

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FEDERAL SINGLE AUDIT REPORT

OF

STATE OF INDIANA

July 1, 2014 to June 30, 2015



FILED
03/24/2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	2-3
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.....	4-10
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards	11-49
Notes to Schedule of Expenditures of Federal Awards.....	50-53
Schedule of Findings and Questioned Costs:	
Section I - Summary of Auditor's Results	54
Section II - Financial Statement Findings.....	55-60
Section III - Federal Award Findings ad Questioned Costs	60-89
Auditee Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	92-111
Corrective Action Plans	112-153



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF THE STATE OF INDIANA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana (State), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 23, 2015. Our report includes a reference to other auditors who audited components of the financial statements and component units of the State, as described in our report on the State's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Indiana State Fair Commission, Indiana Political Subdivision Risk Management Commission, and the Indiana Public Retirement System were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses:

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Finding #	Title
2015-001	Medicaid Accruals
2015-002	Investment Note Disclosure Errors
2015-006	Preparation of the Schedule of Expenditures of Federal Awards

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiencies:

Finding #	Title
2015-003	Internal Controls Over Tax Revenues
2015-004	Reconciliations Between KidTraks and ENCOMPASS
2015-005	Internal Controls Over ENCOMPASS Accounting System

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2015-003 and 2015-004.

State's Response to Findings

The State's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plans. The State's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

December 23, 2015, except for the Schedule of Expenditures of Federal Awards,
which is as of March 23, 2016



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE STATE OF INDIANA

Report on Compliance for Each Major Federal Program

We have audited the State of Indiana's (State) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015. The State's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

The State's basic financial statements include the operations of Purdue University, Indiana University, Indiana State University, Ball State University, Vincennes University, University of Southern Indiana, Ivy Tech State College, Indiana Finance Authority, and Indiana Housing and Community Development Authority which expended a total of \$2,540,695,423 in federal awards that are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2015. Our audit, described below, did not include the operations of these units because they have separate audits performed in accordance with OMB Circular A-133. See Note 4 of the Notes to the Schedule of Expenditures of Federal Awards for federal funds expended by each component unit.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

Basis for Qualified Opinion on Highway Planning and Construction Cluster

As described in item 2015-011 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient documentation supporting the compliance of the State with its Highway Planning and Construction Cluster regarding Special Tests and Provisions - Wage Rate Requirements. Consequently, we were unable to determine whether the State complied with those requirements applicable to that program.

Qualified Opinion on Highway Planning and Construction Cluster

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the State's compliance with the requirements of its Highway Planning and Construction Cluster regarding the Special Tests and Provision - Wage Rate Requirements described in the *Basis for Qualified Opinion* paragraph, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Highway Planning and Construction Cluster for the year ended June 30, 2015.

Basis for Qualified Opinion on Adoption Assistance

As described in item 2015-013 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility that are applicable to its Adoption Assistance program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on Child Support Enforcement

As described in item 2015-014 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Subrecipient Monitoring that are applicable to its Child Support Enforcement program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on Block Grants for Prevention and Treatment of Substance Abuse

As described in item 2015-018 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Subrecipient Monitoring that are applicable to its Block Grants for Prevention and Treatment of Substance Abuse program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on TANF Cluster

As described in item 2015-021 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Activities Allowed/Unallowed, Allowable Costs/Cost Principles, and Eligibility that are applicable to its TANF Cluster program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

Basis for Qualified Opinion on Rehabilitation Services_Vocational Rehabilitation Grants to States

As described in items 2015-023 and 2015-025 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Special Tests and Provisions - Completion of IPEs and Period of Performance that are applicable to its Rehabilitation Services_Vocational Rehabilitation Grants to States program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on Title I Grants to Local Educational Agencies

As described in items 2015-027 and 2015-028 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Special Tests and Provisions - Schoolwide Programs and Subrecipient Monitoring that are applicable to its Title I Grants to Local Educational Agencies program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on Improving Teacher Quality State Grants

As described in items 2015-027 and 2015-028 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Special Tests and Provisions - Schoolwide Programs and Subrecipient Monitoring that are applicable to its Improving Teacher Quality State Grants program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Basis for Qualified Opinion on School Improvement Grants Cluster

As described in items 2015-027 and 2015-031 in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Special Tests and Provisions - Schoolwide Programs and Subrecipient Monitoring that are applicable to its School Improvement Grants Cluster program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to that program.

Qualified Opinion on Adoption Assistance, Child Support Enforcement, Block Grants for Prevention and Treatment of Substance Abuse, TANF Cluster, Rehabilitation Services_Vocational Rehabilitation Grants to States, Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, and School Improvement Grants Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* paragraphs for each particular program, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Adoption Assistance, Child Support Enforcement, Block Grants for Prevention and Treatment of Substance Abuse, TANF Cluster, Rehabilitation Services_Vocational Rehabilitation Grants to States, Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, and School Improvement Grants Cluster for the year ended June 30, 2015.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2015.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items:

<u>Finding #</u>	<u>CFDA#</u>	<u>Program Name</u>	<u>Requirement</u>
2015-008	20.205	Highway Planning and Construction	Suspension and Debarment
2015-010	20.205	Highway Planning and Construction	Special Tests and Provisions - Quality Assurance Program
2015-012	20.205	Highway Planning and Construction	Special Tests and Provisions - Value Engineering
2015-015	93.563	Child Support Enforcement	Cash Management
2015-017	17.225	Unemployment Insurance	Special Tests and Provisions - UI Program Integrity - Overpayments
2015-019	96.001	Social Security - Disability Insurance	Reporting
2015-020	96.001	Social Security - Disability Insurance	Period of Performance
2015-024	84.126	Rehabilitation Services_Vocational Rehabilitation Grants to States	Earmarking
2015-026	84.010, 84.367, 84.377, 84.388	Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Cash Management
2015-029	84.377, 84.388	School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Suspension and Debarment
2015-032	84.010	Title I Grants to Local Educational Agencies	Allowable Costs/Cost Principles
2015-033	84.010	Title I Grants to Local	

Our opinion on each major federal program is not modified with respect to these matters.

The State's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plans. The State's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the State is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the's internal control over compliance with the types of requirements that

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, described in the accompanying Schedule of Finding and Questioned Costs as follows, that we consider to be material weaknesses:

<u>Finding #</u>	<u>CFDA#</u>	<u>Program Name</u>	<u>Requirement</u>
2015-007	14.228	Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	Subrecipient Monitoring
2015-008	20.205	Highway Planning and Construction	Suspension and Debarment
2015-009	20.205	Highway Planning and Construction	Subrecipient Monitoring
2015-010	20.205	Highway Planning and Construction	Special Tests and Provisions - Quality Assurance Program
2015-011	20.205	Highway Planning and Construction	Special Tests and Provisions - Wage Rate Requirements
2015-012	20.205	Highway Planning and Construction	Special Tests and Provisions - Value Engineering
2015-013	93.659	Adoption Assistance	Activities Allowed/Unallowed, Allowable Costs/Cost and Eligibility
2015-014	93.563	Child Support Enforcement	Subrecipient Monitoring
2015-015	93.563	Child Support Enforcement	Cash Management
2015-016	17.258, 17.259, 17.278	WIA/WIOA Adult Program, WIA/WIOA Youth Activities, WIA/WIOA Dislocated Worker Formula Grants	Subrecipient Monitoring
2015-018	93.959	Block Grants for Prevention and Treatment of Substance Abuse	Subrecipient Monitoring
2015-019	96.001	Social Security - Disability Insurance	Reporting
2015-020	96.001	Social Security - Disability Insurance	Period of Performance
2015-021	93.558	Temporary Assistance for Needy Families	Activities Allowed/Unallowed, Allowable Costs/Cost Principles, Eligibility

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

<u>Finding #</u>	<u>CFDA#</u>	<u>Program Name</u>	<u>Requirement</u>
2015-022	84.126	Rehabilitation Services_Vocational Rehabilitation Grants to States	Eligibility
2015-023	84.126	Rehabilitation Services_Vocational Rehabilitation Grants to States	Special Tests and Provisions - Completion of IPEs
2015-024	84.126	Rehabilitation Services_Vocational Rehabilitation Grants to States	Earmarking
2015-025	84.126	Rehabilitation Services_Vocational Rehabilitation Grants to States	Period of Performance
2015-026	84.010, 84.367, 84.377, 84.388	Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Cash Management
2015-027	84.010, 84.367, 84.377, 84.388	Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Special Tests and Provisions - Schoolwide Programs
2015-028	84.010, 84.367	Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants	Subrecipient Monitoring
2015-029	84.377, 84.388	School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Suspension and Debarment
2015-030	84.377, 84.388	School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Eligibility, Earmarking
2015-031	84.377, 84.388	School Improvement Grants, ARRA - School Improvement Grants, Recovery Act	Subrecipient Monitoring
2015-032	84.010	Title I Grants to Local Educational Agencies	Allowable Costs/Cost
2015-033	84.010	Title I Grants to Local Educational Agencies	Allowable Costs/Cost
2015-034	84.010	Title I Grants to Local Educational Agencies	Reporting


The State's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plans. The State's response was not subjected to the auditing procedures applied in the audit of compliance and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of , as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated December 23, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.


Paul D. Joyce, CPA
State Examiner

March 23, 2016

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
U.S. Department of Agriculture					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
			300 13-8218-0332-CA	(2,567)	(2,567)
			300 13-8218-0828-CA	32,200	-
			300 14-8218-0332-CA	103,853	97,272
			300 14-8218-0793-CA	32,499	-
			300 14-8218-0828-CA	1,374	-
			300 15-8218-0332-CA	849	-
			300 15-8218-0793-CA	1,783	-
			351 13-9618-1259CA	(26)	-
			351 14-9718-1212CA	147,211	-
			351 14-9718-1259CA	51,994	-
			351 14-9718-1302 CA	75,008	-
			351 15-9718-1212-CA	38,428	-
			351 15-9718-1259-CA	21,306	-
Total For Program - Plant and Animal Disease, Pest Control, and Animal Care				<u>503,912</u>	<u>94,705</u>
Wetlands Reserve Program	10.072				
			300 6652KY05005CW	133,600	-
			300 WREP-6652KY11016QB	94,013	-
Total For Program - Wetlands Reserve Program				<u>227,613</u>	<u>-</u>
Specialty Crop Block Grant Program - Farm Bill	10.170				
			36 12-25-B-0922	800	-
			36 12-25-B-1067	(189)	(189)
			36 12-25-B1227	5,197	5,197
			36 12-25-B-1460	79,215	67,780
			36 12-25-B-1669	208,507	208,507
			36 14-SCBGP-IN-0018	10,038	10,038
Total For Program - Specialty Crop Block Grant Program - Farm Bill				<u>303,568</u>	<u>291,333</u>
Organic Certification Cost Share Programs	10.171				
			36 14-NOCCS-IN-0017	55,447	55,447
Total For Program - Organic Certification Cost Share Programs				<u>55,447</u>	<u>55,447</u>
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475				
			351 14-37-A-310-BASE	419,963	-
			351 14-37-A-310-FAIM	2,603	-
			351 15-37A-310 BASE	990,901	-
			351 ESTIMATE	4,788	-
Total For Program - Cooperative Agreements with States for Intrastate Meat and Poultry Inspection				<u>1,418,255</u>	<u>-</u>
Food Safety Cooperative Agreements	10.479				
			351 14-37-A-104	12,418	-
			351 15-37-A-104	6,972	-
Total For Program - Food Safety Cooperative Agreements				<u>19,390</u>	<u>-</u>
SNAP Cluster					
Supplemental Nutrition Assistance Program	10.551				
			500 62100	429,263,664	-
			500 62100	842,397,598	-
			500 2IN400099	625	-
			500 2IN400099	1,020	-
Total For Program - Supplemental Nutrition Assistance Program				<u>1,271,662,907</u>	<u>-</u>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561				
			500 2IN400099	(56,050)	-
			500 2IN400099	(38,511)	-
			500 2IN400099	73	-
			500 2IN400099	405	-
			500 2IN400099	3,526	-
			500 2IN400099	3,621	-
			500 2IN400099	24,464,910	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
U.S. Department of Agriculture (continued)					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (continued)	10.576		500 2IN400099	27,249,669	-
			500 2IN400201	3,636,493	3,636,493
			500 2IN430126	48,391	-
			500 2IN430126	87,629	-
			500 2IN430126	<u>278,350</u>	<u>-</u>
Total For Program - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				<u>55,678,506</u>	<u>3,636,493</u>
Total for Cluster - SNAP Cluster				<u>1,327,341,413</u>	<u>3,636,493</u>
Child Nutrition Cluster					
School Breakfast Program	10.553		718 2IN300059	<u>72,854,895</u>	<u>72,854,895</u>
Total For Program - School Breakfast Program				<u>72,854,895</u>	<u>72,854,895</u>
National School Lunch Program	10.555		415 2IN300059	5,386	-
			415 2IN300059	17,696	-
			450 2IN300059	4,540	-
			450 2IN300059	48,418	-
			550 2IN300059	24,000	-
			550 2IN300059	82,000	-
			560 2IN300059	14,361	-
			560 2IN300059	142,000	-
			615 2IN300059	10,793	10,793
			615 2IN300059	608,383	-
			718 2IN300059	253,704,389	253,683,014
			718 Non Cash Assistance	<u>37,201,083</u>	<u>37,201,083</u>
Total For Program - National School Lunch Program				<u>291,863,049</u>	<u>290,894,890</u>
Special Milk Program for Children	10.556		718 2IN300259	<u>177,675</u>	<u>177,675</u>
Total For Program - Special Milk Program for Children				<u>177,675</u>	<u>177,675</u>
Summer Food Service Program for Children	10.559		718 2IN300059	(3,364)	-
			718 2IN300059	8,849,175	8,849,175
			718 Non Cash Assistance	<u>46,798</u>	<u>46,798</u>
Total For Program - Summer Food Service Program for Children				<u>8,892,609</u>	<u>8,895,973</u>
Total for Cluster - Child Nutrition Cluster				<u>373,788,228</u>	<u>372,823,433</u>
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		400 61900	6,613,973	-
			400 2IN700002 - 09	3,818,926	-
			400 2IN700002 #5	71,820,729	-
			400 2IN7000020-7	24,020,289	-
			400 2IN700002-5	15,825,546	13,286,353
			400 2IN700012	(51,899)	-
			400 2IN700012	6,988	7,249
			400 2IN700012	577,337	428,916
			400 2IN700012	640,878	-
			400 2IN810001-8	36,912	-
			400 ESTIMATE	<u>14,237,323</u>	<u>-</u>
Total For Program - Special Supplemental Nutrition Program for Women, Infants, and Children				<u>137,547,002</u>	<u>13,722,518</u>
Child and Adult Care Food Program	10.558		718 2IN300059	1,503,352	1,503,352
			718 2IN300059	51,076,064	50,732,827
			718 2IN300060	4,527	-
			718 2IN300068	<u>2,380,945</u>	<u>2,380,945</u>
Total For Program - Child and Adult Care Food Program				<u>54,964,888</u>	<u>54,617,124</u>
State Administrative Expenses for Child Nutrition	10.560		718 2IN300259	23,473	-
			718 2IN300260	<u>4,037,573</u>	<u>-</u>
Total For Program - State Administrative Expenses for Child Nutrition				<u>4,061,046</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Agriculture (continued)</u>					
Food Distribution Cluster					
Commodity Supplemental Food Program	10.565		400 2IN810001	117,576	115,050
			400 2IN810001-9	165,680	-
			400 Non Cash Assistance	899,253	-
Total For Program - Commodity Supplemental Food Program				<u>1,182,509</u>	<u>115,050</u>
Emergency Food Assistance Program (Administrative Costs)	10.568		400 2IN810001	493,124	502,593
			400 ESTIMATE	533,608	492,154
			400 Non Cash Assistance	11,025,449	-
Total For Program - Emergency Food Assistance Program (Administrative Costs)				<u>12,052,181</u>	<u>994,747</u>
Total for Cluster - Food Distribution Cluster				<u>13,234,690</u>	<u>1,109,797</u>
WIC Farmers' Market Nutrition Program (FMNP)	10.572		400 2IN810001	8,862	-
			400 2IN810001	136,109	-
			400 ESTIMATE	19,954	-
Total For Program - WIC Farmers' Market Nutrition Program (FMNP)				<u>164,925</u>	<u>-</u>
Team Nutrition Grants	10.574		718 8IN300114	115,934	-
			718 CNTN-13-IN	103,015	40,264
Total For Program - Team Nutrition Grants				<u>218,949</u>	<u>40,264</u>
Farm to School Grant Program	10.575		400 CN-F2S-SS-14-IN-01	22,599	-
Total For Program - Farm to School Grant Program				<u>22,599</u>	<u>-</u>
Senior Farmers Market Nutrition Program	10.576		400 2IN810001	55,514	-
			400 2IN810001-10	5,605	-
			400 ESTIMATE	1,157	-
Total For Program - Senior Farmers Market Nutrition Program				<u>62,276</u>	<u>-</u>
WIC Grants To States (WGS)	10.578		400 2IN700002	389,377	-
Total For Program - WIC Grants To States (WGS)				<u>389,377</u>	<u>-</u>
Child Nutrition Discretionary Grants Limited Availability	10.579		718 8IN310000	301,850	-
Total For Program - Child Nutrition Discretionary Grants Limited Availability				<u>301,850</u>	<u>-</u>
Fresh Fruit and Vegetable Program	10.582		718 2IN310059	3,025,231	3,025,231
Total For Program - Fresh Fruit and Vegetable Program				<u>3,025,231</u>	<u>3,025,231</u>
Forestry Research	10.652		300 12-JV-11242305-087	56,391	-
Total For Program - Forestry Research				<u>56,391</u>	<u>-</u>
Cooperative Forestry Assistance	10.664		300 10-DG-11420004-195	1,960	-
			300 11-DG-11420004-143	2,619	-
			300 12-DG-11420004-089	13,962	9,053
			300 12-DG-11420004-090	469	-
			300 13-DG-11420004-054	72,748	56,869
			300 13-DG-11420004-55	251,126	49,079
			300 14-01-07	96,777	-
			300 14-DG-11420004-103	204,068	-
			300 14-DG-11420004-104	154,447	154,447
			300 14-DG-11420004-268	1,721	-
Total For Program - Cooperative Forestry Assistance				<u>799,897</u>	<u>269,448</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Agriculture (continued)</u>					
Urban and Community Forestry Program	10.675		300 11-DG-11420004-354	33,588	33,588
Total For Program - Urban and Community Forestry Program				33,588	33,588
Forest Legacy Program	10.676		300 14-DG-11420004-185	560	-
Total For Program - Forest Legacy Program				560	-
Forest Stewardship Program	10.678		300 09-DG-11420004-209	5,778	-
			300 11-DG-11420004-344	31,500	-
			300 13-DG-11420004-063	41,218	-
			300 13-DG-11420004-064	61,914	-
Total For Program - Forest Stewardship Program				140,410	-
Forest Health Protection	10.680		300 09-DG-11420004-365	220	-
			300 14-DG-11420004-233	475	-
			300 14-DG-11420004-234	10,576	-
			300 14-DG-11420004-250	7,361	-
			300 14-DG-11420004-255	2,305	-
Total For Program - Forest Health Protection				20,937	-
Wood Education and Resource Center (WERC)	10.681		300 10-DG-11420004-158	4,836	-
Total For Program - Wood Education and Resource Center (WERC)				4,836	-
Soil and Water Conservation	10.902		300 68-52KY-14-002	121,545	-
Total For Program - Soil and Water Conservation				121,545	-
Environmental Quality Incentives Program	10.912		36 69-3A75-12-254	8,500	8,500
Total For Program - Environmental Quality Incentives Program				8,500	8,500
Agricultural Management Assistance	10.917		36 69-3A75-10-129	332,648	-
Total For Program - Agricultural Management Assistance				332,648	-
Total - U.S. Department of Agriculture				1,919,169,971	449,727,881
<u>U.S. Department of Commerce</u>					
Coastal Zone Management Administration Awards	11.419		300 NA11NOS4190094	177,003	135,786
			300 NA12NOS4190092	158,388	108,009
			300 NA13NOS4190046	196,985	167,550
			300 NA13NOS4190169	1,500	-
			300 NA14NOS4190080	208,204	44,713
Total For Program - Coastal Zone Management Administration Awards				742,080	456,058
State and Local Implementation Grant Program	11.549		286 18-10-S13018	119,650	-
Total For Program - State and Local Implementation Grant Program				119,650	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Commerce (continued)</u>					
State Broadband Data and Development Grant Program	11.558		67 18-5-m09003	393,506	-
Total For Program - State Broadband Data and Development Grant Program				393,506	-
Total - U.S. Department of Commerce				1,255,236	456,058
<u>U.S. Department of Defense</u>					
Procurement Technical Assistance For Business Firms	12.002		38 SP4800-14-2-1499	252,040	-
Total For Program - Procurement Technical Assistance For Business Firms				252,040	-
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113				
			495 W912DY-12-2-0216	31,336	-
			495 W912DY-14-2-0216	93,603	-
Total For Program - State Memorandum of Agreement Program for the Reimbursement of Technical Services				124,939	-
Military Construction, National Guard	12.400				
			110 W912L9-10-2-2002	790,436	-
			110 W912L9-10-2-2003	1,485,259	-
			110 W912L9-11-2-2001	852	-
			110 W912L9-11-2-2002	4,867,147	-
			110 W912L9-11-2-2003	6,434,791	-
			110 W912L9-11-2-2004	16,328,212	-
			110 W912L9-11-2-2006	1,383,585	-
			110 W912L9-11-2-2007	1,780,467	-
Total For Program - Military Construction, National Guard				33,070,749	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401				
			110 60900	16,248	-
			110 60900	19,477	-
			110 60900	22,586	-
			110 60900	52,760	-
			110 W912L9-08-2-2001	8	-
			110 W912L91021001	1,018,728	-
			110 W912L91021005	15,581	-
			110 W912L91021007	(4,224)	-
			110 W912L9-11-2-1001	(1,544,068)	-
			110 W912L9-11-2-1003	461	-
			110 W912L9-11-2-1007	48,733	-
			110 W912L9-12-2-1001	(19,199)	-
			110 W912L9-12-2-1002	3,044	-
			110 W912L9-12-2-1007	(6,347)	-
			110 W912L9-13-2-1001	51,014	-
			110 W912L9-13-2-1002	102,847	-
			110 W912L9-13-2-1004	2,832	-
			110 W912L9-13-2-1005	6,796	-
			110 W912L9-13-2-1023T	172	-
			110 W912L9-14-2-1001	7,587,045	-
			110 W912L9-14-2-1002	364,496	-
			110 W912L9-14-2-1003	687,789	-
			110 W912L9-14-2-1004	92,594	-
			110 W912L9-14-2-1005	678,442	-
			110 W912L9-14-2-1007	1,294,858	-
			110 W912L9-14-2-1010	21,597	-
			110 W912L9-14-2-1021F	369,170	-
			110 W912L9-14-2-1021T	362,743	-
			110 W912L9-14-2-1023F	171,366	-
			110 W912L9-14-2-1023T	180,186	-
			110 W912L9-14-2-1024F	408,500	-
			110 W912L9-14-2-1040	192,921	-
			110 W912L9-15-2-1001	12,210,353	-
			110 W912L9-15-2-1002	672,146	-
			110 W912L9-15-2-1003	1,577,563	-
			110 W912L9-15-2-1004	21,553	-
			110 W912L9-15-2-1005	1,490,306	-
			110 W912L9-15-2-1007	812,160	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Defense (continued)</u>					
National Guard Military Operations and Maintenance (O&M) Projects (continued)	12.401				
			110 W912L9-15-2-1010	50,291	-
			110 W912L9-15-2-1021F	834,056	-
			110 W912L9-15-2-1021T	861,455	-
			110 W912L9-15-2-1023F	127,887	-
			110 W912L9-15-2-1023T	389,637	-
			110 W912L9-15-2-1024F	300,242	-
			110 W912L9-15-2-1040	<u>101,380</u>	<u>-</u>
Total For Program - National Guard Military Operations and Maintenance (O&M) Projects				<u>31,648,185</u>	<u>-</u>
National Guard ChalleNGe Program	12.404				
			110 W912L9-10-2-4000	(1,283)	-
			110 W912L9-11-2-4000	1,009	-
			110 W912L9-12-2-4001	70	-
			110 W912L9-13-2-4001	172,963	-
			110 W912L9-13-2-4002	(18,677)	-
			110 W912L9-14-2-4001	2,562,369	-
			110 W912L9-14-2-4002	108,957	-
			110 W912L9-15-2-4002	<u>324,164</u>	<u>-</u>
Total For Program - National Guard ChalleNGe Program				<u>3,149,572</u>	<u>-</u>
Total - U.S. Department of Defense				<u>68,245,485</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228				
			38 B-05-DC-180001	349	349
			38 B-06-DC-18-0001	7,110	1,750
			38 B-07-DC-18-0001	19,117	925
			38 B-08-DC-18-0001	241,229	233,729
			38 B-08-DF-18-0001	5,564,695	5,512,840
			38 B-08-DI-18-0001	9,944,479	9,579,360
			38 B-09-DC-18-0001	70	-
			38 B-10-DC-18-0001	63,640	36,110
			38 B-11-DC-18-0001	1,348,257	1,290,895
			38 B-12-DC-18-0001	7,402,670	7,047,562
			38 B-13-DC-18-0001	8,162,847	8,162,847
			38 B-14-DC-18-0001	143,652	143,652
			67 B-08-DI-18-0001	1,263,588	-
			300 B-08-DI-18-0001	477,302	-
			385 B-08-DI-18-0001	<u>498,300</u>	<u>-</u>
Total For Program - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				<u>35,137,305</u>	<u>32,010,019</u>
Fair Housing Assistance Program_State and Local	14.401				
			258 6FPSP0004	15,294	-
			258 FF205K 5008	541,461	-
			258 FF205K055008	277	-
			258 FF205K065008	308	-
			258 FF205K135008	176,077	-
			258 IFF205K075008	<u>3,288</u>	<u>-</u>
Total For Program - Fair Housing Assistance Program_State and Local				<u>736,705</u>	<u>-</u>
Total - U.S. Department of Housing and Urban Development				<u>35,874,010</u>	<u>32,010,019</u>
<u>U.S. Department of the Interior</u>					
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250				
			300 S14AP20003	542,324	-
			300 S15AP20002	<u>946,822</u>	<u>-</u>
Total For Program - Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining				<u>1,489,146</u>	<u>-</u>
Abandoned Mine Land Reclamation (AMLR) Program	15.252				
			300 GR207180	290,288	76,434
			300 S13AF20006	2,357,947	1,134
			300 S14AF20003	2,569,105	182,470
			300 S15AF20018	<u>312,915</u>	<u>6,442</u>
Total For Program - Abandoned Mine Land Reclamation (AMLR) Program				<u>5,530,255</u>	<u>266,480</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of the Interior (Continued)</u>					
Fish and Wildlife Cluster					
Sport Fish Restoration Program					
	15.605		300 F12AF00416	24,023	-
			300 F12AF00418	5,211	-
			300 F13A01221	39,736	39,736
			300 F13AF00474	40,679	40,679
			300 F13AF00475	45,773	45,773
			300 F13AF00527	88,289	-
			300 F14AA00347 SFR	49,236	-
			300 F14AF00052	544,500	544,500
			300 F14AF00059	813,546	27,078
			300 F14AF00106	760,349	-
			300 F14AF00256	884,067	-
			300 F14AF00344	198,547	-
			300 F14AF00346	46,599	46,599
			300 F15AF00095	624,409	19,376
			300 F15AF00253	251,963	-
Total For Program - Sport Fish Restoration Program				<u>4,416,927</u>	<u>763,741</u>
Wildlife Restoration and Basic Hunter Education					
	15.611		300 ESTIMATE	90,467	-
			300 F11AF01054	39,745	39,745
			300 F12AF00280	147,253	147,253
			300 F12AF00455	364,493	-
			300 F12AF00601	93,263	-
			300 F13AF00112	18,887	-
			300 F13AF00283	5,616	-
			300 F13AF00284	2,500	-
			300 F13AF00285	800	-
			300 F13AF00307	4,325	-
			300 F13AF00526	406,211	-
			300 F13AF00586	135,043	-
			300 F13AF01023	738,221	-
			300 F13AF01148	4,650	-
			300 F14AA00347 WR	49,236	-
			300 F14AF00186	101,450	-
			300 F14AF00187	262,654	-
			300 F14AF00298	1,240,000	-
			300 F14AF00299	800,000	-
			300 F14AF00344	132,365	-
			300 F14AF00351	90,467	-
			300 F14AF00460	225,213	-
			300 F14AF00461	3,705,984	-
			300 F14AF00511	7,875	-
			300 F14AF00513	83,087	-
			300 F14AF00802	155,000	-
			300 F15AF00073	22,480	-
			300 F15AF00151	3,346,153	-
			300 F15AF00152	2,631,000	-
			300 F15AF00281	73,500	-
			300 F15AF00433	256,000	-
			300 W26R37	43,303	43,303
			300 W-43-D-1	14,702	-
Total For Program - Wildlife Restoration and Basic Hunter Education				<u>15,291,943</u>	<u>230,301</u>
Total for Cluster - Fish and Wildlife Cluster				<u>19,708,870</u>	<u>994,042</u>
Fish and Wildlife Management Assistance					
	15.608		300 30181AG075	112,119	-
			300 F10AP00061	7,500	-
Total For Program - Fish and Wildlife Management Assistance				<u>119,619</u>	<u>-</u>
Cooperative Endangered Species Conservation Fund					
	15.615		300 E-13-R-1	34,628	18,517
			300 F11AP00868	479,175	-
			300 F12AP00840	11,898	-
			300 F13AP00681	305	305
			300 F14AP00722	737	737
Total For Program - Cooperative Endangered Species Conservation Fund				<u>526,743</u>	<u>19,559</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
U.S. Department of the Interior (Continued)					
Clean Vessel Act Program	15.616		495 CV-1-15	40,367	-
			495 F11AP00757	57,497	-
			495 F13AP00677	55,145	-
			495 F13AP00929	6,043	-
			495 F13AP00930	40,352	-
			495 F13AP00931	1,111	-
			495 F13AP00932	2,733	-
Total For Program - Clean Vessel Act Program				<u>203,248</u>	-
Sportfishing and Boating Safety Act	15.622		300 F12AP00625	388,227	-
			495 F13AP00040	54,000	-
			495 FY13AP00039	90,000	-
Total For Program - Sportfishing and Boating Safety Act				<u>532,227</u>	-
Enhanced Hunter Education and Safety Program	15.626		300 F12AF00711	29,373	-
			300 F14AF01195	12,652	-
Total For Program - Enhanced Hunter Education and Safety Program				<u>42,025</u>	-
State Wildlife Grants	15.634		300 F12AF01113	120,628	-
			300 F13AF00182	175,516	-
			300 F13AF00183	95,355	-
			300 F13AF00575	69,987	69,987
			300 F14AF00133	52,886	52,886
			300 F14AF00246	45,963	45,963
			300 F14FA00899	21,818	21,818
			300 F15AF00100	59,579	-
			300 T-7-R-11	93,417	93,417
			300 T-7-R-12	8,720	8,720
			300 T7R13	34,623	34,623
			300 T-7-R-7	62,134	62,134
Total For Program - State Wildlife Grants				<u>840,626</u>	<u>389,548</u>
Research Grants (Generic)	15.650		300 F12AP01055	17,708	-
Total For Program - Research Grants (Generic)				<u>17,708</u>	-
Endangered Species Conservation Recovery Implementation Funds	15.657		300 300FW1S1TW04000	167	167
			300 F14AP00768	16,404	14,844
Total For Program - Endangered Species Conservation Recovery Implementation Funds				<u>16,571</u>	<u>15,011</u>
Great Lakes Restoration	15.662		300 0501.12.032029	20,209	-
			300 F12AC00678	41,031	-
			300 F12AC01497	91,973	-
			300 F13AP00700	222,567	-
			300 F13AP00702	109,350	-
Total For Program - Great Lakes Restoration				<u>485,130</u>	-
Historic Preservation Fund Grants-In-Aid	15.904		22 SHPO-2013-HPF	1,998	-
			300 P14AF00047	575,959	258,863
			300 P15FOS0075	54,392	-
			300 SHPO-2013-HPF	234,791	218,961
Total For Program - Historic Preservation Fund Grants-In-Aid				<u>867,140</u>	<u>477,824</u>
Outdoor Recreation_Acquisition, Development and Planning	15.916		300 18-00574	39,963	39,963
			300 18-00577	19,955	19,955
			300 18-00578 (MWR-P/G)	172,512	172,512

