland Responding Case Tracking System (CITS)**
The Maryland Responding Case Tracking System (CITS) is an interstate tracking system, which assists in the management of responding case request/s processed by the Interstate Central Registry. CITS was available to the Child Support Offices starting June 26, 2008 and provides the following information and services: (1) The date the case request was received by Maryland CSEA, (2) scans the documents associated with the case, and (3) provides acknowledgement to the other state and date stamps the time that the request was sent to the local child support office.

(3) **Quality Control Review**
Maryland CSEA has a Quality Control Review Tool (QCR) expanded procedures February 3, 2009, which is used to provide oversight for the 24 local jurisdictions to ensure that (1) cases are processed according to the federal and state requirements, (2) that the information in the automated Child support Enforcement System (CSES) is accurate and completed in a timely manner, and (3) that the paper/hardcopy files contain the necessary documents to support the data in CSES.

(4) **Training Academy**
Maryland CSEA has a Maryland's Child Support Enforcement Program Training Academy that provides ongoing training for all child support staff. The Academy has a New Staff Academy that has an Introduction to Child Support Enforcement course. This course provides training on the basic elements of Child Support Enforcement for new staff as well as supervisors. It also educates staff on the Federal timelines, and provides re-training on the Federal guidelines.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-12 (Continued)

Auditee Updated Response and Corrective Action Plan (continued):

(4) **Training Academy** (continued)
The Department submitted to the auditors performing the Single Audit copies of supporting documents showing that cited errors were corrected. Also, information and supporting documentation related to the 2007 Single Audit were sent to the US Department of Health and Human Services Administration for Children and Families (ACF) in Washington, DC and Region III in Philadelphia, PA. The DHR also responded to the Health and Human Services Resolution Authority on December 22, 2009 regarding these findings.

Auditors' Comments:

This finding is a repeat finding for FY 2009, as Finding 2009-13.

STATE OF MARYLAND
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-13

Department of Human Resources (DHR)
CFDA No. 93.563 – Child Support
U.S. Department of Health and Human Services (HHS)

Inadequate Internal controls over sub-recipient monitoring.

Condition:

DHR enters into agreements, called Cooperative Reimbursement Agreements, with local government departments, such as sheriff's departments, State's Attorney's Offices and County Masters for these entities to conduct such tasks as to issue warrants and summonses related to establishing or enforcing Child Support; conducting hearings to establish paternity, child support or medical support obligations, and conducting hearings to enforce or modify support orders.

The Contract Services Division is responsible for monitoring the local government entities' performance on the contracts. The Contract Services Division performs its monitoring duties by issuing four monitoring reports for the year for each entity.

During our testing, we noted:

1. Monitoring reports were not issued on a quarterly basis for one of the seven, or 14.29% of cooperative monitoring agreements reviewed.
2. No corrective action plans were taken by DHR to correct deficiencies for one of the seven, or 14.29% of cooperative monitoring agreements reviewed.
3. For one of the seven, or 14.29% of cooperative reimbursement agreements reviewed, quarterly monitoring reports were not reviewed by a supervisor as evidenced by a supervisor's initials.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The DHR Child Support Enforcement Administration (CSEA) has completed a corrective action plan to put procedures in place to strengthen its internal controls over sub-recipient monitoring.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2008 (Continued)

Finding 2008-13

Auditee Updated Response and Corrective Action Plan (continued)

The following was implemented: (1) each quarter CSEA prepares Contract Monitoring Reports to evaluate contract agency performance; (2) agencies with deficiencies are required to submit corrective action plans to CSEA; (3) CSEA supervisor documents review of Monitoring reports.

The Department submitted to the auditors performing the Single Audit copies of supporting documents showing that cited errors were corrected. Also, information and supporting documentation related to the 2007 Single Audit were sent to the US Department of Health and Human Services Administration for Children and Families (ACF) in Washington, DC and Region III in Philadelphia, PA. The DHR also responded to the Health and Human Services Resolution Authority on December 22, 2009 regarding these findings.