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of the Interior (Continued)</u>					
Outdoor Recreation_Acquisition, Development and Planning (continued)	16.523				
			300 18-00579	43,732	43,732
			300 18-00580	58,250	58,250
			300 18-00581	120,483	120,483
			300 18-00582 P13AP00247	200,000	200,000
			300 18-00583 P13AP00192	38,670	-
			300 18-00585	39,670	39,670
			300 18-00588	14,950	14,950
Total For Program - Outdoor Recreation_Acquisition, Development and Planning				748,185	709,515
Save America's Treasures	15.929				
			300 18-10-AP-5010	14,537	9,150
Total For Program - Save America's Treasures				14,537	9,150
Total - U.S. Department of the Interior				31,142,030	2,881,129
<u>U.S. Department of Justice</u>					
Sexual Assault Services Formula Program	16.017				
			32 2012-KF-AX-0033	147,637	140,550
			32 2013-KF-AX-0057	44,430	29,418
			32 2014-KF-AX-0047	12,318	-
Total For Program - Sexual Assault Services Formula Program				204,385	169,968
Juvenile Accountability Block Grants	16.523				
			32 2009-JB-FX-0066	45,579	45,530
			32 2010-JB-FX-0086	117,024	117,022
			32 2011-JB-FX-0017	41,820	27,986
			32 2013-JB-FX-0008	937	-
			100 2011-JB-FX-0017	12,180	12,180
			615 2009-JB-FX-0066	11,000	-
Total For Program - Juvenile Accountability Block Grants				228,540	202,718
Enhanced Training and Services to End Violence and Abuse of Women Later in Life	16.528				
			22 2014-EW-AX-K0101	37,890	-
Total For Program - Enhanced Training and Services to End Violence and Abuse of Women Later in Life				37,890	-
Juvenile Justice and Delinquency Prevention_Allocation to States	16.540				
			32 2005-JF-FX-0020	(698)	-
			32 2011-JF-FX-0009	(20,872)	(5,552)
			32 2012-JF-FX-0003	33,019	32,063
			32 2013-MU-FX-0020	254,372	228,593
Total For Program - Juvenile Justice and Delinquency Prevention_Allocation to States				265,821	255,104
Missing Children's Assistance	16.543				
			22 IN10911-14-1014-S	40,000	-
			100 2011-MC-CX-K005	308,462	129,400
Total For Program - Missing Children's Assistance				348,462	129,400
Title V_Delinquency Prevention Program	16.548				
			32 2010-JP-FX-0043	10,022	10,022
Total For Program - Title V_Delinquency Prevention Program				10,022	10,022
Public Safety Officers' Benefits Program	16.571				
			22 2013-DG-BX-K011	486,002	-
Total For Program - Public Safety Officers' Benefits Program				486,002	-
Crime Victim Assistance	16.575				
			32 2008-VA-GX-0031	(268)	(41)
			32 2011-VA-GX-0039	149,033	134,896
			32 2012-VA-GX-0017	327,148	336,702

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Justice (continued)</u>					
Crime Victim Assistance (continued)	16.593				
			32 2013-VA-GX-0036	4,313,564	4,181,381
			32 2014-VA-GX-0062	3,486,559	3,173,448
			46 2013-VA-GX-0036	7,335	-
			46 2014-VA-GX-0062	<u>25,200</u>	<u>-</u>
Total For Program - Crime Victim Assistance				<u>8,308,571</u>	<u>7,826,386</u>
Crime Victim Compensation	16.576				
			32 2010-VC-GX-0010	(98)	(98)
			32 2012-VC-GX-0035	45,586	-
			32 2013-VC-GX-0031	273,701	242,450
			32 2014-VC-GX-0054	<u>1,926,153</u>	<u>1,925,652</u>
Total For Program - Crime Victim Compensation				<u>2,245,342</u>	<u>2,168,004</u>
Drug Court Discretionary Grant Program	16.585				
			22 2010-DC-BX-0123	213,631	-
			26 2013-DC-BX-0018	<u>25,531</u>	<u>-</u>
Total For Program - Drug Court Discretionary Grant Program				<u>239,162</u>	<u>-</u>
Violence Against Women Formula Grants	16.588				
			22 2013-WF-AX-0047	62,959	-
			22 2014-WF-AX-0005	20,786	-
			32 2011-WF-AX-0010	14,173	14,173
			32 2012-WF-AX-0035	59,248	50,361
			32 2013-WF-AX-0047	780,391	575,701
			32 2014-WF-AX-0005	<u>1,365,960</u>	<u>1,315,716</u>
Total For Program - Violence Against Women Formula Grants				<u>2,303,517</u>	<u>1,955,951</u>
Residential Substance Abuse Treatment for State Prisoners	16.593				
			32 2011-RT-BX-0062	83	-
			32 2012-RT-BX-0053	300	-
			32 2013-RT-BX-0028	<u>139,339</u>	<u>137,054</u>
Total For Program - Residential Substance Abuse Treatment for State Prisoners				<u>139,722</u>	<u>137,054</u>
State Criminal Alien Assistance Program	16.606				
			615 2009-G7115-IN-AP	182,943	-
			615 2011-AP-BX-0144	53,077	-
			615 2012-AP-BX-0031	<u>176,032</u>	<u>-</u>
Total For Program - State Criminal Alien Assistance Program				<u>412,052</u>	<u>-</u>
Project Safe Neighborhoods	16.609				
			32 2014-GP-BX-0002	<u>861</u>	<u>861</u>
Total For Program - Project Safe Neighborhoods				<u>861</u>	<u>861</u>
Public Safety Partnership and Community Policing Grants	16.710				
			32 2007CKWXK017	43,374	43,374
			100 2007CKWX0298	256,929	-
			100 2009CSWX0010	17,619	-
			100 2014AMWX0005	<u>102,345</u>	<u>-</u>
Total For Program - Public Safety Partnership and Community Policing Grants				<u>420,267</u>	<u>43,374</u>
Enforcing Underage Drinking Laws Program	16.727				
			32 2011-AH-FX-0027	<u>22,869</u>	<u>14,869</u>
Total For Program - Enforcing Underage Drinking Laws Program				<u>22,869</u>	<u>14,869</u>
PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities	16.735				
			615 2012-RP-BX-0011	<u>1,782</u>	<u>-</u>
Total For Program - PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities				<u>1,782</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738				
			26 2012-DJ-BX-0765	65,630	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Justice (continued)</u>					
Edward Byrne Memorial Justice Assistance Grant Program (continued)	16.741				
			26 2013-DJ-BX-0039	26,901	26,901
			32 2010-DJ-BX-0254	25,648	12,261
			32 2011-DJ-BX-2622	525,489	206,861
			32 2012-DJ-BX-0765	588,690	304,196
			32 2013-DJ-BX-0039	990,968	970,679
			32 2014-DJ-BX-1191	127,596	127,596
			100 2012-DJ-BX-0765	41,325	-
			100 2013-DJ-BX-0039	231,870	-
			100 2014-DJ-BX-1191	327,463	-
			103 2012-DJ-BX-0765	42,000	-
			103 2014-DJ-BX-1191	135,000	-
			115 2013-DJ-BX-0039	7,630	-
			300 2012-DJ-BX-0765	197,620	-
			610 2013-DJ-BX-0039	14,894	-
			610 2014-DJ-BX-1191	5,715	-
Total For Program - Edward Byrne Memorial Justice Assistance Grant Program				<u>3,354,439</u>	<u>1,648,494</u>
Statewide Automated Victim Information Notification (SAVIN) Program	16.740				
			615 2009-vn-cx-0015	38,850	-
			615 2011-VN-CX-0010	242,218	-
Total For Program - Statewide Automated Victim Information Notification (SAVIN) Program				<u>281,068</u>	<u>-</u>
DNA Backlog Reduction Program	16.741				
			100 2013-DN-BX-0007	166,966	-
			100 2014-DN-BX-0046	46,246	-
Total For Program - DNA Backlog Reduction Program				<u>213,212</u>	<u>-</u>
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742				
			32 2013-CD-BX-0031	10,880	-
			100 2013-CD-BX-0031	23,048	-
Total For Program - Paul Coverdell Forensic Sciences Improvement Grant Program				<u>33,928</u>	<u>-</u>
Support for Adam Walsh Act Implementation Grant Program	16.750				
			615 2009-AW-BX-0020	46,619	-
			615 2010-AW-BX-0048	34,384	-
			615 2012-AW-BX-0052	4,188	-
Total For Program - Support for Adam Walsh Act Implementation Grant Program				<u>85,191</u>	<u>-</u>
Harold Rogers Prescription Drug Monitoring Program	16.754				
			250 2012-PM-BX-0009	157,676	-
Total For Program - Harold Rogers Prescription Drug Monitoring Program				<u>157,676</u>	<u>-</u>
Recovery Act - State Victim Compensation Formula Grant Program	16.802				
			32 2011-VC-GX-0052	14,148	-
Total For Program - Recovery Act - State Victim Compensation Formula Grant Program				<u>14,148</u>	<u>-</u>
Second Chance Act Reentry Initiative	16.812				
			615 2011-RN-BX-0003	114,230	-
			615 2012-CZ-BX-0004	(95)	-
			615 2013-CZ-BX-0022	109,224	-
			615 2014-CZ-BX-0006	20,968	-
Total For Program - Second Chance Act Reentry Initiative				<u>244,327</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Justice (continued)</u>					
NICS Act Record Improvement Program	16.813		22 2012-MU-MU-K012	107,166	-
			32 2013-NS-BX-K013	74,689	-
			100 2013-NS-BX-K013	<u>567,206</u>	<u>-</u>
Total For Program - NICS Act Record Improvement Program				<u>749,061</u>	<u>-</u>
2014 Marijuana Education	16.UNKNOWN		100 2014-72	<u>408,702</u>	<u>-</u>
Total For Program - 2014 Marijuana Education				<u>408,702</u>	<u>-</u>
2015 Marijuana EducatioN	16.UNKNOWN		100 2015-73	<u>73,890</u>	<u>-</u>
Total For Program - 2015 Marijuana Education				<u>73,890</u>	<u>-</u>
Total - U.S. Department of Justice				<u>21,290,909</u>	<u>14,562,205</u>
<u>U.S. Department of Labor</u>					
Labor Force Statistics	17.002		510 LM-24281-14-75-J-18	411,774	-
			510 LM-25630-15-75-J-18	843,781	-
			510 W9J38018	<u>190</u>	<u>-</u>
Total For Program - Labor Force Statistics				<u>1,255,745</u>	<u>-</u>
Compensation and Working Conditions	17.005		225 OS-24314-14-75-J-18	29,990	-
			225 OS-25663-15-75-J-18	<u>73,216</u>	<u>-</u>
Total For Program - Compensation and Working Conditions				<u>103,206</u>	<u>-</u>
<u>Employment Service Cluster</u>					
Employment Service/Wagner-Peyser Funded Activities	17.207		510 DI-23800-12-75-A-18	734,942	629,619
			510 ES-22063-11-55-A-18	10,752	-
			510 ES-22995-12-55-A-18	488,362	69,819
			510 ES-24614-13-55-A-18	2,446,775	117,154
			510 ES-26018-14-55-A-18	<u>13,434,467</u>	<u>992,832</u>
Total For Program - Employment Service/Wagner-Peyser Funded Activities				<u>17,115,298</u>	<u>1,809,424</u>
Disabled Veterans' Outreach Program (DVOP)	17.801		510 DV-19650-10-55-5-18	903,362	3,000
			510 DV-26636-15-55-5-18	815,403	59,351
			510 DV-26636-15-55-5-18	<u>886,609</u>	<u>69,499</u>
Total For Program - Disabled Veterans' Outreach Program (DVOP)				<u>2,605,374</u>	<u>131,850</u>
Local Veterans' Employment Representative Program	17.804		510 DV-19650-10-55-5-18	<u>762,382</u>	<u>2,665</u>
Total For Program - Local Veterans' Employment Representative Program				<u>762,382</u>	<u>2,665</u>
Total for Cluster - Employment Service Cluster				<u>20,483,054</u>	<u>1,943,939</u>
Unemployment Insurance	17.225		510 UI-22275-12-55-A-18	44,756	(5,264)
			510 UI-23890-13-55-A-18	1,227,874	-
			510 UI-25202-14-55-A-18	18,800,934	59,384
			510 UI-26394-14-60-A-18	334,078	-
			510 UI26533-15-55-A-18	33,084,002	359,261
			8510 ESTIMATE	<u>403,601,292</u>	<u>-</u>
Total For Program - Unemployment Insurance				<u>457,092,936</u>	<u>413,381</u>
Senior Community Service Employment Program	17.235		498 AD-24148-13-55-A-18	217,625	216,495
			498 AD-25545-14-55-A-18	<u>1,970,902</u>	<u>1,953,818</u>
Total For Program - Senior Community Service Employment Program				<u>2,188,527</u>	<u>2,170,313</u>
Trade Adjustment Assistance	17.245				