Auditors' Conclusion:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-1

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program-Medicaid Cluster
CFDA No. 93.778
State Children's Insurance Program (SCHIP)
CFDA No. 93.767

U.S. Department of Health and Human Services

Internal control deficiency over the eligibility determination process

Condition:

We reviewed Supervisory Review (SRS) cases from the Local Health Department (LHD) for all twenty-four Maryland jurisdictions to determine whether SRS review (MCHIP Quality Review) forms were timely submitted to the Department of Health and Mental Hygiene (DHMH) and on-site reviews were conducted to ensure the LHD's are meeting quotas according to SRS standards, case file accuracy, and case processing time limits. We noted that Howard County LHD did not submit MCHIP Quality Review forms from June 2006 through May 2007. We also noted DHMH failed to follow its procedures outlined in its January 25, 2006 Memorandum which provides that failure to submit the required SRS review forms in a timely manner would be reported to the Office of Eligibility Services.

Auditee Updated Response and Corrective Action Plan:

(November 2009 Update)

All on-site reviews were performed to ensure the Local Health Departments were meeting quotas according to Supervisory Review (SRS) standards, case files accuracy, and case processing time limits. Twenty-three of the twenty-four Maryland jurisdictions timely submitted SRS review forms to the Department. One Local Health Department failed to meet the quotas according to SRS standards and was reported to the Office of the Eligibility Services, as required.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-2

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program Medicaid Cluster
CFDA No. 93.778

US Department of Health and Human Services

Compliance and Internal control deficiency over the eligibility determination process.

Condition:

On July 1, 1985 the Maryland State Department of Health and Mental Hygiene (DHMH) entered into an agreement with the Maryland State Department of Human Resources (DHR). DHR agreed to determine eligibility for Medical Assistance on a uniform basis throughout the State for persons who are indigent or medically indigent according to regulations, guidelines and procedures established by DHMH. In addition, DHMH's Local Health Departments are responsible for determining eligibility for the Maryland Children's Health Insurance Program (MCHIP) covered under Title XIV of the Social Security Act.

We selected a total of 65 Medical Assistance claim files to review for eligibility determination. These 65 files were comprised of 13 files from each of the following five Maryland Jurisdictions: Baltimore City, Charles County, Howard County, Cecil County, and Frederick County. The test was composed of a selection of 8 newly established recipients and 5 existing recipients. All claims were processed during the fiscal year ended June 30, 2008. We noted the following exceptions:

Baltimore City

DHR's Department of Social Services failed to maintain the original signed application. We noted the application date was changed from 10/27/07 to 10/27/06 for one of the eight newly eligible files. The change on the application appeared to have been made in order to support the initial eligibility decision date of 11/09/06. However, the information contained in the application was inconsistent with the date of 10/27/06.

Howard County

Internal control deficiency in that one of the eight newly eligible files was not located.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-2 (continued)

Condition: (Continued)

Frederick County

Internal control deficiency in that one of the five existing eligible files could not be located.

Cecil County

No signed application, in that the signature page of the application for one of the eight newly eligible files was missing.

This is, in part, a repeat finding from Fiscal Years Ended June 30, 2004, 2005, and 2006 Single Audit Report finding number 2004-24, 2005-5, and 2006-14 respectively.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The Department of Human Resources and the Local Health Departments are complying with the established Federal regulations for determining eligibility to include obtaining the required documentation and performing verification to support eligibility decisions.

Auditors' Comment:

This finding is a repeat finding in FY 2009, as Finding 2009-2.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-3

Department of Health and Mental Hygiene (DHMH)

State Children's Insurance Program (SCHIP)
CFDA No. 93.767

US Department of Health and Human Services

Compliance and Internal control deficiency over the eligibility determination process

Condition:

The Local Health Departments (LHD) are responsible for determining eligibility under the Maryland Children's Health Insurance Program on a uniform basis throughout the State for persons who are apply for the expanded State Children's Insurance Program under Title XXI of the Social Security Act.

We selected a total of 65 SCHIP claims to review files for eligibility determination. We tested 13 files from each of the following five Maryland Jurisdictions: Baltimore City, Frederick County, Howard County, Cecil County and Charles County. The test was composed of 8 newly established recipients and five existing recipients. All claims were processed during the fiscal year ended June 30, 2007. We noted the following exceptions:

Baltimore City

Did not comply with the requirement to verify and maintain proof of citizenship in one of the five existing files tested.