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Labor (continued)</u>					
Trade Adjustment Assistance (continued)	17.278				
			510 TA-22655-12-55-A-18	898,586	(472)
			510 TA-24341-13-55-A-18	2,815,988	47,769
Total For Program - Trade Adjustment Assistance				<u>3,714,574</u>	<u>47,297</u>
<u>WIA Cluster</u>					
WIA/WIOA Adult Program	17.258				
			510 AA-22934-12-55-A-18	242,004	25,876
			510 AA-24091-13-55-A-18	8,221,448	8,048,340
			510 AA-25352-14-55-A-18	10,014,397	9,150,830
Total For Program - WIA/WIOA Adult Program				<u>18,477,849</u>	<u>17,225,046</u>
WIA/WIOA Youth Activities	17.259				
			510 AA-22934-12-55-A-18	61,587	23,373
			510 AA-24091-13-55-A-18	7,271,006	7,048,650
			510 AA-25352-14-55-A-18	8,613,431	7,978,504
			700 AA-25352-14-55-A-18	524,258	-
Total For Program - WIA Youth Activities				<u>16,470,282</u>	<u>15,050,527</u>
WIA/WIOA Dislocated Worker Formula Grants	17.278				
			510 AA-21394-11-55-A-18	50,282	(8,109)
			510 AA-22934-12-55-A-18	261,479	154,925
			510 AA-24091-13-55-A-18	7,704,523	7,212,976
			510 AA-25352-14-55-A-18	11,486,102	10,059,042
Total For Program - WIA Dislocated Worker Formula Grants				<u>19,502,386</u>	<u>17,418,834</u>
Total for Cluster - WIA Cluster				<u>54,450,517</u>	<u>49,694,407</u>
WIA/WIOA Pilots, Demonstrations, and Research Projects	17.261				
			510 MI-25894-14-60-A-18	77,804	-
Total For Program - WIA Pilots, Demonstrations, and Research Projects				<u>77,804</u>	<u>-</u>
Incentive Grants - WIA Section 503	17.267				
			510 PI-25820-14-55-A-18	21,404	17,350
Total For Program - Incentive Grants - WIA Section 503				<u>21,404</u>	<u>17,350</u>
Work Opportunity Tax Credit Program (WOTC)	17.271				
			510 ES-22063-11-55-A-18	1,246	-
			510 ES-24614-13-55-A-18	287,488	-
			510 ES-26018-14-55-A-18	221,658	-
Total For Program - Work Opportunity Tax Credit Program (WOTC)				<u>510,392</u>	<u>-</u>
Temporary Labor Certification for Foreign Workers	17.273				
			510 ES-22995-12-55-A-18	29,326	-
			510 FL-25441-14-55-a-18	56,865	-
Total For Program - Temporary Labor Certification for Foreign Workers				<u>86,191</u>	<u>-</u>
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277				
			510 EM-24453-13-60-A-18	737,043	736,713
Total For Program - Workforce Investment Act (WIA) National Emergency Grants				<u>737,043</u>	<u>736,713</u>
WIA/WIOA Dislocated Worker National Reserve Demonstration Grants	17.280				
			510 MI-23351-12-60-A-18	18,891	-
Total For Program - Workforce Investment Act (WIA) Dislocated Worker National Reserve Demonstration Grants				<u>18,891</u>	<u>-</u>
WIA/WIOA Dislocated Worker National Reserve Technical Assistance and Training	17.281				
			510 AA-24091-13-55-A-18	8,301	-
Total For Program - Workforce Investment Act (WIA) Dislocated Worker National Reserve Technical Assistance and Training				<u>8,301</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Labor (continued)</u>					
Occupational Safety and Health_State Program	17.503		225 SP-24803-SP4	607,122	-
			225 SP-26118-SP5	1,274,367	-
Total For Program - Occupational Safety and Health_State Program				1,881,489	-
Consultation Agreements	17.504		225 CS-24759-CS4	(1)	-
			225 CS-26074-CS5	576,231	-
Total For Program - Consultation Agreements				576,230	-
OSHA Data Initiative	17.505		225 DC19545DCO	95,356	-
Total For Program - OSHA Data Initiative				95,356	-
Total - U.S. Department of Labor				543,301,660	55,023,400
<u>U.S. Department of Transportation</u>					
Airport Improvement Program	20.106		800 03-18-0000-012-2014	162,675	-
Total For Program - Airport Improvement Program				162,675	-
Highway Planning and Construction Cluster					
Highway Planning and Construction	20.205		100 various	4,634	-
			100 various	4,634	-
			300 Estimated \$	51,615	-
			300 N4510.770	329,887	-
			300 various	18,884	-
			400 various	93,176	74,695
			400 various	102,317	-
			800 Estimated \$	(1,522,646)	-
			800 Estimated \$	5,582,598	-
			800 Estimated \$	9,345,081	-
			800 estimated \$	13,957,117	-
			800 Estimated \$	40,423,943	32,709,757
			800 N 4510.705	(62,710)	-
			800 N4510.770	412,232,336	31,500,804
			800 N4510.774	436,648,812	8,053,835
			800 NHTSA	191,151	-
			800 RTA-000-1661	65,719,783	2,669,879
			800 various	20,343,468	-
			800 various	123,264,551	20,559,681
Total For Program - Highway Planning and Construction				1,126,728,631	95,568,651
Recreational Trails Program	20.219		300 ESTIMATE	560	560
			300 ESTIMATE	8,999	8,999
			300 FT10(010)	81,702	81,702
			300 RT06(001)	493	-
			300 RT08(004)	31,600	31,600
			300 RT09(001)	171,525	-
			300 RT09(003)	119,953	119,953
			300 RT09(005)	16,838	16,838
			300 RT09(006)	12,858	12,858
			300 RT09(007)	24,843	24,843
			300 RT10(002)	8,775	-
			300 RT10(004)	29,844	-
			300 RT10(005)	5,146	-
			300 RT10(007)	660	660
			300 RT11(001)	(8,535)	-
			300 RT11(002)	3,200	-
			300 RT11(003)	166,389	-
			300 RT11(004)	(602)	-
			300 RT11(005)	82,000	82,000
			300 RT11(006)	4,588	4,588
			300 RT11(009)	1,920	1,920
			300 RT11(010)	130,533	130,533
			300 RT12(001)	71,058	-
			300 RT12(002)	144,170	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Transportation (continued)</u>					
Recreational Trails Program (continued)	20.219				
			300 RT12(003)	2,592	2,592
			300 RT12(004)	17,764	17,764
			300 RT12(005)	140,000	140,000
			300 RT12(007)	304	304
			300 RT13(001)	688	-
			300 RT13(002)	30,559	-
			300 RT13(003)	23,696	-
			300 RT13(004)	13,599	13,599
			300 RT13(007)	4,800	4,800
			300 RT13(008)	1,308	1,308
Total For Program - Recreational Trails Program				<u>1,343,827</u>	<u>697,421</u>
Total for Cluster - Highway Planning and Construction Cluster				<u>1,128,072,458</u>	<u>96,266,072</u>
National Motor Carrier Safety	20.218				
			100 FM-MCG-0207-14-01	2,891,328	-
			100 FM-MCG-0226-15-01-00	847,880	-
			100 FM-MHP-0121-13-01-01	42,118	-
			100 FM-MHP-0168-14-01-00	892,120	-
			100 FM-MNE-0135-13-01	188,991	-
			100 FM-MNE-0175-14-01-01	605,071	-
			100 FM-SAD-0020-12-01-00	19,055	-
Total For Program - National Motor Carrier Safety				<u>5,486,563</u>	<u>-</u>
Commercial Driver's License Program Improvement Grant	20.232				
			22 FM-CDL-0048-11-01-00	77,435	-
			22 FM-CDL-0060-12-01-00	14,315	-
			22 FM-CDL-0136-13-01-00	120,125	-
			235 FM-CDL-0136-13-01-00	214,331	-
Total For Program - Commercial Driver's License Program Improvement Grant				<u>426,206</u>	<u>-</u>
Commercial Vehicle Information Systems and Networks	20.237				
			90 FM-CVN-0008-11-01-00	34,000	-
			90 FM-CVN-0056-13-01-00	4,489	-
			90 FM-CVN-0083-14-01-00	170,263	-
			90 IT061801G00000	12,616	-
Total For Program - Commercial Vehicle Information Systems and Networks				<u>221,368</u>	<u>-</u>
High-Speed Rail Corridors and Intercity Passenger Rail Service Capital Assistance Grants	20.319				
			800 FR-HSR-0122-12-01-00	15,211,734	-
Total For Program - High-Speed Rail Corridors and Intercity Passenger Rail Service Capital Assistance Grants				<u>15,211,734</u>	<u>-</u>
Rail Line Relocation and Improvement	20.320				
			800 FR-LRI-0048-13-01-00	1,191,423	-
			800 FR-LRI-0061-14-01-00	259,784	-
Total For Program - Rail Line Relocation and Improvement				<u>1,451,207</u>	<u>-</u>
<u>Federal Transit Cluster</u>					
Federal Transit_Capital Investment Grants	20.500		800 estimated \$	554,647	554,647
Total For Program - Federal Transit_Capital Investment Grants				<u>554,647</u>	<u>554,647</u>
Federal Transit_Formula Grants	20.507				
			800 IN-95-X028-00	1,108,000	1,108,000
Total For Program - Federal Transit_Formula Grants				<u>1,108,000</u>	<u>1,108,000</u>
Bus and Bus Facilities Formula Program	20.526		800 IN-34-0005-00	2,593,420	2,593,420
Total For Program - Bus and Bus Facilities Formula Program				<u>2,593,420</u>	<u>2,593,420</u>
Total for Cluster - Federal Transit Cluster				<u>4,256,067</u>	<u>4,256,067</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
U.S. Department of Transportation (continued)					
Formula Grants for Rural Areas	20.509		800 IN-18-X030-00	549,980	359,228
			800 IN-18-X032-00	11,308,243	10,927,827
			800 IN-18-X033-00	3,771,603	3,771,603
			800 IN-86-X001	<u>2,943,574</u>	<u>2,943,574</u>
Total For Program - Formula Grants for Rural Areas				<u>18,573,400</u>	<u>18,002,232</u>
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513		800 IN-16-X005-00	259,113	-
			800 IN-16-X006-00	255,839	68,800
			800 IN-16-X010-00	<u>1,299,650</u>	<u>-</u>
Total For Program - Enhanced Mobility of Seniors and Individuals with Disabilities				<u>1,814,602</u>	<u>68,800</u>
Job Access And Reverse Commute Program	20.516				
			800 IN-37-X107-00	16,134	16,134
			800 IN-37-X109-00	<u>104,814</u>	<u>104,814</u>
Total For Program - Job Access And Reverse Commute Program				<u>120,948</u>	<u>120,948</u>
New Freedom Program	20.521				
			800 IN-57-X063-00	102,297	102,297
			800 IN-57-X064-00	<u>63,776</u>	<u>63,779</u>
Total For Program - New Freedom Program				<u>166,073</u>	<u>166,076</u>
Total for Cluster - Transit Services Programs Cluster				<u>2,101,623</u>	<u>355,824</u>
Highway Safety Cluster					
State and Community Highway Safety	20.600		32 ESTIMATE	421,601	421,601
			32 ESTIMATE	1,341,473	1,103,508
			32 NHTSA 402	2,137,151	2,156,230
			39 NHTSA 402	76,701	-
			100 ESTIMATE	253,700	-
			100 NHTSA 402	<u>199,841</u>	<u>-</u>
Total For Program - State and Community Highway Safety				<u>4,430,467</u>	<u>3,681,339</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601				
			32 DTNH22-12-G-00023	18,193	18,193
			32 ESTIMATE	132,468	132,468
			32 NHTSA 410/405D	926,887	926,887
			39 ESTIMATE	94,846	-
			100 ESTIMATE	194,688	-
			100 NHTSA 410/405D	160,997	-
			103 ESTIMATE	105,035	-
			103 NHTSA 410/405D	<u>50,756</u>	<u>-</u>
Total For Program - Alcohol Impaired Driving Countermeasures Incentive Grants I				<u>1,683,870</u>	<u>1,077,548</u>
Occupant Protection Incentive Grants	20.602				
			32 ESTIMATE	433,781	433,781
			32 NHTSA 405/405B	<u>719,529</u>	<u>429,139</u>
Total For Program - Occupant Protection Incentive Grants				<u>1,153,310</u>	<u>862,920</u>
Safety Belt Performance Grants	20.609				
			32 2012NHTSA406	<u>3,035</u>	<u>3,035</u>
Total For Program - Safety Belt Performance Grants				<u>3,035</u>	<u>3,035</u>
State Traffic Safety Information System Improvement Grants	20.610				
			22 NHTSA 408/405C	74,119	-
			32 ESTIMATE	58,609	58,609
			32 NHTSA 408/405C	159,281	-
			385 ESTIMATE	12,000	-
			400 ESTIMATE	77,851	-
			400 NHTSA 408/405C	<u>(2,116)</u>	<u>-</u>
Total For Program - State Traffic Safety Information System Improvement Grants				<u>379,744</u>	<u>58,609</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Business Unit - Note 4</u>	<u>Grant Number</u>	<u>Federal Awards Expended</u>	<u>Passed Through To Subrecipients</u>
<u>U.S. Department of Transportation (continued)</u>					
<u>Highway Safety Cluster (continued)</u>					
Incentive Grant Program to Prohibit Racial Profiling	20.611		22 NHTSA 1906	220,801	-
Total For Program - Incentive Grant Program to Prohibit Racial Profiling				220,801	-
Incentive Grant Program to Increase Motorcyclist Safety	20.612		32 NHTSA 2010/405F	29,900	-
Total For Program - Incentive Grant Program to Increase Motorcyclist Safety				29,900	-
Total for Cluster - Highway Safety Cluster				7,901,127	5,683,451
National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants	20.614		100 DTNH22-12-H-00126	109,897	-
Total For Program - National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants				109,897	-
Pipeline Safety Program State Base Grant	20.700		200 ESTIMATE	454,016	-
Total For Program - Pipeline Safety Program State Base Grant				454,016	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		385 HM-HMP-0312-12-01-00 385 HM-HMP-0368-13-01-00 385 HM-HMP-0418-14-01-00	(78) 267,227 129,169	- 154,875 68,832
Total For Program - Interagency Hazardous Materials Public Sector Training and Planning Grants				396,318	223,707
National Infrastructure Investments	20.933		800 0	5,991,339	-
Total For Program - National Infrastructure Investments				5,991,339	-
Total - U.S. Department of Transportation				1,190,815,998	124,787,353
<u>U.S. Department of Treasury</u>					
Emergency Economic Stabilization Act of 2008	21.UNKNOWN		510 A161-11-HHF-001	294,412	193,991
Total For Program - Emergency Economic Stabilization Act of 2008				294,412	193,991
Total - U.S. Department of Treasury				294,412	193,991
<u>Equal Employment Opportunity Commission</u>					
Employment Discrimination_State and Local Fair Employment Practices Agency Contracts	30.002		258 EECCN090026-120007	216,023	-
Total For Program - ADA Charge Resolution				216,023	-
Total - Equal Employment Opportunity Commission				216,023	-
<u>General Services Administration</u>					
Donation of Federal Surplus Personal Property	39.003		61 Non Cash Assistance	5,795,541	-
Total For Program - Donation of Federal Surplus Personal Property				6,011,564	-
Total - General Services Administration				5,795,541	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Business Unit - Note 4</u>	<u>Grant Number</u>	<u>Federal Awards Expended</u>	<u>Passed Through To Subrecipients</u>
<u>National Endowment for the Arts</u>					
Promotion of the Arts_Partnership Agreements	45.025		705 10-6100-2044	2,307	-
			705 13-6100-2022	152,594	27,928
			705 14-6100-2019	495,050	412,765
Total For Program - Promotion of the Arts_Partnership Agreements				649,951	440,693
Total - National Endowment for the Arts				649,951	440,693
<u>National Endowment for the Humanities</u>					
Promotion of the Humanities_Federal/State Partnership	45.129		425 60060	1,230	-
Total For Program - Promotion of the Humanities_Federal/State Partnership				1,230	-
Promotion of the Humanities_Division of Preservation and Access	45.149		730 PJ-50086-11	115,266	-
Total For Program - Promotion of the Humanities_Division of Preservation and Access				115,266	-
Total - National Endowment for the Humanities				116,496	-
<u>Institute of Museum and Library Services</u>					
Grants to States	45.310		46 LS-00-14-0015-14	3,325	-
			62 LS-00-13-0015-13	32,660	-
			62 LS-00-14-0015-14	8,208	-
			730 LS-00-13-0015-13	1,072,623	157,966
			730 LS-00-14-0015-14	2,184,883	513,013
Total For Program - Grants to States				3,301,699	670,979
Total - Institute of Museum and Library Service				3,301,699	670,979
<u>Small Business Administration</u>					
Small Business Development Centers	59.037		38 SBAHQ-15-B-0063	486,296	-
Total For Program - Grants to States for Construction of State Home Facilities				486,296	-
Total - Small Business Administration				486,296	-
<u>U.S. Department of Veterans Affairs</u>					
Grants to States for Construction of State Home Facilities	64.005		570 FAI 18-005	1,877,149	-
Total For Program - Grants to States for Construction of State Home Facilities				1,877,149	-
All-Volunteer Force Educational Assistance	64.124		160 V101(223C)P-5217	927	-
			160 V101(223C)P-5417	239,988	-
			160 V101(223C)P-5517	166,241	-
Total For Program - All-Volunteer Force Educational Assistance				407,156	-
Total - U.S. Department of Veterans Affairs				2,284,305	-
<u>Environmental Protection Agency</u>					
State Indoor Radon Grants	66.032		400 K1-00E13107-0	8,835	-
			400 K1-00E13108-1	25,000	-
Total For Program - State Indoor Radon Grants				33,835	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		400 XA -00E01159-0	25,573	-
			495 PM 98577307	828,162	-
			495 PM98577306	322,334	-
			495 XA00E00986	5,036	-
Total For Program - Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act				1,181,105	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
Environmental Protection Agency (continued)					
State Clean Diesel Grant Program	66.040				
			495 DS-00E66702	123,168	-
			495 DS-00E66703	7,821	-
Total For Program - State Clean Diesel Grant Program				<u>130,989</u>	-
Congressionally Mandated Projects	66.202				
			495 XP96570302	10,899	-
Total For Program - Congressionally Mandated Projects				<u>10,899</u>	-
Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
			495 I00E00987-0	28,546	-
			495 I-96555708	15,143	-
			495 I96555709-0	15,420	-
			495 I-96555710-0	121,276	-
Total For Program - Water Pollution Control State, Interstate, and Tribal Program Support				<u>180,385</u>	-
State Underground Water Source Protection	66.433				
			300 G99590114	44,247	-
			300 G-99590115	33,962	-
Total For Program - State Underground Water Source Protection				<u>78,209</u>	-
Water Quality Management Planning	66.454				
			495 C6-00E72001	2,343	-
			495 C6-00E72010	24,167	-
			495 C600E72011-0	119,284	-
			495 C600E72012	129,630	-
			495 C600E72013	56,321	-
			495 C600E72014	86,406	-
Total For Program - Water Quality Management Planning				<u>418,151</u>	-
Nonpoint Source Implementation Grants	66.460				
			36 C997548210	43,994	-
			495 C9-97548209	248,686	-
			495 C997548210	905,253	-
			495 C9-97548211-0	1,130,759	-
			495 C9-97548212-0	443,999	-
			495 C9-97548213-0	403,467	-
			495 C9-97548214-0	995,366	-
			495 ESTIMATE	30,347	-
Total For Program - Nonpoint Source Implementation Grants				<u>4,201,871</u>	-
Regional Wetland Program Development Grants	66.461				
			495 CD-00E00962-0	100,291	-
Total For Program - Regional Wetland Program Development Grants				<u>100,291</u>	-
Drinking Water State Revolving Fund Cluster					
Capitalization Grants for Drinking Water State Revolving Funds	66.468				
			495 FS-98548604	134,046	-
			495 FS985486-15	4,846	-
Total For Program - Capitalization Grants for Drinking Water State Revolving Funds				<u>138,892</u>	-
Total for Cluster - Drinking Water State Revolving Fund Cluster				<u>138,892</u>	-
Great Lakes Program	66.469				
			36 00E01408-0	60,367	-
			300 GL-00E00490	87,566	-
			300 GL-00E00724	124,865	-
			495 GL-00E00453	1,426	-
			495 GL-00E00490	431,389	-
			495 GL-00E00724	268,091	-
Total For Program - Great Lakes Program				<u>973,704</u>	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
Environmental Protection Agency (continued)					
Beach Monitoring and Notification Program Implementation Grants	66.472				
			300 CU-03E73102	11,220	-
			495 CU-03E73102	163,143	-
			495 CU-04E73102-0	<u>29,179</u>	-
Total For Program - Beach Monitoring and Notification Program Implementation Grants				<u>203,542</u>	-
Water Protection Grants to the States	66.474				
			495 WP-00E76501	<u>7,026</u>	-
Total For Program - Water Protection Grants to the States				<u>7,026</u>	-
Performance Partnership Grants	66.605				
			495 BG-98543213	<u>9,050,928</u>	-
Total For Program - Performance Partnership Grants				<u>9,050,928</u>	-
Environmental Information Exchange Network Grant Program and Related Assistance	66.608				
			495 OS-83527601-0	163,445	-
			495 OS-83608101-0	<u>163,500</u>	-
Total For Program - Environmental Information Exchange Network Grant Program and Related Assistance				<u>326,945</u>	-
Toxic Substances Compliance Monitoring Cooperative Agreements	66.701				
			495 K01E00787-0	<u>20,617</u>	-
Total For Program - Toxic Substances Compliance Monitoring Cooperative Agreements				<u>20,617</u>	-
TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	66.707				
			400 PB-00E44706-0	104,430	-
			400 PB-00E44707	<u>296,167</u>	-
Total For Program - TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals				<u>400,597</u>	-
Source Reduction Assistance	66.717				
			495 X900E01323	<u>39,101</u>	-
Total For Program - Source Reduction Assistance				<u>39,101</u>	-
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802				
			495 V-01E00994	116,749	-
			495 V-02E00994-0	1,581	-
			495 V-03E00780	355,098	-
			495 V04E00780	4,188	-
			495 V-96588401	34,248	-
			495 V-98576802	<u>40,881</u>	-
Total For Program - Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements				<u>552,745</u>	-
Underground Storage Tank Prevention, Detection and Compliance Program	66.804				
			495 L00E49703-0	601,226	-
			495 L00E49704-0	<u>462,052</u>	-
Total For Program - Underground Storage Tank Prevention, Detection and Compliance Program				<u>1,063,278</u>	-
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805				
			495 LS005981-18	809,839	-
			495 LS-00598119-0	<u>587,754</u>	-
Total For Program - Leaking Underground Storage Tank Trust Fund Corrective Action Program				<u>1,397,593</u>	-
Superfund State and Indian Tribe Core Program Cooperative Agreements	66.809				
			495 VC-02E00771-0	108,410	-
			495 VC-03E00771	<u>4,273</u>	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>Environmental Protection Agency (continued)</u>					
Total For Program - Superfund State and Indian Tribe Core Program Cooperative Agreements				112,683	-
State and Tribal Response Program Grants	66.817				
			495 00E14603	3	-
			495 RP00E14607-1	245,176	-
			495 RP-00E14608-0	285,955	-
Total For Program - State and Tribal Response Program Grants				531,134	-
Brownfields Assessment and Cleanup Cooperative Agreements	66.818				
			495 BF-00E48101	8,250	-
Total For Program - Brownfields Assessment and Cleanup Cooperative Agreements				8,250	-
Total - Environmental Protection Agency				21,162,770	-
<u>U.S. Department of Energy</u>					
State Energy Program	81.041				
			266 DE-EE0006210	526,643	-
			266 DE-FG26-07NT43163	23,032	-
Total For Program - State Energy Program				549,675	-
Nuclear Energy Research, Development and Demonstration	81.121				
			385 DE-NE0000555	25,000	-
Total For Program - Nuclear Energy Research, Development and Demonstration				25,000	-
Total - U.S. Department of Energy				574,675	-
<u>U.S. Department of Education</u>					
Adult Education - Basic Grants to States	84.002				
			510 V002A120014	1,136,631	1,100,418
			510 V002A130014	4,225,560	3,915,553
			510 V002A140014	4,342,044	3,768,502
			615 V002A120014	331,263	-
			615 V002A140014	458,846	-
Total For Program - Adult Education - Basic Grants to States				10,494,344	8,784,473
Title I Grants to Local Educational Agencies	84.010				
			700 S010A110014	4,113	-
			700 S010A120014	2,580,572	2,576,425
			700 S010A130014	98,782,948	97,909,130
			700 S010A140014	158,117,159	156,722,700
Total For Program - Title I Grants to Local Educational Agencies				259,484,792	257,208,255
Migrant Education_State Grant Program	84.011				
			700 S011A120014	4,635,744	4,352,237
			700 S011A130014	(314,209)	(589,938)
			700 S011A140014	3,371,421	3,029,908
Total For Program - Migrant Education_State Grant Program				7,692,956	6,792,207
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013				
			615 S013A120014	15,435	-
			615 S013A130014	220,796	-
			615 S013A140014	227,342	-
Total For Program - Title I State Agency Program for Neglected and Delinquent Children and Youth				463,573	-
Special Education Cluster (IDEA)					
Special Education_Grants to States	84.027				
			550 H027A130135	688	-
			550 H027A140084	108,461	-
			615 H027A130135	167,703	-
			615 H027A140084	46,748	-
			700 H027A110084	80,102	79,547
			700 H027A120084	10,969,444	10,124,427

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Education (continued)</u>					
Special Education Cluster (IDEA) (continued)					
Special Education_Grants to States (continued)	84.027				
			700 H027A130135	81,743,752	80,093,773
			700 H027A140084	<u>151,082,688</u>	<u>150,934,701</u>
Total For Program - Special Education_Grants to States				<u>244,199,586</u>	<u>241,232,448</u>
Special Education_Preschool Grants	84.173				
			700 H173A120104	318,643	318,643
			700 H173A130104	2,669,233	2,669,233
			700 H173A140104	<u>5,010,425</u>	<u>5,010,425</u>
Total For Program - Special Education_Preschool Grants				<u>7,998,301</u>	<u>7,998,301</u>
Total for Cluster - Special Education Cluster (IDEA)				<u>252,197,887</u>	<u>249,230,749</u>
Career and Technical Education -- Basic Grants to States	84.048				
			36 V048A140014	119,993	-
			385 V048A130014	(97)	-
			510 V048A110014	(192)	(192)
			510 V048A120014	(4,879)	(4,879)
			510 V048A130014	1,586,745	1,511,013
			510 V048A140014	5,456,091	5,082,968
			615 V048A130014	107,524	-
			700 V048A120014	5,132,220	4,880,329
			700 V048A130014	109,835	(600,174)
			700 V048A140014	<u>9,866,367</u>	<u>9,865,857</u>
Total For Program - Career and Technical Education -- Basic Grants to States				<u>22,373,607</u>	<u>20,734,922</u>
Rehabilitation Services_Vocational Rehabilitation Grants to States	84.126				
			497 H126A130019-13C	3,130,544	-
			497 H126A140019	164,780	-
			497 H126A140019	2,080,926	-
			497 H126A140019	23,761,071	-
			497 H126A140019	<u>25,430,574</u>	<u>-</u>
Total For Program - Rehabilitation Services_Vocational Rehabilitation Grants to States				<u>54,567,895</u>	<u>-</u>
Rehabilitation Services_Client Assistance Program	84.161				
			44 H161A140015-14A	<u>121,056</u>	<u>-</u>
Total For Program - Rehabilitation Services_Client Assistance Program				<u>121,056</u>	<u>-</u>
Independent Living_State Grants	84.169				
			497 90IS007601	5,335	5,335
			497 H169A140020-14A	<u>351,358</u>	<u>351,358</u>
Total For Program - Independent Living_State Grants				<u>356,693</u>	<u>356,693</u>
Rehabilitation Services_Independent Living Services for Older Individuals Who are Blind	84.177				
			497 H177B130014-13B	6,700	6,700
			497 H177B130014-14B	195,181	195,181
			497 H177B130015	<u>310,008</u>	<u>310,008</u>
Total For Program - Rehabilitation Services_Independent Living Services for Older Individuals Who are Blind				<u>511,889</u>	<u>511,889</u>
Special Education-Grants for Infants and Families	84.181				
			497 H181A140030	<u>8,777,286</u>	<u>-</u>
Total For Program - Special Education-Grants for Infants and Families				<u>8,777,286</u>	<u>-</u>
Education for Homeless Children and Youth	84.196				
			700 S196A120015	37,134	13,896
			700 S196A130015	605,866	550,861
			700 S196A140015	<u>505,110</u>	<u>505,110</u>
Total For Program - Education for Homeless Children and Youth				<u>1,148,110</u>	<u>1,069,867</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Education (continued)</u>					
Assistive Technology	84.224				
			497 H224A140014-14A	357,469	357,469
			497 H224A150014 - 15A	21,116	21,116
Total For Program - Assistive Technology				<u>378,585</u>	<u>378,585</u>
Program of Protection and Advocacy of Individual Rights	84.240				
			44 H240130015	3,084	-
			44 H240A140015	226,973	-
			44 H240A150015	118,593	-
Total For Program - Program of Protection and Advocacy of Individual Rights				<u>348,650</u>	<u>-</u>
Rehabilitation Training_State Vocational Rehabilitation Unit In-Service Training	84.265				
			497 H265A100048	116,980	-
Total For Program - Rehabilitation Training_State Vocational Rehabilitation Unit In-Service Training				<u>116,980</u>	<u>-</u>
Charter Schools	84.282				
			700 U282A100027	4,434,208	4,341,386
			700 U282D090013	91,471	91,471
Total For Program - Charter Schools				<u>4,525,679</u>	<u>4,432,857</u>
Twenty-First Century Community Learning Centers	84.287				
			700 7000S287C130014	12,945,825	12,574,147
			700 S287C120014	2,008,657	1,947,428
Total For Program - Twenty-First Century Community Learning Centers				<u>14,954,482</u>	<u>14,521,575</u>
Special Education - State Personnel Development	84.323				
			700 H323A090006	901,586	882,364
Total For Program - Special Education - State Personnel Development				<u>901,586</u>	<u>882,364</u>
Grants to States for Workplace and Community Transition Training for Incarcerated Individuals	84.331		615 Q331A100015	(116)	-
Total For Program - Grants to States for Workplace and Community Transition Training for Incarcerated Individuals				<u>(116)</u>	<u>-</u>
Assistive Technology_State Grants for Protection and Advocacy	84.343				
			44 H343A130015	9,377	-
			44 H343A140015	4,325	-
Total For Program - Assistive Technology_State Grants for Protection and Advocacy				<u>13,702</u>	<u>-</u>
Rural Education	84.358				
			700 S358B120014	682,231	676,209
			700 S358B130014	893,599	871,906
			700 S358B140014	220,387	220,387
Total For Program - Rural Education				<u>1,796,217</u>	<u>1,768,502</u>
English Language Acquisition State Grants	84.365				
			700 S365A120014	2,798,044	2,787,954
			700 S365A130014	3,355,723	1,421,805
			700 S365A140014	3,313,804	3,313,740
Total For Program - English Language Acquisition State Grants				<u>9,467,571</u>	<u>7,523,499</u>
Mathematics and Science Partnerships	84.366				
			700 S366B120015	1,506,827	1,502,486
			700 S366B130015	558,800	519,855
			700 S366B140015	387,152	387,152
Total For Program - Mathematics and Science Partnerships				<u>2,452,779</u>	<u>2,409,493</u>
Improving Teacher Quality State Grants	84.367				
			700 S367A120013	14,649,024	14,710,442
			700 S367A130013	17,140,455	16,899,721
			700 S367A140013	6,742,847	6,590,403