Frederick County

Internal control deficiency in that one of the five existing files could not be located

Howard County

Internal control deficiency in that two of the eight newly eligible files could not be located.

This is, in part, a repeat finding from fiscal year 2006, Finding 2006-18.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-3 (Continued)

Auditee Updated Response and Corrective Action Plan:

(November , 2009 Update)

The Department's Local Health Departments are complying with the established Federal and State regulations for determining eligibility. All on-site reviews were performed to ensure the Local Health Departments were meeting quotas according to Supervisory Review (SRS) standards, case files accuracy, and case processing time limits. Twenty-three of the twenty-four Maryland jurisdictions timely submitted SRS review forms to the Department. One Local Health Department failed to meet the quotas according to SRS standards and was reported to the Office of the Eligibility Services, as required.

The Program Director for Medical Care Program Administration Eligibility, Baltimore Health Care Access, sent a memo on July 10, 2008 instructing eligibility staff to request and verify citizenship and identify documents for everyone applying for Medical Assistance/Maryland Children's Health Insurance Program. MCPA has continued to instruct the LHDs to adhere to all eligibility policies and regulations when determining eligibility, especially concerning the requirement of citizenship and identity through trainings and quarterly meetings.

Auditors' Comment:

This finding was repeated in FY 2009, as Finding 2009-3.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-4

Department of Health and Mental Hygiene (DHMH)

State Children's Insurance Program (SCHIP)
CFDA No. 93.767

U.S. Department of Health and Human Services

Internal control deficiency over the Financial Reporting Process

Condition:

The State Children's Health Insurance Program (SCHIP) uses form CMS-21 (Quarterly SCHIP Statement of Expenditures for Title XXI), which is a sub-report of form CMS-64 (Quarterly Medicaid Statement of Expenditures for the Medical Assistant Program), to report its expenditures to the Centers for Medicare and Medicaid Services (CMS). The CMS 64 reports are reviewed by supervisors. After this review is completed, the reports are forwarded to upper level management to review for completeness and accuracy. A final oversight review is performed by the Director, who also signs the report.

We selected the four quarterly CMS-21 Base Reports for fiscal year 2008 for testing. We noted there was no signature by the Director, which is indicative of final review and approval, for the quarters ended 9/30/06, 3/31/07, and 6/30/07 prior to submission to CMS.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update):

The Department will continue to adhere to the established procedures to ensure final oversight review and approval of the CMS-21 Base quarterly reports prior to submission to the Center for Medicare and Medicaid Services.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-5

Department of Health and Mental Hygiene (DHMH)

State Children's Insurance Program (SCHIP)
CFDA No. 93.767

U.S. Department of Health and Human Services

Internal control deficiency over the sub-recipient monitoring process.

Condition:

The Department of Health and Mental Hygiene's (DHMH) Office of Operations and Eligibility and Pharmacy Beneficiary Services Administration (Office of Operations) requires that each Local Health Departments (LHD) submit annual statistical reports by August 31st of each year. This requirement is contained in the Office of Operations' instruction manual entitled Instructions for Preparing Narrative and Budget Maryland Children's Health Program Eligibility Determination (Instructions). These Instructions specifically state, "if a local department does not comply with the Annual Report requirement DHMH could deny the next years funds as stated in the budget instructions and a condition of receiving a fiscal award."

Of the twenty-four Local Health Departments reviewed, we noted Charles and Cecil Counties LHDs did not submit their annual statistical reports by August 31st. Despite this non-compliance, DHMH awarded SCHIP funds to these two counties.

This is a repeat finding from Fiscal Year Ended June 30, 2006 Finding 2006 -17.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update):

All twenty-four Local Health Departments have complied with the reporting requirements and deadlines by submitting their annual statistical reports timely.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-6

Department of Health and Mental Hygiene (DHMH)

Medical Assistance Program Medicaid Cluster
CFDA No. 93.778

U.S. Department of Health and Human Services

Compliance and Internal Control deficiency over Procurement and Suspension and Debarment.