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Education (continued)</u>					
Improving Teacher Quality State Grants (continued)	84.367				
			719 S367B120014-12A	748,972	655,945
			719 S367B130014	207,278	298,204
			719 S367B140014	113,667	112,736
Total For Program - Improving Teacher Quality State Grants				39,602,243	39,267,451
Grants for State Assessments and Related Activities	84.369				
			700 S369A120015	329,013	-
			700 S369A130015	683,422	-
			700 S369A140015	6,423,787	-
Total For Program - Grants for State Assessments and Related Activities				7,436,222	-
Statewide Longitudinal Data Systems	84.372				
			700 R372A120027	1,098,213	-
Total For Program - Statewide Longitudinal Data Systems				1,098,213	-
Teacher Incentive Fund	84.374				
			700 S374A100020	9,767,761	8,105,472
Total For Program - Teacher Incentive Fund				9,767,761	8,105,472
School Improvement Grants Cluster					
School Improvement Grants	84.377				
			700 S377A110015	9,328,709	9,298,933
			700 S377A120015	2,431,709	2,431,709
Total For Program - School Improvement Grants				11,760,418	11,730,642
ARRA - School Improvement Grants, Recovery Act	84.388				
			700 S388A090015	1,530,436	1,419,138
Total For Program - School Improvement Grants, Recovery Act				1,530,436	1,419,138
Total for Cluster - School Improvement Grants Cluster				13,290,854	13,149,780
College Access Challenge Grant Program	84.378				
			719 P378A120012	120,751	10,000
			719 P378A130012	1,653,547	43,477
			719 P378A140012	316,525	43,015
Total For Program - College Access Challenge Grant Program				2,090,823	96,492
Total - U.S. Department of Education				726,432,319	637,225,125
<u>U.S. Election Assistance Commission</u>					
Help America Vote Act Requirements Payments	90.401				
			63 60300	7,038	-
			63 IN0809RP01	30,559	-
			63 IN10RP01	9,952	-
Total For Program - Help America Vote Act Requirements Payments				47,549	-
Total - U.S. Election Assistance Commission				47,549	-
<u>U.S. Department of Health and Human Services</u>					
FDA Food Inspections	93.UNKNOWN				
			400 61910	764	-
Total For Program - FDA Food Inspections				764	-
DASIS-State Outcome Measurement and Management System -Contractor	93.UNKNOWN				
			410 62130	187,617	-
Total For Program - DASIS-State Outcome Measurement and Management System - Contractor				187,617	-
Policy Academy/Action Network	93.UNKNOWN				
			410 Sub-Award	8,000	-
Total For Program - Policy Academy/Action Network				8,000	-
Special Programs for the Aging_ Title VII, Chapter 3_Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041				
			498 14AAINT7EA	98,224	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
U.S. Department of Health and Human Services (continued)					
Total For Program - Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation				98,224	-
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042				
			498 13AAINT7SP	6,017	5,268
			498 14AAINT7OM	170,229	135,906
			498 15AAINT7OM	154,063	89,563
Total For Program - Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals				330,309	230,737
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	93.043				
			498 13AAINT3SP	1,100	-
			498 14AAINT3PH	287,670	285,258
			498 15AAINT3SP	186,481	179,680
Total For Program - Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services				475,251	464,938
Aging Cluster					
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044				
			498 14AAINT3SS	2,929,572	2,841,250
			498 15AAINT3SP	4,170,789	4,051,024
Total For Program - Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers				7,100,361	6,892,274
Special Programs for the Aging Title III, Part C Nutrition Services	93.045				
			498 14AAINT3SP	7,835,502	7,663,822
			498 15AAINT3SP	4,051,975	3,811,347
Total For Program - Special Programs for the Aging Title III, Part C Nutrition Services				11,887,477	11,475,169
Nutrition Services Incentive Program	93.053				
			498 13AAINNSIP	136,864	-
			498 14AAINNSIP	1,090,094	1,226,958
			498 15AAINNSIP	412,555	412,555
Total For Program - Nutrition Services Incentive Program				1,639,513	1,639,513
Total for Cluster - Aging Cluster				20,627,351	20,006,956
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048				
			498 90DR0007	15,573	14,239
			498 90DR0007/04	37,015	37,015
			498 90NW0015-01-00	204	-
Total For Program - Special Programs for the Aging Title IV and Title II Discretionary Projects				52,792	51,254
National Family Caregiver Support, Title III, Part E	93.052				
			498 14AAINT3FC	1,774,909	2,576,306
			498 15AAINT3SP	1,104,664	1,056,781
Total For Program - National Family Caregiver Support, Title III, Part E				2,879,573	3,633,087
Public Health Emergency Preparedness	93.069				
			400 1H75TP000339-01	(10,413)	-
			400 2U90TP517024-11	(3)	-
Total For Program - Public Health Emergency Preparedness				(10,416)	-
Environmental Public Health and Emergency Response	93.070				
			400 2U59EH000507-06	80,518	-
			400 5U59EH000507-05	76,549	47,245
Total For Program - Environmental Public Health and Emergency Response				157,067	47,245

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Medicare Enrollment Assistance Program	93.071				
			210 13AAINMAAA	63,169	-
			210 13AAINMADR	62,314	-
			210 14AAINMAAA	1,566	-
			210 14AAINMADR	3,481	-
			210 14AAINMSHI	129,388	-
			210 1X0CMS331270-01-00	<u>67,816</u>	<u>-</u>
Total For Program - Medicare Enrollment Assistance Program				<u>327,734</u>	<u>-</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074				
			351 5U90TP000521-02	858	-
			351 5U90TP000521-03	297	-
			351 5U90TP000521-03	3,532	-
			400 1U90TP000521-01	8,967	-
			400 3U90TP000521-03S1	32,598	-
			400 5U90TP000521-02	2,577,945	553,608
			400 5U90TP000521-03	10,013,455	3,379,826
			410 5U90TP000521-02	<u>3,900</u>	<u>-</u>
Total For Program - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				<u>12,641,552</u>	<u>3,933,434</u>
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079				
			400 1U87PS004177-01	45,847	-
			400 5U87PS004177-02	<u>27,192</u>	<u>-</u>
Total For Program - Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance				<u>73,039</u>	<u>-</u>
Emergency System for Advance Registration of Volunteer Health Professionals	93.089				
			400 ESREP100014-01-00	39,688	37,547
			400 ESREP100014-03-01	<u>32,960</u>	<u>6,617</u>
Total For Program - Emergency System for Advance Registration of Volunteer Health Professionals				<u>72,648</u>	<u>44,164</u>
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094				
			400 1U58DP004851-01	174,953	75,228
			400 5U58DP004851-02	<u>128,769</u>	<u>61,796</u>
Total For Program - Well-Integrated Screening and Evaluation for Women Across the Nation				<u>303,722</u>	<u>137,024</u>
Food and Drug Administration_Research	93.103				
			400 1U18FD004465-01	6,264	-
			400 5R13103FPTFC14	477	-
			400 5RR13FD003960-05	2,424	-
			400 5U18FD004441-02 REVISED	112,810	-
			400 5U18FD004441-03 Revised	210,053	-
			400 5U18FD004465-02 REVISED	169,167	-
			400 5U18FD004465-03	206,358	-
			400 5U18FD004644-02	59,240	-
			400 5U18FD004644-03	36,842	-
			400 G-SP-1410-02024	<u>1,939</u>	<u>-</u>
Total For Program - Food and Drug Administration_Research				<u>805,574</u>	<u>-</u>
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104				
			410 1U79SM061328-01	126,007	-
			410 1U79SM061647-01	45,440	-
			410 U9SM58518A	<u>239,907</u>	<u>-</u>
Total For Program - Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)				<u>411,354</u>	<u>-</u>
Maternal and Child Health Federal Consolidated Programs	93.110				
			400 1 D70MC27544-01-00	44,213	37,172
			400 2 H25MC000263-09-00	77,034	66,198
			400 5 H25MC00263-10-00	48,621	48,621
			400 6 H18MC00017-19-02	<u>43,184</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Maternal and Child Health Federal Consolidated Programs (continued)	93.110		400 H18MC00017-18-00	43,505	-
			400 H25MC00263	6,853	-
Total For Program - Maternal and Child Health Federal Consolidated Programs				<u>263,410</u>	<u>151,991</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		400 1U52PS004676-01 REVISED	235,662	121,535
			400 5U52PS500520	2	-
			400 5U52PS500520-32	463,832	260,872
Total For Program - Project Grants and Cooperative Agreements for Tuberculosis Control Programs				<u>699,496</u>	<u>382,407</u>
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130		400 5 U68HP11487-07-00	25,562	-
			400 U68HP11487-06-00	149,563	-
Total For Program - Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices				<u>175,125</u>	<u>-</u>
Injury Prevention and Control Research and State and Community Based Programs	93.136		400 1U17CE002598-01 REVISED	22,294	-
			400 1UF2CE002413-01	378,259	-
			400 5UF2CE002413-02	85,475	-
Total For Program - Injury Prevention and Control Research and State and Community Based Programs				<u>486,028</u>	<u>-</u>
Protection and Advocacy for Individuals with Mental Illness	93.138		44 2X98SM001897-13S1	8,638	-
			44 5X98SM001897-14	488,696	-
Total For Program - Protection and Advocacy for Individuals with Mental Illness				<u>497,334</u>	<u>-</u>
Projects for Assistance in Transition from Homelessness (PATH)	93.150		410 2X06SM016015-13	811,651	12,260
			410 2X06SM016015-14	166,096	55,122
Total For Program - Projects for Assistance in Transition from Homelessness (PATH)				<u>977,747</u>	<u>67,382</u>
Affordable Care Act (ACA) Abstinence Education Program	93.235		400 1301INAECP	335,798	274,978
			400 1401INAECP	392,930	391,632
Total For Program - Affordable Care Act (ACA) Abstinence Education Program				<u>728,728</u>	<u>666,610</u>
State Rural Hospital Flexibility Program	93.241		400 H54RH00042-15-00	385,812	20,000
			400 H54RH00042-16-00	340,746	51,270
Total For Program - State Rural Hospital Flexibility Program				<u>726,558</u>	<u>71,270</u>
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243		400 1H79SM061285-01	25,462	25,462
			400 5H79SM061285-02	748,541	639,526
			410 1H79SM061285-01	(6,828)	-
			410 1U79SP019419-01	1,140,921	48,869
			410 1U79TI024261-01	681,928	-
			410 5H79SM061285-02	8,032	-
			410 5H79SM061285-03	13,522	-
			410 IU79TI023449-01	2,068,664	-
			410 SC-1026-IN-02	36,525	-
Total For Program - Substance Abuse and Mental Health Services_Projects of Regional and National Significance				<u>4,716,767</u>	<u>713,857</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Universal Newborn Hearing Screening	93.251				
			400 2 H61MC23640-04-00	36,044	-
			400 3U50CI000870-02S1	(9,513)	-
			400 H61MC23640-02-02	106,440	12,087
			400 H61MC23640-03-00	<u>189,684</u>	<u>6,329</u>
Total For Program - Universal Newborn Hearing Screening				<u>322,655</u>	<u>18,416</u>
State Grants for Protection and Advocacy Services	93.267				
			44 6X82MC16925-05-03	24,778	-
			44 X82MC16925	<u>5,957</u>	<u>-</u>
Total For Program - State Grants for Protection and Advocacy Services				<u>30,735</u>	<u>-</u>
Immunization Cooperative Agreements	93.268				
			400 1H23IP000723-01	29,861	-
			400 5H23IP000723-02	3,559,907	1,108,589
			400 ESTIMATE	1,990,370	420,784
			400 Non Cash Assistance	<u>798,873</u>	<u>-</u>
Total For Program - Immunization Cooperative Agreements				<u>6,379,011</u>	<u>1,529,373</u>
Adult Viral Hepatitis Prevention and Control	93.270				
			400 5U51PS004048-02	71,168	-
			400 5U51PS004048-03	<u>26,673</u>	<u>-</u>
Total For Program - Adult Viral Hepatitis Prevention and Control				<u>97,841</u>	<u>-</u>
Substance Abuse and Mental Health Services-Access to Recovery	93.275				
			410 1H79TI023153	<u>1,165,234</u>	<u>-</u>
Total For Program - Substance Abuse and Mental Health Services-Access to Recovery				<u>1,165,234</u>	<u>-</u>
Centers for Disease Control and Prevention_Investigations and Technical Assistance	93.283				
			400 1U58DP003884 - 01	(255)	-
			400 1U58DP006024-01	648	-
			400 2U58DP001966-06	758,330	-
			400 3U58DP001966-04-04S1	125,784	-
			400 5 UR3DD000790-03	4,804	-
			400 5U55DP003020-03	(15)	-
			400 5U55DP003020-04	65,888	-
			400 5U55DP003020-05	55,511	7,919
			400 5U58DP001966-05	32,958	-
			400 5U58DP003884-02	482,843	46,097
			400 5U58DP003884-03	727,329	-
			400 5U58SO000028-03	<u>107,912</u>	<u>-</u>
Total For Program - Centers for Disease Control and Prevention_Investigations and Technical Assistance				<u>2,361,737</u>	<u>54,016</u>
National Public Health Improvement Initiative	93.292				
			400 5U58CD001308-04	<u>252,810</u>	<u>-</u>
Total For Program - National Public Health Improvement Initiative				<u>252,810</u>	<u>-</u>
State Partnership Grant Program to Improve Minority Health	93.296				
			400 1 STTMP131101-01-00	74,838	-
			400 5 STTMP131101-02-00	<u>63,166</u>	<u>6,309</u>
Total For Program - State Partnership Grant Program to Improve Minority Health				<u>138,004</u>	<u>6,309</u>
Small Rural Hospital Improvement Grant Program	93.301				
			400 H3HRH0003-11-00	45,244	45,244
			400 H3RH00003-12-00	<u>221,262</u>	<u>221,262</u>
Total For Program - Small Rural Hospital Improvement Grant Program				<u>266,506</u>	<u>266,506</u>
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314				
			400 5 UR3DD000790-04	<u>35,527</u>	<u>-</u>
Total For Program - Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program				<u>35,527</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		400 3U50CK000395-01S1	375,999	-
Total For Program - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				375,999	-
State Health Insurance Assistance Program	93.324		210 90SA0006-01-01 210 90SA0006-02-00	750,820 5,384	- -
Total For Program - State Health Insurance Assistance Program				756,204	-
ACL Independent Living State Grants	93.369		497 90IS0076-01-00	5,335	-
Total For Program - ACL Independent Living State Grants				5,335	-
ACL Assistive Technology	93.464		497 90AG0053-01-00	96,453	96,453
Total For Program - ACL Assistive Technology				96,453	96,453
Pregnancy Assistance Fund Program	93.500		400 SP1AH000003-03-00	25,032	25,032
Total For Program - Pregnancy Assistance Fund Program				25,032	25,032
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505		400 1 X02MC26318-01-00 400 1 X02MC27449-01-00 400 1 X02MC28219-01-00 400 1U58DP005989-01 400 4 X02MC23103-01-02 400 D89MC23147-02-00 400 D89MC23147-02-04 400 D89MC23147-02-05 502 1 X02MC26318-01-00 502 4 X02MC23103-01-02 502 D89MC23147-02-00 502 D89MC23147-02-04 502 D89MC23147-02-05	96,270 437,128 145 77,580 582,084 295,419 1,955,829 1,327,543 975,989 676,046 1,988,868 3,557,242 262,015	- - - - - - - - - - - - - -
Total For Program - Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program				12,232,158	312,213
PPHF National Public Health Improvement Initiative	93.507		400 5U58CD001308-03	44,358	-
Total For Program - PPHF National Public Health Improvement Initiative				44,358	-
Affordable Care Act (ACA) Grants to States for Health Insurance Premium Review	93.511		210 1-PRPPR120010-01-00	832,352	-
Total For Program - Affordable Care Act (ACA) Grants to States for Health Insurance Premium Review				832,352	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements;PPHF	93.521				
			400 1U50CK000395-01	533,419	-
			400 3U50C1000870-S4 & S5	192,779	-
			400 3U50CI000870-02S1	(6,545)	-
Total For Program - The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements;PPHF				<u>719,653</u>	<u>-</u>
State Planning and Establishment Grants for the Affordable Care Act (ACA)s Exchanges	93.525				
			405 1 HBEIE110065-01-00	(60,439)	-
Total For Program - State Planning and Establishment Grants for the Affordable Care Act (ACA)s Exchanges				<u>(60,439)</u>	<u>-</u>
Promoting Safe and Stable Families	93.556				
			502 1301INFPSS	1,234,228	-
			502 1311INFCV	381,693	-
			502 1401INFPSS	2,397,933	-
			502 1501INFPSS	103,866	-
Total For Program - Promoting Safe and Stable Families				<u>4,117,720</u>	<u>-</u>
<u>TANF Cluster</u>					
Temporary Assistance for Needy Families	93.558				
			400 1402INTANF	971,267	-
			400 1502INTANF	1,127,794	1,127,794
			405 1502INTANF	-	-
			500 1102INTANF	5,514,762	-
			500 1202INTANF	11,758,936	-
			500 1302INTANF	2,444,705	-
			500 1402INTANF	22,708,009	-
			500 1502INTANF	12,294,120	-
			500 G-1002INTANF	23,421	-
			502 1302INTANF	10,035	-
			502 1402INTANF	11,815,239	-
			502 1502INTANF	22,186,515	-
			502 G-1002INTANF	7,993	-
			510 49-14-SZ-1181-02	334,717	323,758
			510 49-15-SZ-1181-01	597,100	597,100
Total For Program - Temporary Assistance for Needy Families				<u>91,794,613</u>	<u>2,048,652</u>
Total for Cluster - TANF Cluster				<u>91,794,613</u>	<u>2,048,652</u>
Child Support Enforcement	93.563				
			22 1404IN4005	3,814,391	-
			22 1504INCSES	1,509,862	-
			502 1204IN4005	40,827	-
			502 1304IN4005	1,447,363	5,339,833
			502 1404IN4005	15,540,321	3,712,834
			502 1504INCSES	32,677,967	-
Total For Program - Child Support Enforcement				<u>55,030,731</u>	<u>9,052,667</u>
Refugee and Entrant Assistance_State Administered Programs	93.566				
			400 1401INRCMA	21,115	-
			400 ESTIMATE	205,483	-
			500 12AAIN5110	15,164	15,164
			500 1301INRCMA	770	-
			500 1301INRSOC	302,564	302,564

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Refugee and Entrant Assistance_State Administered Programs (continued)	93.566				
			500 1401INRCMA	1,057,011	249,772
			500 1401INRSOC	817,959	815,055
			500 1501INRCMA	1,204,481	284,477
			500 1501INRSOC	<u>383,804</u>	<u>377,348</u>
Total For Program - Refugee and Entrant Assistance_State Administered Programs				<u>4,008,351</u>	<u>2,044,380</u>
<u>CCDF Cluster</u>					
Child Care and Development Block Grant	93.575				
			405 G1501INCCDF	34,490,101	9,274,024
			405 1502INTANF	45,175,232	-
			500 1402INTANF	16,640,162	-
			500 G1201INCCDF	15,745	-
			500 G1301INCCDF	78,570	-
			500 G1401INCCDF	<u>40,840,374</u>	<u>8,124,520</u>
Total For Program - Child Care and Development Block Grant				<u>137,240,184</u>	<u>17,398,544</u>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596				
			405 G1501INCCDF	17,667,162	-
			405 G1501INCCDF	35,941,046	-
			500 G1301INCCDF	106	-
			500 G1401INCCDF	5,333,132	-
			500 G1401INCCDF	<u>5,788,951</u>	<u>-</u>
Total For Program - Child Care Mandatory and Matching Funds of the Child Care and Development Fund				<u>64,730,397</u>	<u>-</u>
Total for Cluster - CCDF Cluster				<u>201,970,581</u>	<u>17,398,544</u>
Refugee and Entrant Assistance_Discretionary Grants	93.576				
			400 90RX0219-03-00	62,568	62,568
			400 90RX0244-01-00	53,280	53,280
			700 90ZE0174-02-00	156,230	150,204
			700 90ZE0189-01-00	<u>92,459</u>	<u>78,961</u>
Total For Program - Refugee and Entrant Assistance_Discretionary Grants				<u>364,537</u>	<u>345,013</u>
Refugee and Entrant Assistance_Targeted Assistance Grants	93.584				
			500 1201INRRTA	116,045	116,045
			500 1301INRTAG-1301INRRTA	480,315	478,157
			500 1401INRTAG	<u>147,947</u>	<u>140,155</u>
Total For Program - Refugee and Entrant Assistance_Targeted Assistance Grants				<u>744,307</u>	<u>734,357</u>
State Court Improvement Program	93.586				
			22 G-1301INCSCID	111,912	111,912
			22 G-1301INCSCIP	110,754	110,754
			22 G-1301INCSIT	109,956	109,956
			22 G-1401INCSCID	80,314	80,314
			22 G-1401INCSCIP	124,174	124,174
			22 G-1401INCSIT	<u>74,859</u>	<u>74,859</u>
Total For Program - State Court Improvement Program				<u>611,969</u>	<u>611,969</u>
Community-Based Child Abuse Prevention Grants	93.590				
			502 1201INFRPG	16,153	-
			502 1301INFRPG	210,055	-
			502 1401INFRPG	<u>583,175</u>	<u>-</u>
Total For Program - Community-Based Child Abuse Prevention Grants				<u>809,383</u>	<u>-</u>
Grants to States for Access and Visitation Programs	93.597				
			502 1301INSAVP	66,465	-
			502 1401INSAVP	<u>3,306</u>	<u>-</u>
Total For Program - Grants to States for Access and Visitation Programs				<u>69,771</u>	<u>-</u>
Chafee Education and Training Vouchers Program (ETV)	93.599				
			502 1301INCETV	313,551	-
			502 1401INCETV	<u>795,387</u>	<u>-</u>
Total For Program - Chafee Education and Training Vouchers Program (ETV)				<u>1,108,938</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Head Start	93.600				
			405 05CD0027/04	68,501	18,994
			500 05CD0027/03	105,257	18,994
Total For Program - Head Start				<u>173,758</u>	<u>37,988</u>
Adoption and Legal Guardianship Incentive Payments	93.603				
			502 1202INAIPP	544,078	-
			502 1302INAIPP	1,337,055	-
Total For Program - Adoption and Legal Guardianship Incentive Payments				<u>1,881,133</u>	<u>-</u>
The Affordable Care Act Medicaid Adult Quality Grants	93.609				
			503 1F1CMS331113-01-01	1,014,695	-
Total For Program - The Affordable Care Act Medicaid Adult Quality Grants				<u>1,014,695</u>	<u>-</u>
Voting Access for Individuals with Disabilities_Grants to States	93.617				
			63 G-1103INVOTE	118,135	-
Total For Program - Voting Access for Individuals with Disabilities_Grants to States				<u>118,135</u>	<u>-</u>
Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	93.618				
			44 1303INVOTP	(1)	-
			44 C1102INVOTP	28,853	-
			44 G-1203INVOTP	(122)	-
Total For Program - Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems				<u>28,730</u>	<u>-</u>
Developmental Disabilities Basic Support and Advocacy Grants	93.630				
			35 1301INBSDD	795,733	-
			35 1401INBSDD	142,917	-
			35 1501INBSDD	212,887	-
			35 G-1201INBS15	292,253	-
			44 1301INPADD	75,315	-
			44 1401INPADD	618,676	-
			44 1501INPADD	378,853	-
			44 G-0501INPA15	95	-
			44 G-122011INPA15	10,477	-
Total For Program - Developmental Disabilities Basic Support and Advocacy Grants				<u>2,527,206</u>	<u>-</u>
Children's Justice Grants to States	93.643				
			502 1202INCJA1	213,692	-
			502 1302INCJA1	269,080	-
Total For Program - Children's Justice Grants to States				<u>482,772</u>	<u>-</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645				
			502 1301INCWSS	5,638,047	-
			502 1401INCWSS	606,552	-
Total For Program - Stephanie Tubbs Jones Child Welfare Services Program				<u>6,244,599</u>	<u>-</u>
Foster Care_Title IV-E	93.658				
			502 1101IN1401	(8,461,561)	-
			502 1301IN1401	(2,062,853)	-
			502 1401IN1401	14,080,829	-
			502 1501INFOST	102,276,331	-
Total For Program - Foster Care_Title IV-E				<u>105,832,746</u>	<u>-</u>
Adoption Assistance	93.659				
			502 1301IN1407	9,308,150	-
			502 1401IN1407	15,501,612	-
			502 1501INADPT	30,327,140	-
Total For Program - Adoption Assistance				<u>55,136,902</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Social Services Block Grant	93.667				
			32 1402INSOSR	25,888	25,888
			32 1502INSOSR	390,526	390,526
			400 1302INSOSR	183,230	183,230
			400 1402INSOSR	434,262	434,262
			400 1502INSOSR	147,591	147,591
			405 1502INSOSR	53,842	-
			410 1302INSOSR	10,974	10,974
			410 1402INSOSR	608,290	608,290
			410 1502INSOSR	2,857,846	2,857,846
			497 1302INSOSR	26,423	-
			497 1402INSOSR	3,046,261	-
			497 1502INSOSR	576,772	-
			498 1402INSOSR	3,883,863	3,883,862
			498 1502INSOSR	4,326,760	4,326,760
			500 1302INSOSR	47,540	-
			500 1402INSOSR	125,229	-
			502 1202INSOSR	(373)	-
			502 1302INSOSR	10,979,166	-
			502 1402INSOSR	259,712	-
			502 1502INSOSR	500	-
			615 1402INSOSR	174,458	-
			615 1502INSOSR	1,236,474	-
Total For Program - Social Services Block Grant				<u>29,395,234</u>	<u>12,869,229</u>
Child Abuse and Neglect State Grants	93.669				
			502 1202INCA01	2,000	-
			502 1302INCA01	18,408	-
Total For Program - Child Abuse and Neglect State Grants				<u>20,408</u>	<u>-</u>
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671				
			32 G-1301INFPVS	660,460	645,890
			32 G-1401INFPVS	972,238	898,353
Total For Program - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services				<u>1,632,698</u>	<u>1,544,243</u>
Chafee Foster Care Independence Program	93.674				
			502 1301IN1420	(371,615)	-
			502 1401IN1420	3,791,474	-
			502 1501INCILP	442,567	-
Total For Program - Chafee Foster Care Independence Program				<u>3,862,426</u>	<u>-</u>
State Public Health Approaches for Ensuring Qutline Capacity Funded in part by Prevention and Public Health Funds (PPHF)	93.735				
			400 1U58DP004018-01	4,429	-
			400 1U58DP005317-01 REVISED	238,224	-
			400 5U58DP004018-02	116,940	-
Total For Program - State Public Health Approaches for Ensuring Qutline Capacity Funded in part by Prevention and Public Health Funds (PPHF)				<u>359,593</u>	<u>-</u>
PPHF Cooperative Agreements for Prescription Drug Monitoring Program Electronic Health Record (EHR) Integration and Interoperability Expansion	93.748				
			250 1H79TI024479-01	72,641	-
Total For Program - PPHF Cooperative Agreements for Prescription Drug Monitoring Program Electronic Health Record (EHR) Integration and Interoperability Expansion				<u>72,641</u>	<u>-</u>
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752				
			400 3U58DP003884-03S1	1,379,084	369,967
Total For Program - Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds				<u>1,379,084</u>	<u>369,967</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program	93.753				
			400 UEH1EH001262-01	147,838	-
Total For Program - Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program				147,838	-
State Public Health Actions to Prevent and Control Diabetes, Heart Disease, Obesity and Associated Risk Factors and Promote School Health financed in part by Prevention and Public Health Funding (PPHF)	93.757				
			400 3U58DP004806-02S1	458,090	82,433
Total For Program - State Public Health Actions to Prevent and Control Diabetes, Heart Disease, Obesity and Associated Risk Factors and Promote School Health financed in part by Prevention and Public Health Funding (PPHF)				458,090	82,433
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758				
			32 2B01OT0090-19-14	77,626	77,626
			400 2B01OT0090-19-14	841,224	170,622
Total For Program - Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)				918,850	248,248
Children's Health Insurance Program	93.767				
			503 1305IN5021	4,480,332	-
			503 1405IN5021	109,148,431	-
Total For Program - Children's Health Insurance Program				113,628,763	-
<u>Medicaid Cluster</u>					
State Medicaid Fraud Control Units	93.775				
			46 1401IN5050	1,196,865	-
			46 1501IN5050	3,129,816	-
Total For Program - State Medicaid Fraud Control Units				4,326,681	-
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777				
			400 05-1405-IN-5000	1,978,744	-
			400 05-1405-IN-5002	10,593	-
			400 05-1405-IN-5002	70,270	-
			400 05-1505-IN-5000	4,713,344	-
			400 05-1505-IN-5002	160,116	-
			400 1405IN5001	1,687,853	-
			400 ESTIMATE	5,607	-
			400 ESTIMATE	3,971,441	-
Total For Program - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare				12,597,968	-
Medical Assistance Program	93.778				
			400 XIX-ADM14	152,313	-
			502 1505IN5ADM	2,416,362	-
			503 05-1405INBIPP	11,431,548	-
			503 05-1505INIMPL	573,551	-
			503 05-1505ININCT	21,614,853	-
			503 1005in5map	11,981,088	-
			503 14-05INIMPL	122,082	-
			503 1405ININCT	1,194,764	-
			503 1505IN5ADM	12,649,218	-
			503 1505IN5ADM	184,478,704	2,636,700
			503 1505IN5MAP	4,675,751,176	-
			503 XIX-ADM14	64,606,036	505,576
			503 XIX-MAP14	1,591,272,444	-
			700 1505IN5ADM	2,669,639	-
			700 XIX-ADM14	1,217,880	-
Total For Program - Medical Assistance Program				6,582,131,658	3,142,276
Total for Cluster - Medicaid Cluster				6,599,056,307	3,142,276

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	210	1NOCMS020202-21-00	88,526	-
Total For Program - Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations				88,526	-
Alternatives to Psychiatric Residential Treatment Facilities for Children	93.789	410	1SOCMS300134/01	428,935	-
Total For Program - Alternatives to Psychiatric Residential Treatment Facilities for Children				428,935	-
Money Follows the Person Rebalancing Demonstration	93.791	498	1LICMS300150-01	6,815,206	46,883
Total For Program - Money Follows the Person Rebalancing Demonstration				6,815,206	46,883
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).	93.815		400 3U50CK000395-01S2	574	-
Total For Program - Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).				574	-
ACL Assistive Technology State Grants for Protection and Advocacy	93.843		44 90AV0039-01-00	24,944	-
Total For Program - ACL Assistive Technology State Grants for Protection and Advocacy				24,944	-
Grants to States for Operation of Offices of Rural Health	93.913		400 5 H95RH00136-23-00 400 6 H95RH00136-22-00	154,332 60,963	127,189 18,064
Total For Program - Grants to States for Operation of Offices of Rural Health				215,295	145,253
HIV Care Formula Grants	93.917		400 61910 400 2 X07HA00033-25-00 400 2 X08HA19748-04-00 400 2 X08HA19748-05-00 400 6 X07HA00033-24-02 400 X07HA00033	6,230,339 315,774 52,639 403,778 11,173,428 1,273	- - 52,639 28,778 238 -
Total For Program - HIV Care Formula Grants				18,177,231	81,655
HIV Prevention Activities_Health Department Based	93.940		400 5U62PS003682-03 400 5U62PS003682-04	1,621,987 828,583	1,080,118 507,317
Total For Program - HIV Prevention Activities_Health Department Based				2,450,570	1,587,435
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944		400 1U62PS004949-01 400 5U62PS001599-05 400 5U62PS001599-06 400 5U62PS003967-02 400 5U62PS003967-03	16,833 914 308,170 375,652 251,101	- - 18,414 51,749 -
Total For Program - Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance				952,670	70,163

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>					
Assistance Programs for Chronic Disease Prevention and Control	93.945				
			400 1U58DP004806-01	303,519	63,488
			400 5U58DP004806-02	718,152	51,768
			700 1U58DP004806-01	5,855	-
			700 5U58DP004806-02	98,354	-
Total For Program - Assistance Programs for Chronic Disease Prevention and Control				<u>1,125,880</u>	<u>115,256</u>
Block Grants for Community Mental Health Services	93.958				
			410 2B09SM010019-13	1,243,462	1,127,828
			410 2B09SM010019-14	5,827,823	4,871,147
			410 2B09SM010019-15	22,531	-
Total For Program - Block Grants for Community Mental Health Services				<u>7,093,816</u>	<u>5,998,975</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959				
			400 2B08TI010019-14	559,868	414,329
			400 3B08T1010019-13	150,910	118,764
			410 2B08TI010019-14	28,289,787	27,772,154
			410 3B08T1010019-13	1,608,117	1,607,172
Total For Program - Block Grants for Prevention and Treatment of Substance Abuse				<u>30,608,682</u>	<u>29,912,419</u>
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977				
			400 1H25PS004337-01	908,638	356,735
			400 5H25PS004337-02	389,533	188,108
Total For Program - Preventive Health Services_Sexually Transmitted Diseases Control Grants				<u>1,298,171</u>	<u>544,843</u>
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988				
			400 3U58SO000028-03S2	212,725	-
Total For Program - Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems				<u>212,725</u>	<u>-</u>
Preventive Health and Health Services Block Grant	93.991				
			32 2B01DP009019-13	64,641	64,641
			400 2B01DP009019-13	439,039	142,628
Total For Program - Preventive Health and Health Services Block Grant				<u>503,680</u>	<u>207,269</u>
Maternal and Child Health Services Block Grant to the States	93.994				
			400 B04MC23378-01-06	335,860	(183,230)
			400 B04MC25339-01	7,777,931	2,472,443
			400 ESTIMATE	3,375,443	2,443,898
			615 B04MC25339-01	15,631	-
Total For Program - Maternal and Child Health Services Block Grant to the States				<u>11,504,865</u>	<u>4,733,111</u>
Total - U.S. Department of Health and Human Services				<u>7,441,295,792</u>	<u>126,883,902</u>
<u>Corporation for National and Community Service</u>					
State Commissions	94.003				
			510 13CAHIN001	153,833	-
Total For Program - State Commissions				<u>153,833</u>	<u>-</u>
AmeriCorps	94.006				
			510 12ACHIN001	1,225,983	1,225,983
			510 12AFHIN001	1,190,575	1,190,575
			510 12ESHIN001	311,213	311,213
			510 13FXHIN001	486,673	485,419
			719 13FXHIN001	221,167	-
Total For Program - AmeriCorps				<u>3,435,611</u>	<u>3,213,190</u>
Total - Corporation for National and Community				<u>3,589,444</u>	<u>3,213,190</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>Social Security Administration</u>					
Disability Insurance/SSI Cluster					
Social Security_Disability Insurance	96.001		497 1304INDI00	2,004	-
			497 1404INDI00	15,669,225	-
			497 1504INDI00	<u>30,220,422</u>	-
Total For Program - Social Security_Disability Insurance				<u>45,891,651</u>	-
Total for Cluster - Disability Insurance/SSI Cluster				<u>45,891,651</u>	-
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	96.009		44 PAB13020323-01-02	<u>92,124</u>	-
Total For Program - Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries				<u>92,124</u>	-
Total - Social Security Administration				<u>45,983,775</u>	-
<u>U.S. Department of Homeland Security</u>					
Non-Profit Security Program	97.008		385 EMW-2012-UA-00041-S01	<u>27,963</u>	-
Total For Program - Non-Profit Security Program				<u>27,963</u>	-
Boating Safety Financial Assistance	97.012		300 3314FAS140118	849,971	40,139
			300 3315FAS140118	<u>472,499</u>	<u>45,000</u>
Total For Program - Boating Safety Financial Assistance				<u>1,322,470</u>	<u>85,139</u>
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023		300 EMC-2014-CA-7002	56,085	-
			300 EMC-2015-CA-7002	<u>102,183</u>	-
Total For Program - Community Assistance Program State Support Services Element (CAP-SSSE)				<u>158,268</u>	-
Individual and Family Grants	97.035		385 1732DRINP00000005	<u>(9,998)</u>	-
Total For Program -Individual and Family Grants				<u>(9,998)</u>	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		100 FEMA-4173-DR	72,495	-
			110 FEMA-4173-DR	98,123	-
			300 Disaster Declaration 4058	6,031	-
			385 1766DRINP00000001	541,263	468,511
			385 17951795DRINP00000001	135	-
			385 1828DRINP00000001	(12,490)	(13,430)
			385 1997DRINP00000001	301,046	300,835
			385 Disaster Declaration 4058	338,351	8,486
			800 FEMA-4173-DR	<u>1,346,114</u>	-
Total For Program - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>2,691,068</u>	<u>764,402</u>
Hazard Mitigation Grant	97.039		385 1662DRINP00000005	(142,301)	-
			385 1740DRINP00000005	(20,250)	(20,250)
			385 1766DRINP00000005	65,216	-
			385 1795DRINP00000005	326,708	28,486
			385 1828DRINP00000005	114,764	104,666
			385 1832DRINP00000005	33,569	15,869
			385 1997DRINP00000005	441,024	125,341
			385 4058DRINP00000005	<u>154,487</u>	<u>59,459</u>
Total For Program - Hazard Mitigation Grant				<u>973,217</u>	<u>313,571</u>
National Dam Safety Program	97.041		300 EMW-2012-GR-00077-S01	4,264	-
			300 EMW-2013-GR-00084-S01	71,216	-
			300 EMW-2014-GR-APP-00073-S01	37,524	-
			385 2009-RC-55-0032	(100)	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Homeland Security (continued)</u>					
National Dam Safety Program (continued)	97.041		385 2010-RC-50-0009	100	-
Total For Program - National Dam Safety Program				113,004	-
Emergency Management Performance Grants	97.042				
			110 EMW-2013-EP-00016-S01	16,912	-
			110 EMW-2014EP00030-S01	37,628	-
			286 EMW-2012-EP-00017-S01	20,139	-
			385 2010-EP-00-0005	435	-
			385 EMW-2013-EP-00016-S01	5,094,662	2,792,462
			385 EMW-2014EP00030-S01	4,282,741	3,050,517
			700 EMW-2013-EP-00016-S01	11,067	-
			800 EMW-2013-EP-00016-S01	7,741	-
Total For Program - Emergency Management Performance Grants				9,471,325	5,842,979
State Fire Training Systems Grants	97.043				
			385 EMW-2013-GR-0003-S01	19,181	7,500
			385 EMW-2014-GR-00044-S01	19,698	-
Total For Program - State Fire Training Systems Grants				38,879	7,500
Assistance to Firefighters Grant	97.044				
			385 EMW-2013-FZ-00079	172,955	-
Total For Program - Assistance to Firefighters Grant				172,955	-
Cooperating Technical Partners	97.045				
			300 EMC-2006-CA-7016	14,440	-
			300 EMC-2007-CA-7027	6,446	-
			300 EMC-2008-CA-7017	4,950	-
			300 EMC-2009-CA-7008	324,834	244,600
			300 EMC-2011-CA-7014	167	-
			300 EMC2012-CA-7008	26,711	-
			300 EMC-2013-CA-7008	99,273	-
			300 EMW-2014-CA-00220-S01	54,573	-
Total For Program - Cooperating Technical Partners				531,394	244,600
Pre-Disaster Mitigation	97.047				
			385 EMC-2008-PD-0002 (FY08)	32,413	-
			385 EMC-2013-PC-0001	117,628	-
			385 EMC-2014-PC-0007	11,082	-
Total For Program - Pre-Disaster Mitigation				161,123	-
Port Security Grant Program	97.056				
			100 EMW-2013-PU-00332-S01	254,254	-
			300 EMW-2011-PU-K00245	509	-
			300 EMW-2011-PU-K00246	272	-
			300 EMW-2013-PU-00336-S01	143,611	-
			300 EMW-2013-PU-00365-S01	13,051	-
Total For Program - Port Security Grant Program				411,697	-
Centers for Homeland Security	97.061				
			351 06-S130696	23,767	-
Total For Program - Centers for Homeland Security				23,767	-
Homeland Security Grant Program	97.067				
			100 EMW-2011-SS-00058-S01	153,306	-
			100 EMW-2012-SS-00019-S01	110,530	-
			100 EMW-2013-SS-00017-S01	400,000	-
			385 EMW-2011-SS-00058-S01	659,553	352,179
			385 EMW-2012-SS-00019-S01	1,092,365	810,059
			385 EMW-2013-SS-00017-S01	1,932,579	816,996
			385 EMW-2014-SS-00138	665,990	480,630
			800 EMW-2011-SS-00058-S01	4,000	-
Total For Program - Homeland Security Grant Program				5,018,323	2,459,864

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
July 1, 2014 to June 30, 2015
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Business Unit - Note 4	Grant Number	Federal Awards Expended	Passed Through To Subrecipients
<u>U.S. Department of Homeland Security (continued)</u>					
Earthquake Consortium	97.082		385 EMC-2012-CA-7016A	24,614	-
Total For Program - Earthquake Consortium				24,614	-
Driver's License Security Grant Program	97.089		235 2010-DL-TO-0005	7,626	-
Total For Program - Driver's License Security Grant Program				7,626	-
Homeland Security Biowatch Program	97.091		400 2006-ST-091-000019-08	30,924	-
			400 2006-ST-091-000019-09	222,566	-
			495 2006-ST-091-000019-08	85,059	-
			495 2006-ST-091-000019-09	150,260	-
Total For Program - Homeland Security Biowatch Program				488,809	-
Total - U.S. Department of Homeland Security				21,626,504	9,718,055
GRAND TOTALS				12,084,952,850	1,457,793,980

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Scope of Schedule of Expenditures of Federal Awards

All federal awards received by the State of Indiana (State), as a governmental unit, have been included in the Schedule of Expenditures of Federal Awards (Schedule) except for the programs administered by the component units listed in Note 4.

Note 2. Basis of Presentation

- a. The accompanying Schedule includes the federal grant activity of the State under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the State, it is not intended to and does not, present the financial position, changes in net assets or cash flows of the State.
- b. The source of information for the Schedule was obtained from the ENCOMPASS financial accounting system and certified by Indiana Office of Management and Budget and State Budget Agency financial staff; the financial statements were also prepared from this system. Expenditures are separated within the federal programs by the Business Unit (BU) creating the expenditure to the State and by individual grants. See Note 5 for a listing of agencies and BUs.
- c. With regard to Indiana Department of Transportation advance projects, federal expenditures are not included until the U.S. Department of Transportation has confirmed their percentage of participation.

Note 3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 4. Component Units

The entities listed below are component units for financial statement purposes and receive federal financial assistance. The federal transactions of these entities are not reflected in this Schedule. Each of these entities is subject to independent audits in compliance with OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations with a fiscal year end date of June 30, except for the Indiana Housing and Community Development Authority which has a calendar year end date of December 31.

STATE OF INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

<u>Component Unit</u>	<u>Federal Funds Expended</u>
Purdue University	\$ 551,549,351
Indiana University	913,301,355
Indiana State University	103,032,581
Ball State University	152,130,140
Vincennes University	62,894,254
University of Southern Indiana	47,556,844
Ivy Tech State College	307,500,602
Indiana Finance Authority	49,244,884
Indiana Housing and Community Development Authority	<u>353,485,408</u>
 Total	 \$ <u>2,540,695,423</u>

Note 5. State Agencies

The following State agencies and related BUs are included on the Schedule.

<u>Agency</u>	<u>BU</u>	<u>Agency Name</u>
AC	705	Arts Commission
ADG	110	Adjutant General
AG	046	Attorney General, Office of the
BMV	235	Bureau of Motor Vehicles
BOAH	351	Board of Animal Health
BS	550	School for the Blind
CHE	719	Commission for Higher Education
CJI	032	Criminal Justice Institute
CRC	258	Civil Rights Commission
CPR	062	Commission on Public Records
DOA	061	Department of Administration
DCS	502	Department of Child Services
DEM	495	Department of Environmental Management
DHS	385	Department of Homeland Security
DNR	300	Department of Natural Resources
DOC	615-616	Department of Correction
DOE	700-718	Department of Education
DOH	400	Department of Health
DOI	210	Department of Insurance
DOL	225	Department of Labor
DOR	090	Department of Revenue
DS	560	School for the Deaf
DOT	800	Department of Transportation
DT	115	Department of Toxicology
DVA	160	Department of Veterans' Affairs
DWD	510-8510	Department of Workforce Development
EC	063	Election Division
FSSA	405-410-415-425-450-497- 498-500-503	Family and Social Services Administration

STATE OF INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Agency	BU	Agency Name
GPC	035	Governor's Planning Council for People With Disabilities
IOT	067	Office of Technology
IPSC	286	Integrated Public Safety Commission
JC	026	Judicial Center
LETB	103	Law Enforcement Training Board
LT.GOV	036-038	Lieutenant Governor - Dept. of Agriculture
OED	266	Office of Energy Development
PAC	039	Prosecuting Attorney's Council
PASC	044	Protection and Advocacy Services
PDC	610	Public Defender Council
SC	022	Supreme Court
SL	730	State Library
SP	100	State Police
URC	200	Utility Regulatory Commission
VH	570	Veterans' Home

Note 6. State Unemployment Insurance Benefits

State Unemployment Insurance Benefits represent the funds returned from the U.S. Treasury for unemployment benefits. The amount does not exclude the Overpayment Recoupments of \$18,541,747 that were recovered during the fiscal year. The State collects unemployment taxes from employers and deposits them in the Unemployment Insurance Trust Fund to be used by the State. The Trust Fund is accounted for within Business Unit 8510 on the Schedule.

Note 7. Supplemental Nutrition Assistance Program - SNAP (Food Stamps)

The reported expenditures for benefits under the Supplemental Nutrition Assistance Program (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 portion of total expenditures for SNAP benefits that is supported by Recovery Act funds varies according to fluctuations in the cost of the Thrifty Food Plan, and to changes in participating households' income, deductions, and assets. This condition prevents USDA from obtaining the regular and Recovery Act components of SNAP benefits expenditures through normal program reporting processes. As an alternative, USDA has computed a weighted average percentage to be applied to the national aggregate SNAP benefits provided to households in order to allocate an appropriate portion thereof to Recovery Act funds. This methodology generates valid results at the national aggregate level but not at the individual State level. Therefore, we cannot validly disaggregate the regular and Recovery Act components of our reported expenditures for SNAP benefits. At the national aggregate level, however, Recovery Act funds account for 0.64 percent of USDA's total expenditures for SNAP benefits in the Federal fiscal year ended September 30, 2014.

STATE OF INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Note 8. Noncash Assistance

The State expended the following amount of noncash assistance for the year. This noncash assistance is also included in the federal expenditures presented in the Schedule.

Program Title	Federal CFDA Number	Noncash Assistance Expended
National School Lunch Program (DOE)	10.555	\$ 37,201,083
Summer Food Service Program for Children (DOE)	10.559	46,798
Commodity Supplemental Food Program (DOH)	10.565	899,253
Emergency Food Assistance Program (DOH)	10.568	11,025,449
Donation of Federal Surplus Personal Property (DOA)	39.003	5,795,541
Immunization Cooperative Agreements (DOA)	93.268	798,873

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	yes
Noncompliance material to financial statements noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of <i>OMB Circular A-133</i> ?	yes

Identification of major programs and type of auditor's report issued on compliance:

CFDA Number	Name of Federal Program or Cluster	Type of Auditor's Report
	Child Nutrition Cluster	Unmodified
10.558	Child and Adult Care Food Program	Unmodified
17.225	Unemployment Insurance	Unmodified
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Unmodified
	WIA Cluster	Unmodified
	Highway Planning and Construction Cluster	Qualified
84.010	Title I Grants to Local Educational Agencies	Qualified
84.367	Improving Teacher Quality Grants to State School Improvement Grant Cluster	Qualified
84.129	Rehabilitation Services_Vocational Rehabilitation Grants to States	Qualified
	CCDF Cluster	Unmodified
	TANF Cluster	Qualified
93.563	Child Support Enforcement	Qualified
93.659	Adoption Assistance	Qualified
93.658	Foster Care – Title IVE	Unmodified
93.767	Childrens' Health Insurance Plan	Unmodified
	Medicaid Cluster	Unmodified
	Disability Insurance/SSI Cluster	Unmodified
93.959	Block Grant for Prevention and Treatment of Substance Abuse	Qualified

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

Auditee qualified as low-risk auditee? no

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II - Financial Statement Findings

FINDING 2015-001 - MEDICAID ACCRUALS

Adequate controls were not in place to ensure that the Public Welfare-Medicaid Assistance Fund (Medicaid Fund) accruals were properly reported. The Family and Social Services Agency (FSSA) compiles year end Medicaid Fund accrual entries which the Auditor of State manually posts as adjustments to the financial statements. The accounts payable accrual for medical claims incurred, but not yet paid, is determined using a query of Medicaid claims data. The associated grants receivable is calculated by applying the federal matching rate to the Medicaid accounts payable calculation. In 2014, errors were identified in the query which resulted in an immaterial overstatement of the modified accounts payable and grant receivable. The Auditor of State declined to make the immaterial adjustments to the statements in 2014, but instructed FSSA to use corrected queries in 2015 for both the modified and full accrual adjustments. In 2015, FSSA again used the old query which resulted in material overstatements of accounts payable and grants receivable. For the modified accrual, FSSA overstated accounts payable and grants receivable in the Medicaid Fund by \$54,272,926 and \$36,113,207 respectively. For the full accrual, FSSA overstated the incremental accounts payable and grants receivable adjustments by \$1,073,608,470 and \$714,189,480 for a total overstatement of accounts payable and receivables (net) in the Government-Wide Statement of Net Position of \$1,127,881,396 and \$750,302,687, respectively.

FSSA posted a prior period adjustment based on the corrected accounts payable query results. The full accrual accounts payable is an average of the most recent three years of data for claims paid in a fiscal year with a date of service from a prior fiscal year. In the calculation of the prior period adjustment, FSSA neglected to re-run the 2012 calculation using the new criteria. FSSA instead used the previously reported number for 2012, creating an overstatement in the prior period accounts payable adjustment of \$96 million and an associated overstatement of grants receivable of \$64 million for a net understatement of restated net position of \$32 million.

FSSA had a review process in place; however, the review process did not prevent, or detect and correct, the errors in the current year accrual or prior period adjusting entries.