Condition:

We reviewed 25 contracts between the Department of Health and Mental Hygiene and contractors/subrecipients. The purpose of our review was to determine whether suspension and debarment certifications were obtained in accordance with the provisions of OMB Circular A-102 and other procurement requirements specific to an award. We noted that 4 out of the 25 contracts did not have suspension and debarment certifications verifying that the entity is not suspended or debarred.

This is in part, a repeat finding from Fiscal Years Ended June 30, 2005 and 2006 Single Audit Report Finding numbers 2005-7 and 2006-15 respectively.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The Department is obtaining and maintaining evidence of suspension and debarment certifications for all covered contracts and subawards.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-7

Department:	**Department of Health and Mental Hygiene (DHMH)**
Program:	**Medical Assistance Program (Medicaid Cluster)**
CFDA Number:	**93.778**

U.S. Department of Health and Human Services

Compliance and Internal Control deficiency over the Medicaid Eligibility Quality Control System (MEQC).

Condition:

The MEQC failed to submit the required reports on negative case reviews, error rate analysis, and corrective action plan for fiscal year 2007.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The Medicaid Eligibility Quality Control System (MEQC) submitted summary reports of its Medicaid Eligibility Quality Control pilot activities and its negative case action review for fiscal years 2008 and 2009.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2007-11

Department of Labor, Licensing and Regulation (DLLR)

Federal Department of Labor
CFDA No. 17.258 – WIA Adult Program
CFDA No. 17.259 – WIA Youth Activities
CFDA No. 17.260 – WIA Dislocated Workers

Internal control weakness related to client file maintenance.

***Condition*:**

Our test of a Local Workforce Investment Board's (LWIB) files disclosed internal control weaknesses in case file documentation. Several files we examined were incomplete or did not document employment verification follow-up or case closure.

Auditee Updated Response and Corrective Action Plan:

Federal Resolution:

Final Determination - March 24, 2009

In response to the Initial Determination Letter to the U.S. Department of Labor (DOL) dated January 14, 2009, DLLR submitted copies of questionnaires that are used by the program monitors when conducting annual compliance reviews. All findings are recorded on the questionnaire and used to generate a monitoring report which will address concerns pertaining to incomplete case management notes, employment verification follow-up, file maintenance and WIA eligibility. A copy of the State's monitoring schedule was also submitted to the DOL to demonstrate compliance with Federal laws and regulations.

Determination: Based on the above, this finding is corrected.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-12

Department of Human Resources (DHR)
CFDA No. 93.563 – Child Support Enforcement
U.S. Department of Health and Human Services

Inadequate internal controls over child support Inter- and Intra-State cases

Condition:

When the Department of Human Resources local offices receive an application for Child Support Services, the local agency must open the case within no more than 20 days of the receipt of the referral or of the filing of an application for services. During our review, we noted that in 6 of 13 initiating cases, or 46.15% of the cases reviewed, that the case was not opened in 20 days of receipt of the referral or application.

When the Child Support Administration division is receives an interstate case, Maryland as the initiating state, has 20 days to refer the case to the responding state's central registry after determining that the non-custodial parent is located in another state, and if necessary, receipt of any necessary information to process the case. During our review, we noted that 7 out of 13 initiating cases, or 53.85% of the cases reviewed, that the case was not referred to the responding state's central registry within 20 days after determining that the non-custodial parent was located in another state and after receipt of all information necessary to process the case.

When the Child Support Administration division receives a request for more information from a responding state, Maryland as the initiating state has 30 calendar days to either provide the responding state with the requested information or notify the responding state when the information will be provided. In 3 out of 13 initiating cases reviewed, or 23.08% of the cases, the requested information was not provided to the responding state nor was the date that the requested information would be provided documented in the case file.

When the Child Support Administration division receives an interstate case and Maryland is responding state, within 10 calendar days Maryland's central registry must: acknowledge receipt of the case; ensure that all documentation received from the initiating state is complete; request any missing information necessary to process the case; forward the case to the correct local agency for location services or processing; and inform the initiating state where the case was sent for processing. In 4 of the 12 responding cases reviewed (33.33% of cases reviewed), one or more of the actions required in the 10-day timeframe was not completed.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-12 (Continued)

Condition: (continued)

When Maryland's central registry receives an inquiry from a responding state pertaining to the case's status or for a review, the central registry has five days to respond to the initiating state's request. In 3 of the 12 responding cases, (25.00% of cases reviewed), Maryland's response to an initiating state's request for a case's status or for a review was not noted in the case file within 5days of receipt of the initiating state's inquiry.