Following our communication of the above noted errors, adjustments were recorded to correct the financial statements.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview--General Guidelines and Policy, Section IV)

FINDING 2015-002 - INVESTMENT NOTE DISCLOSURE ERRORS

Adequate controls were not in place to ensure that the information presented in the investment note disclosures were accurate. The Treasurer of State compiles the investment note disclosures and provides them to the Auditor of State for inclusion in the State's Comprehensive Annual Financial Report (CAFR). Our audit identified the following errors in the investment note disclosures presented for audit:

- Concentration of Credit Risk - Federal Home Loan Bank (FHLB) was shown as \$451,161,334. This is the FHLB General Fund amount and should have also included the FHLB Trust Fund amount of \$330,411,631, for a combined total of \$781,572,965.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- Major Moves & Next Generation - Credit quality rating for investments in debt securities table documented \$26,582,863 in Government Collateralized Mortgage Obligations (CMO's) rated as "NR" or Not Rated. The rating should be "AA" based on the Interest Rate Risk spreadsheet.
- Major Moves & Next Generation - Credit quality rating for investments in debt securities table documented \$130,623 as Non US Govt/Corp Bonds rated as "AA." This amount should be rated as "AAA" based on the "5 - 10 year" tab on the Interest Rate Risk spreadsheet.
- Major Moves & Next Generation - Credit quality rating for investments in debt securities table documented 83 (expressed in thousands) with a rating of "NR" and nothing rated as "B" for Municipal Bonds. Based on the Interest Rate Risk spreadsheet, it should show Municipal Bonds at 81 (expressed in thousands) with a rating of "B" and 3 (expressed in thousands) with a rating of "NR."
- Major Moves & Next Generation - Credit quality rating for investments in debt securities table documented 3 (expressed in thousands) with a rating of "CCC & Below" for Municipal Bonds. Based on the Interest Rate Risk spreadsheet, none of the Municipal Bonds should be rated at CCC & Below.

Following our communication of the above noted errors, adjustments were recorded to correct the note disclosures.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview--General Guidelines and Policy, Section IV)

FINDING 2015-003 - INTERNAL CONTROLS OVER TAX REVENUES

During our audit of tax revenues administered by the Indiana Department of Revenue (DOR), we identified the following deficiencies in internal control:

1. DOR utilizes stand-alone custom taxpayer account systems, spreadsheets, and databases that were developed over time to support the core tax processes at DOR. DOR's Revenue Processing System (RPS) processes the majority of tax returns collected, refunds issued, and adjustments to taxpayer accounts, but other stand-alone taxpayer account systems and databases are used by DOR to support tax types not maintained in RPS.

DOR did not perform timely reconciliations between the State's ENCOMPASS accounting records and its stand-alone custom taxpayer account systems, spreadsheets, and databases. DOR performed one comprehensive reconciliation encompassing the state fiscal year as of June 30, 2015, which was not completed until late August 2015; therefore, inhibiting DOR from detecting and correcting errors or omissions in a timely manner.

STATE OF INDIANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

Our testing identified errors in the reconciliation and multiple revisions to both the reconciliation and supporting population transaction files were needed. After working with DOR to make the necessary revisions, DOR presented the final reconciliation to us in mid-October 2015. The reconciliation indicated the following differences between DOR's population transaction files and the State's ENCOMPASS financial accounting records:

Opinion Unit	Amount per the State's ENCOMPASS Accounting Records	Amount per DOR's Transaction Population Files	Difference
General Fund	\$ 13,983,882,654	\$ 13,953,241,472	\$30,641,182 or 0.22%
Aggregate Remaining Fund Information	1,646,421,876	1,650,496,365	(4,074,488) or -0.25%

Additionally, as a result of our testing of General Fund and Aggregate Remaining Fund Information tax revenues transactions, we identified specific variances between the transaction files and ENCOMPASS. Based on our audit procedures, we projected variances of \$12,583,871 and \$2,125,609 for the General Fund and Aggregate Remaining Fund Information opinion units, respectively. The projected variances identified less activity in the aforementioned detailed transactions than in ENCOMPASS. DOR did not present additional transactions or provide additional information to account for these differences. The projected variances, alone or in combination with the above noted respective variances, were not considered material to either of these opinion units in the financial statements.

2. Each day, when hardcopy tax return information is automatically posted to RPS from the originating system, a Recap Discrepancy Report is generated listing the batches of tax returns, which includes the following information for each batch: batch identification number, tax type, total count of items, total dollar amount, and problems identified by the system. Our inquiry of DOR management and staff revealed that the Recap Discrepancy Report does not consider the tax type when verifying the recap data to the batches in RPS, which could result in a misclassification of tax revenues. DOR management did not design and implement adequate controls to sufficiently compensate for this deficiency.
3. DOR's internal controls over changes to taxpayer account systems were not adequate to ensure compliance was being maintained. Deficiencies in internal controls increase the risk that discrepancies or fraud could be undetected. We issued a management letter to DOR management dated April 16, 2014, concerning this matter. On August 26, 2015, we received a status update from DOR stating that DOR was unable to implement wholesale security changes within RPS to eliminate internal control deficiencies; however, the status update indicated that improvements and progress had been made.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Each agency, department, quasi, institution or office should have internal controls in effect to provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and forms of information processing are part of an internal control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

System controls are in effect on the ENCOMPASS financial accounting system, which is the official book of record for the State; however, each agency is responsible for controls in any subsidiary systems used or other records maintained. At all times, the agency's manual and subsidiary ledgers should reconcile with ENCOMPASS. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

The computerized accounting system must maintain electronic audit trails sufficient to trace all transactions from the original source of entry into the system, through all system processing, through various levels of summarizations, and to the results produced by the system. The audit trails must also maintain sufficient information to trace all transactions from the final results produced by the system, through all system processing and summarizations, and to the original source of entry into the system. Audit trails must also identify the user that processed the transaction or updated the information. These audit trails must be protected from modification and deletion. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.3.5)

FINDING 2015-004 - RECONCILIATIONS BETWEEN KIDTRAKS AND ENCOMPASS

The Indiana Department of Child Services (DCS) maintains a subsidiary system, KidTraks. DCS did not perform a comprehensive reconciliation between expenses recorded in KidTraks and expenses posted to the State's accounting system, ENCOMPASS. Management of DCS did not design and implement adequate controls to sufficiently compensate for this deficiency.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

Each agency, department, quasi, institution or office should have internal controls in effect to provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and forms of information processing are part of an internal control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

System controls are in effect on the ENCOMPASS financial accounting system, which is the official book of record for the State; however, each agency is responsible for controls in any subsidiary systems used or other records maintained. At all times, the agency's manual and subsidiary ledgers should reconcile with ENCOMPASS. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-005 - INTERNAL CONTROLS OVER ENCOMPASS ACCOUNTING SYSTEM

Our audit testing identified internal control and security issues in the State's ENCOMPASS accounting system. The issues identified include deficiencies in the following areas:

- approval processes
- segregation of duties
- password controls
- system access
- system monitoring controls

It is critical that an agency approver, whether it be approval of a deposit, payment, journal entry or asset entry, be cognizant of the various funds, accounts, departments and programs of his/her agency in order that incorrect entries be returned to the entry staff for correction prior to approval. It is not the responsibility of the AOS staff to be aware of all operations within an agency and how they should be recorded. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 2.4)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Segregation of duties and safeguarding controls over cash, all other assets, and all forms of information processing are necessary for proper internal control.

Segregation of duties is the concept of having different people do different tasks within the organization. It provides the foundation of good internal control by assuring that no one individual has the capability to perpetuate and conceal errors or irregularities in the normal course of their authorized duties. Segregation of duties is achieved within information technology systems by appropriate assignment of security profiles that define the data the users can access and the functions that they can perform. Access must be restricted to the minimum required for the user to perform their job function. Access rights must be periodically reviewed and approved by management. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.2)

Reporting of user access rights to system functional capabilities and information, as well as reporting of security definitions such as configuration parameters, workflow approval hierarchy, thresholds, and override capabilities must be available to, and easily understood by, management and State Board of Accounts' Field Examiners during the course of a regularly scheduled audit. These security definitions and user access rights must enforce adequate segregation of duties for the accounting system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.3.4)

FINDING 2015-006 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Adequate controls were not in place to ensure that the Schedule of Expenditures of Federal Awards (SEFA) was reported accurately. The State did not have a proper system of internal control in place to prevent, or detect and correct, errors on the SEFA.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

During the audit of the SEFA, we identified the amount reported for the Foster Care program was underreported by \$45,186,693. This error was not detected by the control processes put into place at the State to ensure that the SEFA is materially accurate.

An audit adjustment was proposed, accepted by the State, and made to the SEFA presented in this report.

The State should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview Chapter)

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-007 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's Program
and Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Number and Year (or Other Identifying Number): B-05-DC-18-0001, B-06-DC-18-0001,
B-07-DC-18-0001, B-08-DC-18-0001,
B-08-DF-18-0001, B-08-DI-18-0001,
B-09-DC-18-0001, B-10-DC-18-0001,
B-11-DC-18-0001, B-12-DC-18-0001,
B-13-DC-18-0001, B-14-DC-18-0001,
B-08-DI-18-0001

Management of the Indiana Office of Community and Rural Affairs (OCRA) has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Subrecipient Monitoring compliance requirement. Controls were not in place to ensure all sub-recipients were monitored for compliance with laws, regulations, and the provisions of the grant agreements. Additionally, controls were not in place to ensure all subrecipients obtained the required audits in accordance with OMB Circular A-133. Employees of OCRA maintained monitoring schedules to ensure audits were properly completed; however, there were not any controls in place to ensure that the schedules were properly maintained.

This finding was originally reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-008.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish effective internal controls over Subrecipient Monitoring could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that OCRA's management establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

FINDING 2015-008 - SUSPENSION AND DEBARMENT

Federal Agency: U.S. Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): Estimated \$, N4510.705, N4510.770, N4510.774, NHSTA, RTA-000-1661, various

Management of the Indiana Department of Transportation (INDOT) did not establish an effective internal control system related to the grant agreement and the Suspension and Debarment compliance requirement.

INDOT did not have procedures in place to verify that subawards were not granted to a Local Public Agency that had been suspended or debarred.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

23 CFR 420.121(o) states in part:

"(1) The State DOTs and their subrecipients shall not award grants or cooperative agreements to entities who are debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 of February 18, 1986 . . ."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (a) Checking the EPLS; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

The failure to establish internal controls resulted in noncompliance with the compliance requirement. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that INDOT officials establish and implement effective internal controls and comply with the Suspension and Debarment requirements of the program.

FINDING 2015-009 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205

Federal Award Number and Year (or Other Identifying Number): Estimated \$, N4510.705, N4510.770, N4510.774, NHSTA, RTA-000-1661, various

Management of the Indiana Department of Transportation (INDOT) did not establish an effective internal control system related to the grant agreement and the Subrecipient Monitoring compliance requirement. Controls were not in place to ensure all subrecipients obtained the required audits in accordance with OMB Circular A-133. Employees of INDOT maintained monitoring schedules to ensure audits were properly completed; however, there were not any controls in place to ensure that the schedules were properly maintained.

A finding related to this compliance requirement was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-016.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds to INDOT.

We recommended that INDOT's management establish controls related to the grant agreement and the Subrecipient Monitoring requirements of the program.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-010 - SPECIAL TESTS AND PROVISIONS - QUALITY ASSURANCE PROGRAM

Federal Agency: U.S. Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): Estimated \$, N4510.705, N4510.770, N4510.774, NHSTA, RTA-000-1661, various

Management of the Indiana Department of Transportation (INDOT) did not establish an effective internal control system related to the grant agreement and the Special Test and Provisions - Quality Assurance Program (QA) compliance requirement. INDOT employees did not review the QA activities performed by qualified testing personnel until the project was complete, which could be several years after the QA activities were performed. Due to the timing of this review, any errors in the QA activities would not be identified timely.

During the audit for Fiscal Year 2015, a sample was selected of the required Quality Assurance Tests. Of the 98 selected, 3 Quality Assurance Tests were performed by individuals that were not properly qualified to perform the testing.

A finding related to this compliance requirement was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-017.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

23 CFR 637.205(d) states:

"Verification sampling and testing. The verification sampling and testing are to be performed by qualified testing personnel employed by the STD or its designated agent, excluding the contractor and vendor."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that INDOT's management establish effective internal controls and comply with the Special Tests and Provisions - Quality Assurance Program compliance requirement.

FINDING 2015-011 - SPECIAL TESTS AND PROVISION - WAGE RATE REQUIREMENTS

Federal Agency: U.S. Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): Estimated \$, N4510.705, N4510.770, N4510.774, NHSTA, RTA-000-1661, various

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Management of the Indiana Department of Transportation (INDOT) has not established an effective internal control system related to the grant agreement and the Special Test and Provision - Wage Rate Requirements. Controls were not in place to ensure the District Offices of INDOT received all weekly certified payrolls from contractors and subcontractors for weeks in which work was completed. A similar finding was reported in the prior year's report as Finding 2014-014. Based upon the prior year finding and information provided by INDOT, we selected 3 projects to test to determine if any changes have been implemented. For all 3 tested, we were unable to determine if we received all weekly certified payrolls for the audit period to test. As a result, we were not able to identify a complete population to sample from and therefore, we did not do any further testing. The District Offices maintained weekly payrolls that had been submitted and certified by the contractors; however, no records were kept to track if work was completed each week and if a certified payroll should have been submitted.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

29 CFR 3.3(b) states in part:

"Each contractor or subcontractor engaged in the construction, prosecution, completion, or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the United States, shall furnish each week a statement with respect to the wages paid each of its employees engaged on work covered by this part 3 and part 5 of this title during the preceding weekly payroll period. . . ."

The failure to establish internal controls resulted in noncompliance to the compliance requirement. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the Agency.

We recommended that INDOT's management develop and implement procedures and controls to ensure that all weekly certified payrolls are received for work completed on construction contracts.

FINDING 2015-012 - SPECIAL TEST AND PROVISIONS - VALUE ENGINEERING

Federal Agency: U.S. Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205

Federal Award Number and Year (or Other Identifying Number): Estimated \$, N4510.705, N4510.770, N4510.774, NHSTA, RTA-000-1661, various

Management of the Indiana Department of Transportation (INDOT) did not establish an effective internal control system related to the grant agreement and the Special Test and Provisions – Value Engineering. We identified six projects that were required to have a Value Engineering analysis performed. INDOT did not provide supporting documentation to show the analysis was performed for one project that was started in 2008. The project had an estimated cost at that time in excess of \$51.5 million. According to the INDOT financial records, a total of \$273,603 of federal funds were used for the project.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

23 CFR 627.5 states in part:

"(a) A VE analysis shall be conducted prior to the completion of final design on each applicable project that utilizes Federal-aid highway funding, and all approved recommendations shall be included in the project's plans, specifications and estimates.

(b) Applicable projects shall include the following:

- (1) Each project located on the National Highway System (NHS) (as specified in 23 U.S.C. 103) where the estimated total project cost is \$50 million or more that utilizes Federal-aid highway funding; . . ."

The failure to establish internal controls resulted in noncompliance to the compliance requirement. Noncompliance of the grant agreement or the compliance requirement could result in the loss of federal funds.

We recommended that INDOT's management establish and implement effective internal controls and comply with Special Tests and Provisions - Value Engineering compliance requirement.

***FINDING 2015-013 - ACTIVITIES ALLOWED OR UNALLOWED,
ALLOWABLE COSTS/COST PRINCIPLES, ELIGIBILITY***

Federal Agency: U.S. Department of Health and Human Services

Federal Program: Adoption Assistance

CFDA Number: 93.659

Federal Award Number and Year (or Other Identifying Number): 1301IN1407, 1401IN1407, 1501INADPT

Management of the Department of Child Services (DCS) did not establish an effective internal control system related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility.

Controls were not in place to ensure the required documents are maintained in the case files. Prior to 2009, all cases were handled by the individual counties and were required to be signed and dated by the County Director. Based upon a sample of all adoption assistance cases that had payments during the audit period, 4 of the 40 tested had Adoption Assistance Agreements that either were not signed, signed but didn't have a subsidy rate listed, or no agreement was presented to for audit. All 4 were cases that were initiated prior to 2009. Additionally, we sampled 71 cases to ensure the adoption assistance subsidy payment did not exceed the foster care maintenance payment. For 8 of the cases, there was no documentation to ensure the adoption assistance subsidy payment did not exceed the foster care maintenance payment.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Without the required documents, we could not determine if eligibility was properly determined. Compliance with Activities Allowed or Unallowed and Allowable Costs/Cost Principles requirements is dependent on the payment being made to adoptive parents in connection with an eligible child. Since we could not determine if the recipient was eligible, we could not determine if the payment was for an Allowable Activity or made in accordance with Allowable Costs/Cost Principles.

A finding related to these compliance requirements was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-031.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

45 CFR 1356.40(b) states:

"(b) The adoption assistance agreement for payments pursuant to section 473(a)(2) must meet the requirements of section 475(3) of the Act and must:

- (1) Be signed and in effect at the time of or prior to the final decree of adoption. A copy of the signed agreement must be given to each party; and
- (2) Specify its duration; and
- (3) Specify the nature and amount of any payment, services and assistance to be provided under such agreement and, for purposes of eligibility under title XIX of the Act, specify that the child is eligible for Medicaid services; and
- (4) Specify, with respect to agreements entered into on or after October 1, 1983, that the agreement shall remain in effect regardless of the place of residence of the adoptive parents at any given time."

42 USC 673 states in part:

"(1)(A) Each State having a plan approved under this part shall enter into adoption assistance agreements (as defined in section 675(3) of this title) with the adoptive parents of children with special needs.

(B) Under any adoption assistance agreement entered into by a State with parents who adopt a child with special needs, the State—

- (i) shall make payments of nonrecurring adoption expenses incurred by or on behalf of such parents in connection with the adoption of such child, directly through the State agency or through another public or nonprofit private agency, in amounts determined under paragraph (3), and
- (ii) in any case where the child meets the requirements of paragraph (2), may make adoption assistance payments to such parents, directly through the State agency or through another public or nonprofit private agency, in amounts so determined.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(2)(A) For purposes of paragraph (1)(B)(ii), a child meets the requirements of this paragraph if—

- (i) in the case of a child who is not an applicable child for the fiscal year (as defined in subsection (e)), the child—

(I)(aa)(AA) was removed from the home of a relative specified in section 606(a) of this title (as in effect on July 16, 1996) and placed in foster care in accordance with a voluntary placement agreement with respect to which Federal payments are provided under section 674 of this title (or section 603 of this title, as such section was in effect on July 16, 1996), or in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; and

(BB) met the requirements of section 672(a)(3) of this title with respect to the home referred to in sub item (AA) of this item;

(bb) meets all of the requirements of subchapter XVI with respect to eligibility for supplemental security income benefits; or

(cc) is a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the minor parent of the child as provided in section 675(4)(B) of this title; and

(II) has been determined by the State, pursuant to subsection (c)(1) of this section, to be a child with special needs; or

- (ii) in the case of a child who is an applicable child for the fiscal year (as so defined), the child—

(I)(aa)at the time of initiation of adoption proceedings was in the care of a public or licensed private child placement agency or Indian tribal organization pursuant to—

(AA) an involuntary removal of the child from the home in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; or

(BB) a voluntary placement agreement or voluntary relinquishment;

(bb) meets all medical or disability requirements of subchapter XVI with respect to eligibility for supplemental security income benefits; or

(cc) was residing in a foster family home or child care institution with the child's minor parent, and the child's minor parent was in such foster family home or child care institution pursuant to—

(AA) an involuntary removal of the child from the home in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; or

(BB) a voluntary placement agreement or voluntary relinquishment; and

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(II) has been determined by the State, pursuant to subsection (c)(2), to be a child with special needs. . . .

(3) The amount of the payments to be made in any case under clauses (i) and (ii) of paragraph (1)(B) shall be determined through agreement between the adoptive parents and the State or local agency administering the program under this section, which shall take into consideration the circumstances of the adopting parents and the needs of the child being adopted, and may be readjusted periodically, with the concurrence of the adopting parents (which may be specified in the adoption assistance agreement), depending upon changes in such circumstances. However, in no case may the amount of the adoption assistance payment made under clause (ii) of paragraph (1)(B) exceed the foster care maintenance payment which would have been paid during the period if the child with respect to whom the adoption assistance payment is made had been in a foster family home. . . ."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that DCS's management establish policies and procedures to ensure all documents used to determine eligibility is properly maintained in the case file and available for audit.

FINDING 2015-014 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): 1204IN4005, 1304IN4005,
1404IN4005, 1504INCES

Management of the Indiana Department of Child Services (DCS) did not establish an effective internal control system over the Subrecipient Monitoring compliance requirement. DCS could not provide documentation that sufficient monitoring activities were performed to ensure the subrecipients complied with all applicable federal requirements. Additionally, DCS is required to monitor subrecipients to ensure the subrecipient obtained an audit in accordance with OMB Circular A-133. DCS maintained a monitoring schedule to document when these audits were required to be completed; however, there were not any controls in place to ensure that the schedule was properly maintained and that compliance with the requirements were met.

This finding was originally reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-029.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart D, section.400 states in part:

"A pass-through entity shall perform the following for the Federal awards it makes: . . .

- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that DCS's management establish policies, procedures, and controls to ensure proper monitoring of subrecipients activities and required audits.

FINDING 2015-015 - CASH MANAGEMENT

Federal Agency: U.S. Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): 1204IN4005, 1304IN4005,
1404IN4005, 1504INCES

Management of the Department of Child Services (DCS) has not established an effective internal control system over the Cash Management compliance requirement. Policies and procedures were not in place to monitor subrecipients for Cash Management compliance requirements; therefore, no monitoring was performed to ensure subrecipients minimized the time elapsing between the transfer of federal funds from DCS and the disbursement of funds by the subrecipient for program purposes.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

45 CFR 92.37(a) states:

"States. States shall follow state law and procedures when awarding and administering subgrants (whether on a cost reimbursement or fixed amount basis) of financial assistance to local and Indian tribal governments. States shall:

- (1) Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations;
- (2) Ensure that subgrantees are aware of requirements imposed upon them by Federal statute and regulation;
- (3) Ensure that a provision for compliance with §18.42 is placed in every cost reimbursement subgrant; and

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (4) Conform any advances of grant funds to subgrantees substantially to the same standards of timing and amount that apply to cash advances by Federal agencies."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that DCS's management establish controls and ensure subrecipients are following Cash Management requirements.

FINDING 2015-016 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Labor

Federal Program: WIA/WIOA Adult Program, WIA/WIOA Youth Activities,
WIA/WIOA Dislocated Worker Formula Grants

CFDA Number: 17.258, 17.259, 17.278

Federal Award Number and Year (or Other Identifying Number): AA-22934-12-55-A-18,
AA-24091-13-55-A-18,
AA-25352-14-55-A-18,
AA-21394-11-55-A-18

Management of the Department of Workforce Development (DWD) did not establish an effective internal control system, which would include segregation of duties, related to the grant agreement and the Subrecipient Monitoring compliance requirement. Controls were not in place to ensure all subrecipients obtained the required audits in accordance with OMB Circular A-133. An employee of DWD maintains a tracking spreadsheet for each subrecipient and is also responsible for contacting and following up with any subrecipients that receive a federal audit; however, there were not any controls in place to ensure the spreadsheet was properly maintained and that compliance was being met.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that DWD's management establish controls, including segregation of duties, related to the grant agreement and the Subrecipient Monitoring compliance requirement.

FINDING 2015-017 - SPECIAL TESTS AND PROVISIONS - UI PROGRAM INTEGRITY - OVERPAYMENTS

Federal Agency: U.S. Department of Labor

Federal Program: Unemployment Insurance

CFDA Number: 17.225

Federal Award Number and Year (or Other Identifying Number): Estimate

The Indiana Department of Workforce Development (DWD) enacted Indiana Code 22-4-11-1.5 to meet the requirements of 26 USC 3303 subsection (a)(1). This law went into effect July 1, 2013.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Indiana Code 22-4-11-1.5 states:

"(a) As used in this section, 'erroneous payment' means a payment that would not have been made but for the failure by an employer or a person acting on behalf of the employer with respect to a claim for unemployment benefits to which the payment relates.

(b) As used in this section, 'pattern of failure' means a repeated and documented failure by an employer or a person acting on behalf of an employer to respond to requests for information made by the department, taking into consideration the number of failures in relation to the total number of requests received by the employer or the person acting on behalf of an employer.

(c) The experience account of an employer may not be relieved of charges for a benefit overpayment from the state's unemployment insurance benefit fund established by IC 22-4-26-1, if the department determines that:

- (1) the erroneous payment was made because the employer or a person acting on behalf of the employer was at fault in failing to respond in a timely or adequate manner to the department's written request for information relating to the claim for unemployment benefits; and
- (2) the employer or a person acting on behalf of the employer has established a pattern of failure to respond in a timely or adequate manner to department requests described in subdivision (1)."

DWD's management is in the process of developing policies and procedures to determine and track a "pattern of failure" for employers in order to implement this law; however, during our audit period, and as of the date of this report, this has not been implemented.

This finding was originally reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-011.

26 USC 3303, as amended by Public Law 112-40, title II, §252, Oct. 21, 2011, 125 Stat. 421, 422 states in part:

"(f) Prohibition on noncharging due to employer fault

- (1) In general A State law shall be treated as meeting the requirements of subsection (a)(1) only if such law provides that an employer's account shall not be relieved of charges relating to a payment from the State unemployment fund if the State agency determines that—

(A) the payment was made because the employer, or an agent of the employer, was at fault for failing to respond timely or adequately to the request of the agency for information relating to the claim for compensation; and

(B) the employer or agent has established a pattern of failing to respond timely or adequately to such requests.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(2) State authority to impose stricter standards

Nothing in paragraph (1) shall limit the authority of a State to provide that an employer's account not be relieved of charges relating to a payment from the State unemployment fund for reasons other than the reasons described in subparagraphs (A) and (B) of such paragraph, such as after the first instance of a failure to respond timely or adequately to requests described in paragraph (1)(A)."

Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that DWD's management establish a system that can track employers' responses for timeliness and accuracy to establish a pattern of failure to ensure that an employer, who is determined to be untimely in their response or does not provide accurate information, is not relieved of the Unemployment Insurance benefit charges.

FINDING 2015-018 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Block Grants for Prevention and Treatment of Substance Abuse
CFDA Number: 93.959
Federal Award Number and Year (or Other Identifying Number): 2B08T1010019-14, 3B08T1010019-13

Management of the Indiana Family and Social Services Administration (FSSA) did not establish an effective internal control system related to the grant agreement and the Subrecipient Monitoring compliance requirement. Controls were not in place to ensure proper monitoring of subrecipients.

Prior to July 1, 2015, FSSA contracted out the monitoring of its subrecipients that provided treatment services. After July 1, 2015, FSSA began monitoring these subrecipients in-house. There were 63 subrecipients for the treatment portion of the program, only 33 of those were monitored during the audit period. Of those monitored, we sampled 12 to test to ensure proper monitoring took place, and identified 1 that did not have supporting documentation of the monitoring. We identified an additional 7 that were monitored with noncompliance identified, but no corrective action or follow up was taken with the subrecipient.

Additionally, FSSA did not have controls in place to ensure all subrecipients obtained the required audits in accordance with OMB Circular A-133. FSSA requested a copy of the audit reports of subrecipients that qualified for an audit based solely on the amount of Federal awards received from FSSA; however, for those subrecipients that received less than \$500,000 from FSSA, no action was taken to ensure the subrecipient did not receive Federal awards from another State agency, pass-through entity, or as a direct grant.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart D, section .400(d) states in part:

"A pass-through entity shall perform the following for the Federal awards it makes: . . .

- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
- (4) Ensure that subrecipients expending \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
- (5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action. . . ."

Failure to establish internal controls resulted in noncompliance to the compliance requirement. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that the FSSA's management establish policies and procedures to ensure compliance with the grant agreement and the Subrecipient Monitoring compliance requirements.

FINDING 2015-019 - REPORTING

Federal Agency: Social Security Administration

Federal Program: Social Security - Disability Insurance

CFDA Numbers: 96.001

Federal Award Numbers and Year (or Other Identifying Numbers): 1304INDI00, 1404IND100, 1504IND100

Management of the Indiana Family and Social Services Administration (FSSA) did not implement an effective internal control system over the Reporting compliance requirement to ensure that documentation to support the full-time personnel section of the report was retained for audit. FSSA prepared the required quarterly SSA-4514, Time Reports of Personnel Services for Disability Determination Services, from information generated by the Auditor of State payroll system for the quarters ending September 30, 2014, December 31, 2014, and March 31, 2015. FSSA did not maintain the documents that supported the 3 reports and the documents could not be reproduced. We could not test the full-time personnel section of the reports to ensure compliance with the Reporting requirements.

This finding was originally reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-024.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.302(a) states:

"Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that FSSA's management establish controls to ensure the reports filed have the proper supporting documentation to support amounts reported and that the supporting documentation be available for audit.

FINDING 2015-020 - PERIOD OF PERFORMANCE

Federal Agency: Social Security Administration
Federal Program: Social Security - Disability Insurance
CFDA Numbers: 96.001
Federal Award Numbers and Year (or Other Identifying Numbers): 1504IND100

Management of the Indiana Family and Social Services Administration (FSSA) did not implement an effective internal control system over the Period of Performance compliance requirement to ensure that expenses were charged to the proper federal fiscal year (FFY) grant award. An incorrect parameter file in the Indiana Real Case Tracking System (AS-400 System) was not detected and corrected by management; thus, allowing expenses obligated prior to October 1, 2014, to be charged to the FFY 2015 grant award. After management discovered that the expenses were incorrectly charged to the FFY 2015 grant award while reviewing monthly financial information, FSSA Accounting Operations prepared adjusting journal entries to correct the errors. However, our testing of invoices revealed that a total of \$11,264 was obligated prior to October 1, 2014, for Medical Evidence Record (MER) and Consultative Examinations (CE) expenses and charged to the FFY 2015 grant award and was not included in the adjusting journal entries. We consider the \$11,264 to be questioned costs. Additional audit analysis revealed that an additional \$235,798 in MER and CE expenses were likely obligated prior to October 1, 2014, and charged to the FFY 2015 grant award. FSSA did not receive authorization from the Social Security Administration to obligate the funds prior to October 1, 2014, and charge the expenses to the FFY 2015 grant award.

Program Operations Manual System (POMS) Disability Insurance (DI) 39506.100 states:

"The SSA-872 notifies the State agencies of the funding that may be obligated or expended by the State and the dates covered by the funding."

The initial and subsequent SSA-872 Forms, State Agency Obligational Authorization for SSA Disability Programs, state that the beginning date covered by FFY 2015 grant award funding is October 1, 2014.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

2 CFR 200.309 states:

"A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance (except as described in §200.461 Publication and printing costs) and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that FSSA's management establish policies and procedures and ensure compliance with the Period of Performance requirements.

***FINDING 2015-021 - ACTIVITIES ALLOWED OR UNALLOWED,
ALLOWABLE COSTS/COST PRINCIPLES, ELIGIBILITY***

Federal Agency: U.S. Department of Health and Human Services

Federal Program: Temporary Assistance for Needy Families

CFDA Number: 93.558

Federal Award Number and Year (or Other Identifying Number): 1402INTANF, 1502INTANF, 1102INTANF,
1202INTANF, 1302INTANF, 1402INTANF,
1502INTANF, G-1002INTANF,
49-14-SZ-1181-02, 49-15-SZ-1181-01

Management of the Family and Social Services Administration (FSSA) did not establish an effective internal control system over the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility compliance requirements. Controls were not in place to ensure all required documentation to support eligibility determinations was available for audit. In order to be allowable, the recipient must be eligible to receive benefits.

During our testing of cash assistance payments, 8 of the 53 cases did not have sufficient supporting documentation to establish eligibility. Specifically, the eight separate cases did not have copies of birth certificates or two alternative forms of verification of relationships included within the supporting documentation. Due to the lack of supporting documentation, the relationships between the eligible child and the adult cash assistant applicant cannot be verified.

A finding related to this compliance requirement was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-025.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

45 CFR 205.60 states in part:

"A State plan under title I, IV—A, X, XIV, or XVI (AABD) of the Social Security Act must provide that:

(a) The state agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan, including records regarding applications, determinations of eligibility, the provisions of financial assistance, and the use of any information obtained under section 205.55, with respect to individuals denied, recipients whose benefits have been terminated, recipients whose benefits have been modified, and the dollar value of those denials, terminations and modifications. Under this requirement, the agency will keep individual records which contain pertinent facts about each applicant and recipient. The records will include information concerning the date of application and the date and basis of its disposition; facts essential to the determination of initial and continuing eligibility; and the basis for discontinuing assistance."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to FSSA.

We recommended that FSSA's management establish controls procedures to protect the retention and accessibility of case files.

FINDING 2015-022 - ELIGIBILITY

Federal Agency: U.S. Department of Education

Federal Program: Rehabilitation Services_Vocational Rehabilitation Grants to States

CFDA Number: 84.126

Federal Award Number and Year: H126A130019-13C, H126A140019

Management of the Family and Social Services Administration (FSSA) did not establish an effective internal control system over the Eligibility compliance requirement. Eligibility for Vocational Rehabilitation (VR) services is determined by VR counselors after initial application. FSSA was unable to provide evidence of a control in place over these eligibility determinations that ensures federal funds are expended on behalf of eligible individuals.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The failure to establish internal controls could enable noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that FSSA's management establish policies and procedures to ensure documentation that the control in place was being conducted.

FINDING 2015-023 - SPECIAL TESTS AND PROVISIONS - COMPLETION OF IPES

Federal Agency: U.S. Department of Education

Federal Program: Rehabilitation Services_Vocational Rehabilitation Grants to States

CFDA Number: 84.126

Federal Award Number and Year: H126A130019-13C, H126A140019

Management of the Family and Social Services Administration (FSSA) did not establish an effective internal control system over the Special Tests and Provision - Completion of IPEs compliance requirement. Vocational Rehabilitation (VR) Counselors utilize reports from the IRIS system to aid in identifying Individualized Plans for Employment (IPEs) that are due or past due in accordance with the timeframes outlined in the agency's policies and procedures. Additionally, VR Supervisors review at least 75 percent of the IPEs prepared by the Counselors to determine timeliness, among other things.

Although FSSA utilizes the internal controls above to determine the timeliness of IPE development, FSSA's process failed to identify the appropriate Federal implementation date of the new IPE 90-day timeline, and for the period July 22, 2014 through May 28, 2015, FSSA maintained policies and procedures allowing for completion of the IPEs within 120 days after the eligibility determination date, unless otherwise extended. Accordingly, there were no internal controls designed and implemented to ensure compliance with the shorter 90-day provision for a majority of the audit period, which resulted in VR services being delayed up to 30 days for eligible individuals during that timeframe.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

29 USC 722(b)(3)(F) states:

"The individualized plan for employment shall be developed as soon as possible, but not later than a deadline of 90 days after the date of the determination of eligibility described in paragraph (1), unless the designated State unit and the eligible individual agree to an extension of that deadline to a specific date by which the individualized plan for employment shall be completed."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that FSSA's management establish effective controls to timely identify and implement changes in applicable Federal program requirements and ensure continued compliance with those requirements.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-024 - EARMARKING

Federal Agency: U.S. Department of Education
Federal Program: Rehabilitation Services_Vocational Rehabilitation Grants to States
CFDA Number: 84.126
Federal Award Number and Year (or Other Identifying Number): H126A130019-13C, H126A140019

Management of the Indiana Family and Social Services Administration (FSSA) has not established an effective internal control system related to the grant agreement and the Earmarking compliance requirement. FSSA is required to reserve at least 15 percent of its Vocational Rehabilitation (VR) allotment for pre-employment services. FSSA has not identified a way to track the pre-employment services and, therefore, 15 percent of the allotment was not reserved for the provision of pre-employment transition services during the audit period.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

29 USC 730(d) states:

"Funds for pre-employment transition services

- (1) From any State allotment under subsection (a) for a fiscal year, the State shall reserve not less than 15 percent of the allotted funds for the provision of pre-employment transition services.
- (2) Such reserved funds shall not be used to pay for the administrative costs of providing pre-employment transition services."

The failure to establish internal controls resulted in noncompliance. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that FSSA's management establish controls and comply with the Earmarking compliance requirement.

FINDING 2015-025 - PERIOD OF PERFORMANCE

Federal Agency: U.S. Department of Education
Federal Program: Rehabilitation Services_Vocational Rehabilitation Grants to States
CFDA Number: 84.126
Federal Award Number and Year (or Other Identifying Number): H126A130019-13C, H126A140019

Management of the Indiana Family and Social Services Administration (FSSA) did not establish an effective internal control system related to the grant agreement and the Period of Performance compliance requirement.

Our testing of a sample of 26 transactions identified 3 transactions, for a total of \$28,403, which was obligated prior to the period of performance. We consider the \$28,403 to be questioned costs.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

34 CFR 80.23(a) states:

"Where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover or unobligated balance is permitted, in which case the carryover balance may be charged for costs resulting from obligations of the subsequent funding period."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that FSSA's management establish controls to ensure allowable expenditures are charged to the appropriate open grant year based on when the underlying obligation occurred.

FINDING 2015-026 - CASH MANAGEMENT

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, School Improvement Grants, ARRA - School Improvement Grants, Recovery Act

CFDA Number: 84.010, 84.367, 84.377, 84.388

Federal Award Number and Year (or Other Identifying Number): S010A110014, S010A120014,
S010A130014, S010A140014,
S367A120013, S367A130013,
S367A140013, S377A110015,
S377A120015, S388A090015

Management of the Indiana Department of Education (IDOE) has not established an effective internal control system over Cash Management compliance requirements. Policies and procedures were not in place to monitor subrecipients for Cash Management compliance requirements; therefore, no monitoring was performed to ensure subrecipients minimized the time elapsing between the transfer of federal funds from IDOE to the disbursement of funds by the subrecipient for program purposes.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

34 CFR 80.37(a) states:

"*States.* States shall follow state law and procedures when awarding and administering subgrants (whether on a cost reimbursement or fixed amount basis) of financial assistance to local and Indian tribal governments. States shall:

- (1) Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations;
- (2) Ensure that subgrantees are aware of requirements imposed upon them by Federal statute and regulation;
- (3) Ensure that a provision for compliance with §80.42 is placed in every cost reimbursement subgrant; and
- (4) Conform any advances of grant funds to subgrantees substantially to the same standards of timing and amount that apply to cash advances by Federal agencies."

34 CFR 80.26(b) states in part:

"*Subgrantees.* State or local governments, as those terms are defined for purposes of the Single Audit Act Amendments of 1996, that provide Federal awards to a subgrantee, which expends \$300,000 or more (or other amount as specified by OMB) in Federal awards in a fiscal year, shall:

- (2) Determine whether the subgrantee spent Federal assistance funds provided in accordance with applicable laws and regulations. This may be accomplished by reviewing an audit of the subgrantee made in accordance with the Act, Circular A-110, or through other means (e.g., program reviews) if the subgrantee has not had such an audit; . . ."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that IDOE's management establish policies and procedures to monitor sub-recipients for Cash Management requirements.

FINDING 2015-027 - SPECIAL TESTS AND PROVISIONS - SCHOOLWIDE PROGRAMS

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies; Improving Teacher Quality State Grants; School Improvement Grants, ARRA - School Improvement Grants, Recovery Act

CFDA Number: 84.010, 84.367, 84.377, 84.388

Federal Award Number and Year (or Other Identifying Number): S010A110014, S010A120014,
S010A130014, S010A140014,
S367A120013, S367A130013,
S367A140013, S377A110015,
S377A120015, S388A090015

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Management of the Indiana Department of Education (IDOE) did not establish an effective internal control system, which would include segregation of duties, related to the grant agreement and the Special Tests and Provisions - Schoolwide Programs compliance requirement.

The IDOE *Title I Handbook 2014-2015* contained the following language: "Though school-wide programs have the option to consolidate funds, Indiana does not consolidate funds. This is an SEA decision." This language was evidence that a barrier exists, preventing Local Education Agencies (LEAs) from easily consolidating funds from other Federal, State, and local sources in their schoolwide programs.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

34 CFR section 200.29(e) states:

"Each state must--

- (1) Encourage schools to consolidate funds from other Federal, State, and local sources in their schoolwide programs; and
- (2) Modify or eliminate State fiscal and accounting barriers so that schools can easily consolidate funds from other Federal, State, and local sources in their schoolwide programs."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that IDOE's management establish policies and procedures to eliminate barriers that would prevent LEAs from easily consolidating funds from other federal, state, and local sources in their schoolwide programs.

FINDING 2015-028 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Education Agencies, Improving Teacher Quality State Grants

CFDA Number: 84.010; 84.367

Federal Award Number and Year (or Other Identifying Number): S010A110014, S010A120014,
S010A130014, S010A140014,
S367A120013, S367A130013,
S367A140013

Management of the Indiana Department of Education (IDOE) did not establish an effective internal control system, which would include segregation of duties, related to the grant agreement and the Sub-recipient Monitoring compliance requirements. Subrecipient Monitoring for Title I Grants to Local Education Agencies and Improving Teacher Quality State Grants are performed simultaneously by an IDOE Grant Specialist. During our testing of subrecipients, we noted the following noncompliance with the Subrecipient Monitoring compliance requirements:

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- *Identification of Award Information:* Notification of the Federal award CFDA title and number, award name and number, award year, if the award is Research & Development, and name of the Federal agency was not provided to subrecipients in an organized manner prior to the beginning of grant activity.
- *During the Award Monitoring:* Desktop, fiscal, and on-site reviews were conducted for subrecipients. Subrecipients determined to have deficiencies were required to submit corrective action plans to DOE. Of the 44 subrecipients that had findings and were selected for testing, we noted 5 that did not have appropriate reviews and follow up procedures conducted on the corrective action plans.
- *Monitoring of Subrecipient Audits:* The Federal financial activity of subrecipients was not monitored adequately to determine which schools expended more than \$500,000 and were eligible for a Federal audit. Additionally, procedures were not in place to locate and review audit reports issued for all eligible subrecipients.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

OMB Circular A-133, Subpart D, section .400(d) states:

"A pass-through entity shall perform the following for the Federal awards it makes:

- (1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.
- (2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
- (4) Ensure that subrecipients expending \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
- (5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
- (6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (7) Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that the IDOE's management establish controls and ensure the Subrecipient Monitoring compliance requirements have been met.

FINDING 2015-029 - SUSPENSION AND DEBARMENT

Federal Agency: U.S. Department of Education

Federal Program: School Improvement Grants, ARRA - School Improvement Grants, Recovery Act

CFDA Number: 84.377, 84.388

Federal Award Number and Year (or Other Identifying Number): S377A110015, S377A120015,
S388A090015

Management of the Indiana Department of Education (IDOE) did not design and implement an effective internal control system over the Suspension and Debarment compliance requirement. IDOE awards subgrants to Local Educational Agencies (LEAs); however, IDOE does not verify that the LEAs are not suspended or debarred from doing business with the Federal government.

This finding was originally reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-018.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

34 CFR 80.35 states:

"Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, 'Debarment and Suspension.'"

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking the EPLS; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that IDOE's management establish policies and procedures and ensure the Suspension and Debarment compliance requirement has been met.

FINDING 2015-030 - ELIGIBILITY, EARMARKING

Federal Agency: U.S. Department of Education

Federal Program: School Improvement Grants, ARRA - School Improvement Grants, Recovery Act

CFDA Number: 84.377, 84.388

Federal Award Number and Year (or Other Identifying Number): S377A110015, S377A120015,
S388A090015

Management of the Indiana Department of Education (IDOE) has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and both Eligibility and Earmarking compliance requirements. Controls are not in place that would prevent, or detect and correct, material noncompliance.

There was no segregation of duties over these requirements; one person is responsible for ensuring compliance with each requirement. There were not any controls identified which would ensure that any errors or noncompliance with these requirements would be detected.

A finding related to these compliance requirements was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-019.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that IDOE's management establish controls, including segregation of duties, related to the grant agreement and both Eligibility and Earmarking compliance requirements.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-031 - SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Education

Federal Program: School Improvement Grants, ARRA - School Improvement Grants, Recovery Act

CFDA Number: 84.377, 84.388

Federal Award Number and Year (or Other Identifying Number): S377A110015, S377A120015,
S388A090015

Management of the Indiana Department of Education (IDOE) did not establish an effective internal control system, which would include segregation of duties, related to the grant agreement and the Sub-recipient Monitoring compliance requirements. The IDOE did not provide documentation of adequate monitoring in the following areas:

- *Identification of Award Information:* Notification of the Federal award CFDA title and number, award name and number, award year, if the award is Research & Development, and name of the Federal agency was not provided to subrecipients in an organized manner prior to the beginning of grant activity.
- *During the Award Monitoring:* Fiscal monitoring was not conducted for the 2014-2015 school year. Reimbursement requests submitted by subrecipients did not contain detailed information about expenditures. Consequently, there is not adequate monitoring to ensure that Federal awards are used for authorized purposes.
- *Monitoring of Subrecipient Audits:* The Federal financial activity of subrecipients was not monitored adequately to determine which schools expended more than \$500,000 and were eligible for a Federal audit. Additionally, procedures were not in place to locate and review audit reports issued for all eligible subrecipients.
- *ARRA Subawards:* Subrecipients receiving ARRA funding were not monitored to ensure that the school corporation had a current registration in the System for Award Management.

A finding related to this compliance requirement was reported during the Fiscal Year 2014 audit of Federal Awards as Finding 2014-020.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart D, section .400(d) states:

"A pass-through entity shall perform the following for the Federal awards it makes:

- (1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.
- (2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
- (4) Ensure that subrecipients expending \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
- (5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
- (6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.
- (7) Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part."

34 CFR 80.40(a) states in part:

"Monitoring by grantees. Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that IDOE's management establish controls and ensure the Subrecipient Monitoring compliance requirements have been met.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-032 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Number and Year (or Other Identifying Number): S010A110014, S010A120014,
S010130014, S010140014

Management of the Indiana Department of Education (IDOE) has not established an effective internal control system over Allowable Costs/Cost Principles compliance requirements. IDOE allocated costs for agency wide expenditures to the Title I program based on a cost allocation plan that had not been approved for use by the Federal Government. Costs of the agency wide services were allocated to the Title I program based on the proportion of total IDOE employees working on the Title I program. Expenditures charged to the Title I program based on the unapproved cost allocation plan totaled \$41,773, which are considered questioned costs.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

OMB Circular A-87, Attachment A, Part H, states in part:

"Each cost allocation plan or indirect cost rate proposal required by Attachments C and E must comply with the following:

1. No proposal to establish a cost allocation plan or an indirect cost rate, whether submitted to a Federal cognizant agency or maintained on file by the governmental unit, shall be acceptable unless such costs have been certified by the governmental unit using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Attachments C and E. The certificate must be signed on behalf of the governmental unit by an individual at a level no lower than chief financial officer of the governmental unit that submits the proposal or component covered by the proposal.
2. No cost allocation plan or indirect cost rate shall be approved by the Federal Government unless the plan or rate proposal has been certified. Where it is necessary to establish a cost allocation plan or an indirect cost rate and the governmental unit has not submitted a certified proposal for establishing such a plan or rate in accordance with the requirements, the Federal Government may either disallow all indirect costs or unilaterally establish such a plan or rate. Such a plan or rate may be based upon audited historical data or such other data that have been furnished to the cognizant Federal agency and for which it can be demonstrated that all unallowable costs have been excluded. When a cost allocation plan or indirect cost rate is unilaterally established by the Federal Government because of failure of the governmental unit to submit a certified proposal, the plan or rate established will be set to ensure that potentially unallowable costs will not be reimbursed."

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds.

We recommended that the IDOE's management establish controls and ensure the Allowable Costs/Cost Principles compliance requirements have been met.

FINDING 2015-033 - ALLOWABLE COSTS/COSTS PRINCIPLES

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Number and Year (or Other Identifying Number): S010A110014; S010A120014,
S010A130014, S010A140014

Management of the Indiana Department of Education (IDOE) has not established an effective internal control system over Allowable Costs/Cost Principles compliance requirements. IDOE was recently informed by the U.S. Department of Education (ED) that Title I allocations for the State of Indiana were calculated incorrectly for State fiscal years 2011 through 2015. IDOE officials have indicated that the agency is working in conjunction with ED to review prior year Title I allocations. IDOE has concluded the recalculation of the 2011 Title I allocations and have begun recalculation of the 2012 allocations.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

34 CFR 200.70 states:

"(a) The Secretary allocates basic grants, concentration grants, targeted grants, and education finance incentive grants, through SEAs, to each eligible LEA for which the Bureau of the Census has provided data on the number of children from low-income families residing in the school attendance areas of the LEA (hereinafter referred to as the 'Census list').

(b) In establishing eligibility and allocating funds under paragraph (a) of this section, the Secretary counts children ages 5 to 17, inclusive (hereinafter referred to as 'formula children')—

- (1) From families below the poverty level based on the most recent satisfactory data available from the Bureau of the Census;
- (2) From families above the poverty level receiving assistance under the Temporary Assistance for Needy Families program under Title IV of the Social Security Act;
- (3) Being supported in foster homes with public funds; and
- (4) Residing in local institutions for neglected children.

STATE OF INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(c) Except as provided in §§ 200.72, 200.75, and 200.100, an SEA may not change the Secretary's allocation to any LEA that serves an area with a total census population of at least 20,000 persons.

(d) In accordance with § 200.74, an SEA may use an alternative method, approved by the Secretary, to distribute the State's share of basic grants, concentration grants, targeted grants, and education finance incentive grants to LEAs that serve an area with a total census population of less than 20,000 persons."

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal.

We recommended that IDOE's management develop and implement procedures and controls and ensure that allocations are made in accordance with the Federal guidelines.

FINDING 2015-034 - REPORTING

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Number and Year (or Other Identifying Number): S010A110014; S010A120014,
S010A130014, S010A140014

Management of the Indiana Department of Education (IDOE) has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Reporting compliance requirements.

DOE is required to submit Per Pupil Enrollment data as part of the National Public Education Finance Survey (NPEFS). Data uploaded for the NPEFS is derived from a combined file of Indiana School Corporations' Form 9 biannual financial information. There is no evidence to support a review by an IDOE employee separate from the submitter prior to submission of the survey. There were no controls identified which would ensure that any errors or noncompliance with these requirements would be detected.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds.

We recommended that IDOE's management establish controls, including segregation of duties, related to the grant agreement and the Reporting compliance requirements.

(This page intentionally left blank.)

AUDITEE PREPARED DOCUMENTS

The subsequent documents were provided by management of the State. The documents are presented as intended by the State.



OFFICE OF LT. GOVERNOR

SUE ELLSPERMANN

STATE HOUSE, ROOM 333

INDIANAPOLIS, INDIANA 46204-2732

sellspermann@lg.in.gov

(317) 232-4545

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-006 Cash Management

Fiscal Year 2014

Status of Finding:

Corrective action has been taken. An amendment was requested and completed to the Cash Management Improvement Act (CMIA) Agreement to update the average clearance days for FY15 to zero. Verified accuracy of clearance for FY15 using the CMIA Clearance Pattern Report by Clearance Date from PeopleSoft.

In addition, all accounting staff have been made aware of the policy that no draws shall be entered into the US Department of Housing and Urban Development system prior to payment of the invoice/claim voucher by the Auditor of State's Office.

Finding Number 2014-007 Reporting

Fiscal Year 2014

Status of Finding:

Corrective action has been taken. The State CDBG Director and/or the CDBG Program Manager have documented the approval of the PER/CAPER report prior to sending it to the US Department of Housing and Urban Development. A hard copy is placed in the file along with the PER/CAPER report.

Finding Number 2014-008 Subrecipient Monitoring

Fiscal Year 2014

Status of Finding:

The planned corrective action was not completed during FY15. Starting with the quarter ended 9/30/15, updated subrecipient monitoring spreadsheets will be emailed to the CDBG program manager for review quarterly. The CDBG program manager will email acceptance of the spreadsheets upon completion of the review and the documentation will be kept in an audit file.