When Maryland, as the responding state, receives an interstate Child Support Transmittal form, within 75 days, Maryland must; provide location services if the initiating states request is for location services or if the initiating state did not provide sufficient information to locate the non-custodial parent; notify the initiating state if more information or corrected information is necessary to process the case; and process the case to the extent possible pending necessary action by the initiating state. In 6 of the 12 responding cases reviewed, one or more of the actions required in the 75-day time frame was not completed.

After a Child Support order has been established, within 30 days of identifying a delinquency, Maryland as the responding/enforcing state must take and document some enforcement action was taken and documented unless a service of process is necessary. In 1 of 12 responding cases, or 8.33% of responding cases reviewed, no enforcement action was taken and documented within 30 days of identifying a delinquency.

This is a repeat finding from the Fiscal Year 2004, Single Audit Report finding number 2004-44; Fiscal Year 2005, Single Audit Report finding number 2005-16; and Fiscal Year 2006, Single Audit Report finding number 2006-5.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

Actions Taken: The Department of Human Resources Child Support Enforcement Administration (CSEA) has tracking mechanisms and processes in place to facilitate internal

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-12 (continued)

Auditee Updated Response and Corrective Action Plan (continued):

control over the Administration's Interstate and Intrastate cases. The following tracking tools are used to track Interstate cases: (1) The Federal Self Assessment Review, (2) The Maryland Central Registry Interstate Tracking System (CITS), (3) CSEA Quality Control Report and (4) CSEA Staff Training Academy.

(1) **Federal Self Assessment Review Tool**
The Federal Self Assessment Review is an evaluating and measuring tool, required by the Federal Office of Child Support (OCSE), to determine whether the state of Maryland is meeting the Federal case processing criteria. It is also used to conduct the Program Audit on Interstate case processing (45 CFR 303.7). Maryland's CSEA passed the Self Assessment Review in 2007 and 2008.

(2) **Maryland Responding Case Tracking System (CITS)**
The Maryland Responding Case Tracking System (CITS) is an interstate tracking system, which assists in the management of responding case request/s processed by the Interstate Central Registry. CITS was available to the Child Support Offices starting June 26, 2008 and provides the following information and services: (1) The date the case request was received by Maryland CSEA, (2) scans the documents associated with the case, and (3) provides acknowledgement to the other state and date stamps the time that the request was sent to the local child support office.

(3) **Quality Control Review**
Maryland CSEA has a Quality Control Review Tool (QCR) expanded procedures February 3, 2009, which is used to provide oversight for the 24 local jurisdictions to ensure that (1) cases are processed according to the federal and state requirements, (2) that the information in the automated Child support Enforcement System (CSES) is accurate and completed in a timely manner, and (3) that the paper/hardcopy files contain the necessary documents to support the data in CSES.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007

Finding 2007-12 (Continued)

Auditee Updated Response and Corrective Action Plan (continued):

(4) **Training Academy**

Maryland CSEA has a Maryland's Child Support Enforcement Program Training Academy that provides ongoing training for all child support staff. The Academy has a New Staff Academy that has an Introduction to Child Support Enforcement course. This course provides training on the basic elements of Child Support Enforcement for new staff as well as supervisors. It also educates staff on the Federal timelines, and provides re-training on the Federal guidelines.

The Department submitted to the auditors performing the Single Audit copies of supporting documents showing that cited errors were corrected. Also, information and supporting documentation related to the 2007 Single Audit were sent to the US Department of Health and Human Services Administration for Children and Families (ACF) in Washington, DC and Region III in Philadelphia, PA. The DHR also responded to the Health and Human Services' Resolution Authority on December 22, 2009 regarding these findings.

Auditors' Comments:

This finding was repeated in FY 2009, as Finding 2009-13.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-14

Department of Human Resources (DHR)
CFDA No. 93.563 – Child Support

U.S. Department of Health and Human Services

DHR has internal controls weaknesses over Sub-Recipient Monitoring.

Condition:

DHR enters into agreements, called Cooperative Reimbursement Agreements, with local government departments, such as sheriffs departments, State's Attorney's Offices and County Masters for these entities to conduct such tasks as to issue warrants and summonses related to establishing or enforcing Child Support; conducting hearings to establish paternity, child support or medical support obligations, and conducting hearings to enforce or modify support orders.

The Contract Services Division is responsible for monitoring the local government entities' performance on the contracts. The Contract Services Division performs its monitoring duties by issuing five monitoring reports for the year for each entity and requiring corrective action plans when actual performance falls below expected performance.

During our testing, we noted:

1. Monitoring reports were not issued on a quarterly basis for one of the eight cooperative monitoring agreements reviewed.
2. All corrective action plans were not received by DHR on a timely basis for three of the eight cooperative monitoring agreements reviewed.
3. For three of the cooperative reimbursement agreements reviewed, all quarterly monitoring reports were not reviewed by a supervisor as evidenced by a supervisor's initials.
4. As a result of not receiving all of the monitoring reports or corrective action plans, DHR does not monitor Cooperative Reimbursement Agreement Agencies according to established procedures.
5. As a result of not receiving all of the monitoring reports or corrective action plans, we could not determine whether CSEA provided reasonable assurance that sub recipients used Federal awards for authorized purposes, complied with laws, regulations, contracts and grant agreements and achieved performance goals.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-14 (Continued)

Condition: (continued)

6. As a result of not receiving all of the monitoring reports or corrective action plans, we could not determine whether CSEA maintained adequate records of any noncompliance.
7. As a result of not receiving all of the monitoring reports or corrective action plans, we could not determine whether Cooperative Reimbursement Agreement agencies were monitored according to established procedures.

Auditee Updated Response and Corrective Action Plan:

(November , 2009 Update)

The Department submitted to the auditors performing the Single Audit copies of supporting documents showing that citing errors were corrected. Also, information and supporting documentation related the 2007 Single Audit were sent to the US Department of Health and Human Services Administration for Children and Families (ACF) in Washington, DC and Region III in Philadelphia, PA. The DHR also responded to the Health and Human Services' Resolution Authority on December 22, 2009 regarding these findings.

Auditors' Comment:

There was no repeat finding in FY 2009.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-15

Maryland Department of Transportation – State Highway Administration (SHA)
CFDA No. 20.205

U.S. Department of Transportation

SHA was noncompliance over Unallowable Costs to federal grants

Condition:

State Highway Administration included employees and contractors to participate in a National Highway Institute course. The State Highway Administration received reimbursements from non-state participants in the amount of $ 29,400 but charged the tuition federal grant with the cost of all participants.

Auditee Updated Response and Corrective Action Plan:

(November , 2009)

The guidelines on the Education and Tuition Reimbursement reissued on April 8, 2008 are still in place and being used. We review and monitor any tuition and direct educational expense paid with federal funds to assure proper processing as directed in the guidelines.

Auditors' Comments:

This finding was repeated in FY 2009, as Finding 2009-11.

Section IV – Summary Schedule of Prior Audit Findings Fiscal Year Ended June 30, 2007 (Continued)

Finding 2007-16

Maryland Department of Transportation – State Highway Administration (SHA)
CFDA No. 20.205

U. S. Department of Transportation

SHA was noncompliant over Suspension and Debarment records maintenance

Condition:

The State Highway Administration did not have documentation supporting the efforts to check the Excluded Parties List System for debarred and suspended contractors and subcontractors for the 15 contracts reviewed.

Auditee Updated Response and Corrective Action Plan:

(November, 2009 Update)

The procedure that was established during the March 21, 2008 conference call is in place. A field is being populated with the last date that our SHA employees check the federal website on suspended or debarred contractors. This is being done on each and every bid date for all contractors that are submitting bids to us. These procedures were verified in November 2009 with the Office of Construction.

Auditors' Comments:

This finding was repeated in FY 2009, as Finding 2009-12.