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

DEPARTMENT OF WORKFORCE DEVELOPMENT
SUMMARY SCHEDULE OF PRIOR FINDINGS AS OF JUNE 30, 2015

FINDING 2014-009
FISCAL YEAR 2014

Status: Resolved

The UI Collections Enforcement Unit of DWD now maintains tangible evidence of controls over the filing of the IRS 940 FUTA Tax form. This tangible evidence consists of the IRS Guide, an Uplink Guide and verification documents that provide proof of steps performed and the review of those steps. Staff members are now required to initial documentation for each step of the FUTA tax match procedures, showing completion and review of each step. As a result of these controls, DWD completed the 2015 FUTA Tax Match filing to the IRS prior to the final deadline, on April 23, 2015. DWD considers this finding closed.

FINDING 2014-010
FISCAL YEAR 2014

Status: Resolved

The US Department of Labor agreed that DWD's Benefit Payments Measurement (BAMS) review and Benefits Timeliness and Quality (BTQ) report were sufficient compensating controls to ensure the proper handling of overpayments and fraud penalty charges. DWD considers this finding closed.

FINDING 2014-011
FISCAL YEAR 2014

Status: Unresolved

DWD management is currently developing policies and procedures to track a "pattern of failure". However, the ability to establish a "pattern of failure" requires the passage of time and we contend that there has not been a sufficient amount of time for any employer to establish this pattern. DWD will continue developing policies and procedures to track a "pattern of failure" in the current fiscal year.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-012 – CASH MANAGEMENT

Fiscal Year 2014

Status of Finding:

1. A note was added to the INDOT Local Public Agency Project Development Process Guidance Document for Local Federal-Aid Projects (LPA Guidance Document), Appendix C, Page 1, as indicated below and the Project Managers have been charged with ensuring a cancelled check or a copy of the electronic funds transfer (EFT) accompanies each invoice and Claim Voucher.

“The FHWA states that federal funds are “reimbursement funds” and the LPA is required to pay their Consultant first before submitting a LPA Invoice-Voucher to the INDOT District for reimbursement. A copy of the cancelled check to the Consultant or, in the case of direct deposit, a copy of the electronic funds transfer (EFT) must accompany each invoice and claim voucher.”

2. A note was added to the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects in the reimbursement section as indicated below and the Project Managers have been charged with ensuring a cancelled check or a copy of the electronic funds transfer (EFT) accompanies each invoice and Claim Voucher.

“The FHWA states that federal funds are “reimbursement funds” and the LPA is required to pay their Consultant first before submitting a LPA Invoice-Voucher to the INDOT District for reimbursement. A copy of the cancelled check to the Consultant or, in the case of direct deposit, a copy of the electronic funds transfer (EFT) must accompany each invoice and claim voucher.”

3. The Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP) has been placed on the Y: drive as a draft document. An email was sent on 06/09/15 to all applicable personnel inviting any additions/ comments/ corrections to the SOP. The full link to the location in the Y: drive is: [Y:/Scans/LPA Program Directors and Project Managers/SOP last update 07-31-15.pdf](#) Once all comments have been received the assigned Program Director will inform all applicable personnel that the fully updated SOP is on the Y: drive for their use. To be finalized end of 2016 CY. The deadline for comments was set at 07/13/15 and the following note will be included indicating the SOP may be updated as necessary:



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

“This Standard Operating Procedural Manual is intended to be a living document and as such is expected to undergo regular updates and revisions as determined by LPA Central Office and LPA District personnel. When updates are made to this Manual, an email will be sent to the LPA email distribution list assembled by the LPA Policy and Guidance Director (currently Brenda Fox) outlining the most current changes to the Manual.”

4. Additional updates were made during this time period to both the Guidance Document and the Standard Operating Manual with the most recent updates posted on 08/03/15.
5. Further, the LPA Funding and Contracts Manager, with the help of both Finance personnel and District personnel, performed a review of a sample of 20 payments made from each District to the various LPA's to determine the status of our efforts to comply with the requirement to have a copy of the check and/or the EFT documentation prior to the processing of the payment to the LPA. This review helped to identify the LPA's that need additional attention and guidance by our Project Managers and Program Directors to ensure compliance. Similar additional reviews will be performed in the future as deemed necessary to evaluate our efforts.

Contact Person(s): Kathy Eaton McKalip



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-013 – REPORTING

Fiscal Year **2014**

Status of Finding:

INDOT in conjunction with FHWA began reporting sub recipient transactions through the federal portal 1/28/15. INDOT has reported monthly through the federal portal.

Contact Person(s): Karen Hicks



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-015 SPECIAL TESTS AND PROVISIONS

Fiscal Year **2014**

Status of Finding:

In response to the Audit finding INDOT provided certifications for every contract requested. The audit team needed to see the control in place that these certifications were submitted timely before the PS&E package is sent to FHWA for approval. INDOT researched our files for the PS&E checklist but the results were intermittent. In order to provide the verification/control of this process we have instituted the following formal procedures:

Corrective Action:

- 1) Fully Executed Utility certifications completed as of March 16, 2015 were uploaded into ERMS by the project development team,
- 2) As of March 16, 2015, the PS&E checklist were signed by the Project Manager indicating that all necessary forms and processes required for bid letting have been completed to specifically include the Utility Certification document.
- 3) As of March 16, 2015, the INDOT Construction Contracts section received the utility certification from ERMS and will review the PS&E checklist for compliance with requirement documents and sign the PS&E checklist before forwarding the package for FHWA approval.

This process will then ensure that the Utility coordination has been certified by an INDOT certified and trained coordinator, the Project Manager will sign that the PS&E checklist identifying the certification has been completed, the INDOT Contracts section will sign they have seen the certification and the checklist before requesting FHWA approval of the PS&E. This process was effective for all projects in development as of March 16, 2015.

Contact Person(s): Kenny Franklin



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
 Room N725
 Indianapolis, Indiana 46204

PHONE: (317) 232-5367
 FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-016 – SUB RECIPIENT MONITORING

Fiscal Year **2014**

Status of Finding:

1. The following procedures are currently in place or will be implemented starting in fiscal year 2016:
 - a) Per the Contracts Program Director, a review is performed at the time of the contract implementation. This review is of the available A133 audits (Single Audit Act) located on the internet at <http://www.in.gov/sboa/resources/reports/audit/Default.aspx> or from the LPA Section’s file of audits provided by the MPO/LPA for the applicable MPO/LPA to ensure the MPO/LPA was audited if the sub recipient expended \$750,000.00 or more in Federal awards in a fiscal year. The Contracts Program Director prepared a spreadsheet entitled “FA-133 AUDIT FINDING TRACKING SPREADSHEET” where the information from these reviews is summarized. This spreadsheet is located on the Y: drive for review at Y:/Scans/LPA/LPA Contract Documents/FA-133 AUDIT FINDINGS TRACKING SPREADSHEET. An example of the format of this spreadsheet is noted below.

FA-133 Verification Spreadsheet

LPA NAME	DATE OF LPA AUDIT	YEAR AUDITED	ANY CASH MGT. OR TRANSPORTATION FINDINGS (Y/N)	CORRECTIVE ACTION FOR FINDING ATTACHED (Y/N)	DATE OF VERIFICATION/ REVERIFICATION	COMPLIANCE FOLLOW-UP DATE (IF APPLICABLE)	COMMENTS

During these reviews the Funding and Contracts Manager will assist the Contracts Program Director if the reviews of the MPO/LPA audits indicate audit citations that need additional scrutiny and/or follow-up prior to the implementation of the contract. All correspondence and corrective action will be filed for ready reference. The routing slip for the new contracts was updated on 06/10/15 to reflect this process. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP). A spreadsheet is prepared by the Contracts Program Director and/or the LPA Funding and Contracts Manager highlighting the citations in the SBOA audit reports and the LPA corrective action plans.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

This spreadsheet is routed with the contract to ensure key personnel reviewing the contract are aware of the relevant LPA citations and whether or not the citations were addressed by the LPA.

The audit citation was that the A133 audit needs to be checked when the Purchase Order (PO) is issued and payments are made from the PO which could be substantially later than the actual contract implementation date prompting potential excessive lag times. Discussions with the Director of Project Accounting, Budget, & Procurement and the Fiscal Analysis & Reporting Manager confirmed the audit reports were to be reviewed by Central Office LPA Section prior to awarding funds/entering into a new contract which was being performed. However, according to the Fiscal Analysis & Reporting Manager the audit reports were also to be reviewed when the Purchase Order (PO) is issued and payments are made from the PO.

The following draft procedure was prepared and will require the assistance of the Fiscal Analysis & Reporting Manager (agreed to assist on 06/10/15) and perhaps the District Consulting Services Directors.

1. On a quarterly basis (July, Oct, Jan, April) the Fiscal Analysis & Reporting Manager will provide the Contracts Program Director with a report of all payment activity for the various MPO/LPAs. A comparison will be performed by the Contracts Program Director similar to the review performed at contract implementation to determine if an applicable audit report was available and if any audit findings need to be addressed. In order to avoid duplicate efforts, the FA-133 AUDIT FINDING TRACKING SPREADSHEET may be utilized as a resource when possible. This review will be maintained on the Y: drive for ready reference at Y:\Scans\LPA\LPA Contract Documents\Quarterly Audit Reviews.
 2. District personnel, such as the District Consulting Services Coordinator as suggested by the Fiscal Analysis & Reporting Manager, may be asked for help when assurance is needed that an audit citation has been corrected by the MPO/LPA.
 3. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP). Further, the requirement of the submission of the MPO/LPAs Federal Financial Reports was outlined in the INDOT Local Public Agency Project Development Process Guidance Document for Local Federal-Aid Projects (LPA Guidance Document), in the most recent updates.
- b) Where point a. above discusses the LPA Section's review of the MPO/LPA audit reports, point b. discusses the required submission of the MPO/LPAs Federal Financial Reports which is also addressed in the procedures above. Submission is verified using the following SBOA internet address <http://www.in.gov/sboa/resources/reports/audit/Default.aspx> as well as the document files of submitted audit reports maintained by the LPA Section.
- c) MPO/LPA invoices for reimbursement are reviewed when received at the District level first by the District Finance Program Coordinator 3 for form completion and recalculation of totals and comparison with prior Vouchers from the PO then by the Project Manager to ensure the included



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

expenses were allowable per the contract. The invoices are then approved by the Project Managers once the review for allowable expenses is performed. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP).

- d) The LPA Section's review to ensure that the sub-recipient's have an accounting system in place to allow for accurate reporting is addressed in point a. above through the review of the MPO/LPA audit reports.

Contact Person(s): Kathy Eaton McKalip



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N725
Indianapolis, Indiana 46204

PHONE: (317) 232-5367
FAX: (317) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-017 SPECIAL TESTS AND PROVISIONS

Fiscal Year 2014

Status of Finding:

The Project Engineer/Supervisor will ensure that all project sampling/testing is done by personnel who meet the requirements of the Qualified Technician Program. If unqualified personnel conducts acceptance sampling and testing the test results cannot be used for acceptance.

If a Department employee knowingly conducts acceptance sampling or testing and has not been qualified in accordance with the Qualified Laboratory and Technician Program, the individual may be subject to disciplinary actions as deemed appropriate by the Qualified Laboratory and Technician Program Panel and the Human Resources Division.

If a Non-Department employee knowingly conducts acceptance sampling or testing and has not been qualified in accordance with the Qualified Laboratory and Technician Program, the individual's employer may face loss of their construction inspection prequalification.

The District Testing Engineers maintain a list of Qualified Technicians and which sampling or testing procedure the Qualified Technician is approved for. This information also is listed in Site Manager. The PE/PS is instructed to check prior to the contract beginning that the individual is a Qualified Technician for the sampling or testing procedures required for that contract. For Construction, that would be soils, concrete, profilograph, HMA sampling, and retro reflective testing for pavement markings. All other acceptance sampling and testing checked by the Independent Assurance Technicians is done by District Testing and the District Testing Engineers are responsible for assuring their personnel are Qualified Technicians for the tests required on each contract.

Contact Person(s): John Leckie



INDIANA DEPARTMENT OF TRANSPORTATION

Driving Indiana's Economic Growth

100 North Senate Avenue
Room N925 - CM
Indianapolis, Indiana 46204

PHONE: (317) 232-5456
FAX: (317) 232-5551

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

August 3, 2015

CONSTRUCTION MEMORANDUM 15-12

TO: District Deputy Commissioners
District Construction Directors
District Area Engineers
District Project Management Director
Project Management Director
District LPA Coordinators
Project Engineers/Supervisors
Field Engineers

FROM: *Mark A. Miller*
Mark A. Miller, Director
Division of Construction Management and District Support

SUBJECT: Checking Certified Payrolls with SiteManager Reports

This memorandum is intended to reinforce the expectations for checking Certified Payrolls on INDOT contracts. The contract documents provide minimum wage rates that are required on the project. Project staff are required to check to ensure that all labor that work on their assigned contract appear on the Certified Payrolls submitted by the Prime Contractor as proof of the labor receiving prevailing or minimum wages.

In order to ensure that all labor is receiving payment, it is imperative and required that all crews working on a given day are captured by a daily work report by an HT or a PE/S in SiteManager. There is a link within SiteManager Reports that can display all the labor and equipment reported in SiteManager for a given contractor and contract between 2 dates (SM defaults to the first and last day a contractor was reported in SM). This report can be used to cross check Certified Payrolls against the actual crew performing work on site. See ATTACHMENT for where this link is located in SiteManager Reports.

This check will not be necessary for every day worked by all contractors, but should be performed frequently enough to ensure all workers are being paid the correct wage. A good practice may be to check the crews reported in SM for a given week against Certified Payrolls when the contractor first appears on site along with performing the Payroll Interview. After that, contractors and subcontractors must be periodically checked throughout the life of the contract.

Any questions should be directed to your Construction Management Field Engineer.

ATTACHMENT: Screenshot of the SITEMANAGER REPORT LISTING page.

MAM/ajp

-103-



SITEMANAGER REPORT LISTING

Testing Reports

[SM Test Results](#)
[Approved Materials \(List\) Report](#)
[Approved Materials \(Code\) Report](#)
[CRA Contract Find Samples](#)
[Material User Qualifications](#)
[Items for Materials Report](#)
[Producer Point of Use Samples](#)
[Producer Supplier Report](#)
[Producer/Supplier Materials Report](#)
[Sampling and Testing Requirements \(English\)](#)
[Supervisor Sample Review](#)
[Tester Find Sample](#)
[Unauthorized Samples](#)
[Independent Assurance](#)
[Certified Technicians Recertification](#)
[Producer/Supplier Quality Report](#)

Material Certification

[Approved Material Samples with no Product Names](#)
[Test96 Conversion](#)
[CRA Failed Contract Samples](#)
[Failed Contract Samples](#)
[Samples with no Producer Supplier Code](#)
[Material Certification Sample](#)
[Contract Sample Checklist by Material](#)
[Contract Sample Checklist by Project](#)
[Contract Sample Checklist for Testing Shortages](#)
[Material Certification Summary](#)
[Contract Sampling and Testing Discrepancy Tool](#)
[Material Certification by PLN](#)

Construction Reports

[IC 103 Daily Report and Diary\(Before R04092009\)](#)
[IC 103 Daily R04092009](#)
[IC 608 Project Personnel Record](#)
[IC 632 Completion Date and L. D. Data](#)
[IC 636A Traffic Signal Completion](#)
[IC 639 Recommendation for Acceptance](#)
[IC 642 Comparison of Estimates - Original Final PLN](#)
[IC 642 Comparison of Estimates - Original Final CLN](#)
[IC 675 Agreement to use Plan Quantities for F. P.](#)
[IC 686 Release from Signing Responsibility](#)
[Progress Report](#)
[Change Order Log](#)
[Material Summary Report](#)
[Material Record Pending Report](#)
[Material Record Report](#)
[Progressive Record Activity Report PLN](#)
[Progressive Record Activity Report CLN](#)
[Construction Conference Remark](#)
[Item File \(CLN Sort\)](#)
[Item File \(PLN Sort\)](#)
[IC 124 Weekly Report \(before R04092009\)](#)
[IC 124 Weekly Report R04092009](#)
[Item Detail Report with DWR Templates](#)
[Item Detail Report No DWR Templates](#)
[Contract Personnel/Equipment for a Specific Contractor](#)
[Relieved Maintenance](#)
[Percent of Work Subcontracted](#)
[Unapproved Subcontract Requests](#)
[Subcontract Request Summary](#)
[Daily Work Report Adjustment](#)
[Comparison of Estimates by Category](#)

Sitemanager Listserve.

[Subscribing to the INDOT SiteManager List Serve Click here.](#)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-018

Fiscal Year: 2014

Status of Finding: Corrective Action taken

The corrective action could not be implemented in time for FY 15 (school year 14/15). However, the corrective action taken was effective for FY 16 (school year 15/16).

Finding Number 2014-019

Fiscal Year: 2014

Status of Finding: Corrective Action taken

The corrective action could not be implemented in time for FY 15 (school year 14/15). However, the corrective action taken was effective for FY 16 (school year 15/16).

Finding Number 2014-020

Fiscal Year: 2014

Status of Finding: Corrective Action taken

The corrective action could not be implemented in time for FY 15 (school year 14/15). However, the corrective action taken was effective for FY 16 (school year 15/16).

Finding Number 2014-021

Fiscal Year: 2014

Status of Finding: Corrective Action is in process

Finding Number 2014-022

Fiscal Year: 2014

Status of Finding: Corrective Action taken



Michael R. Pence, Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Finding Number 2014-023 ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST PRINCIPLES, REPORTING

Contact Person(s): David Nelson

Fiscal Year 2014

Status of Finding

FSSA has developed an Enterprise Data Warehouse to allow transactional level detail for all amounts reported on the CMS-64 to be easily obtainable. Development for a replacement of the core MMIS continues with a planned implementation date of December 2015. The new MMIS will have increased financial capabilities allowing greater internal controls and review of Medicaid expenditures.





Michael R. Pence, Governor
State of Indiana

Indiana Family and Social Services Administration

402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Finding Number 2014-024 REPORTING

Contact Person(s): David Nelson

Fiscal Year: 2014

Status of Finding

FSSA reviewed the process for compiling the SSA-4514 report for personal service hours. Modification to the report compilation was made as necessary and documentation of data sources were included in reporting instructions. FSSA paralleled a new report process in April 2015 for the Quarter Ending 3/31/15 SSA-4514 report with the replacement process went into effect July 2015.





Michael R. Pence, Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Finding Number 2014-025 Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

Contact Person(s): Dave Smalley

Fiscal Year: 2014

Status of Finding

As previously noted, FSSA would affirm that all case records from March 2012 are contained within the FACTS case management system. As part of the transition to FACTS, all hard copy case records were transferred to one site and it appears that the case record or records needed for this review could not be located. From March 2012 forward, we have electronic case files available through FACTS on a statewide basis. However, to ensure all documentation is contained within FACTS, this finding remains open.





Michael R. Pence, Governor
Mary Beth Bonaventura, Director

Indiana Department of Child Services
Room E306 – MS47
302 W. Washington Street
Indianapolis, Indiana 46204-2738

317-234-KIDS
FAX: 317-234-4497

www.in.gov/dcs

Child Support Hotline: 800-840-8757
Child Abuse and Neglect Hotline: 800-800-5556

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2014-026 - Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

Fiscal Year: 2015

Status of Finding: *Emergency Assistance Program – DCS considers this finding to be closed.*

In Spring of 2015 (March 10th), DCS modified the coversheet used in requesting Federal Draw of TANF EA funding to include a reviewer signature and date to evidence additional levels of internal control for all Federal Programs.

Healthy Families Program – DCS considers this finding to remain open for the period of SFY 2016.

DCS has established process for monitoring and verifying the accurate controls of the Federal Eligibility determination for Clients participating in the program who are billed to TANF and all other Federal Awards. Initiation of the outlined monitoring actions began August 14, 2015. Documentation of monitoring results for SFY 2015 determinations will not be available until Spring 2016. Ongoing reviews and analysis will be documented on a more current basis prior to the end of SFY 2016.

Finding Number 2014-027 – Cash Management Period of Availability

Fiscal Year: 2015

Status of Finding: *DCS considers this finding to be closed.*

In Spring of 2015 (March 10th), DCS modified the coversheet used in requesting Federal Draw of Grant Award funding to include a reviewer signature and date to evidence additional levels internal control for all Federal Programs.



Protecting our children, families and future

Finding Number 2014-028 – Reporting

Fiscal Year: 2015

Status of Finding: OCSE 396A - DCS considers this finding to be closed.

Errors discovered in the OCSE 396A reports for quarters indicated were Corrected, and updates to the process of preparation and review were instituted in SFY 2015.

Federal Funding Accountability Transparency Act - DCS considers this finding to be closed

DCS has initiated required entries to the Federal Subaward Reporting System (FSRS) for Awards where Sub Recipient conditions exist. This is an ongoing task that will be accommodated in DCS Fiscal Operations for compliance with the FFATA. A printed copy of the filed reports will be maintained in the Controller's Office and via pdf in the DCS Shared folders on the State's IT Network. .

Finding Number 2014-029 – Subrecipient Monitoring

Fiscal Year: 2015

Status of Finding: DCS considers this finding to remain open for the period of SFY 2016.

Activities performed by DCS/CSB since the finding:

Specific protocols and procedures have been implemented to review and monitor the monthly expense claims of subrecipients and also the quarterly incentive expenditures and incentive balances of subrecipients. This includes a review for reasonableness of the expenditures by the CSB Audit Unit and also for variances of these expenditures. If needed, the CSB Audit Unit contacts the subrecipient for additional information, explanation of expenditures, and potential corrections.

The CSB Audit Unit also monitors and performs a detailed review of county Cost Allocation Plans (CAP). All of these reviews are tracked in detailed spreadsheets that accompany written review procedures, and are also checked by the supervisors of the CSB Audit Unit.

Additionally, CSB has begun piloting Quality Assurance Reviews of subrecipients. This involves a detailed review of a county's ledgers, budgets, claims and supporting documentation prior to an on-site visit which is subsequently conducted with the county Auditor, Clerk, Prosecuting Attorney, and IV-D court as applicable. After the on-site review, specific recommendations will be given to each office as needed for compliance with federal rules.



In order to increase knowledge and understanding of the rules for spending federal IV-D funds, CSB has issued several guidance documents to all subrecipients. Also, self-guided, interactive PowerPoint presentations have been issued to assist subrecipients with proper claiming procedures, and improvement of supporting documentation. Several new supporting documentation forms were developed by CSB and sent to subrecipients as options for them to utilize. Additionally, the IV-D Online Expenditure Online Forms tool is being enhanced to better assist counties to properly submit claims and report incentive expenditures and balances.

Finally, the CSB Audit Unit reviews all SBOA audit findings of subrecipients as well as their responses and corrective action plans. Subrecipients are contacted to ensure compliance with the corrective action plan and also proof of compliance is required by CSB. A detailed spreadsheet was developed to manage these activities and resolutions, including secondary reviews by the supervisors of the CSB Audit Unit. CSB has accessed Gateway to determine if a county was required to have a single audit based on the federal threshold and ensured those counties all have had an audit completed. This information is also captured on the spreadsheet. DCS feels this finding to be closed.

Finding Number 2014-030 – Cash Management

Fiscal Year: 2015

Status of Finding: DCS considers this finding to be closed.

DCS has altered its measurement tools used to integrate the weighted dollar of payments during the monthly monitoring of the CMIA compliance and reporting of Average Days of Clearance Pattern to the Auditor of State and Treasury of the United States. DCS reported and collaborated with AOS to have the States submission to the Treasury Department modified to reflect the incorrect number of days reported from 1 day to 6 days for the 2014 agreement and the planning of the 2015 Agreement.

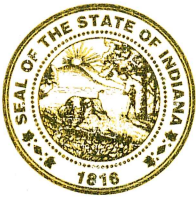
Finding Number 2014-031 – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

Fiscal Year: 2015

Status of Finding: DCS considers this find to be open.

Although DCS recognizes that this finding remains open, we are seeing continued reduction of the condition since eligibility and administration of the payment process for adoption assistance were centralized in 2009. The majority of adoption assistance cases currently in payment status were finalized after centralization in 2009.





Suzanne Crouch
Auditor of State

200 W. Washington St., Room 240
Indianapolis, IN 46204-2731

Website: www.in.gov/auditor
Telephone (317) 232-3300

March 23, 2016

Mr. Paul D. Joyce, CPA, State Examiner
Indiana State Board of Accounts (SBOA)
302 W. Washington Street
Indiana Government Center South, Suite E418
Indianapolis, IN 46204

Dear Mr. Joyce:

This letter provides the corrective action plans to the financial statement findings for inclusion in the State's Single Audit Report for the fiscal year ended June 30, 2015.

FINDING 2015-001, MEDICAID ACCRUALS

Adequate controls were not in place to ensure that the Public Welfare-Medicaid Assistance Fund (Medicaid Fund) accruals were properly reported. The Family and Social Services Agency (FSSA) compiles year end Medicaid Fund accrual entries which the Auditor of State manually posts as adjustments to the financial statements. The accounts payable accrual for medical claims incurred, but not yet paid, is determined using a query of Medicaid claims data. The associated grants receivable is calculated by applying the federal matching rate to the Medicaid accounts payable calculation. In 2014, errors were identified in the query which resulted in an immaterial overstatement of the modified accounts payable and grant receivable. The Auditor of State declined to make the immaterial adjustments to the statements in 2014, but instructed FSSA to use corrected queries in 2015 for both the modified and full accrual adjustments. In 2015, FSSA again used the old query which resulted in material overstatements of accounts payable and grants receivable. For the modified accrual, FSSA overstated accounts payable and grants receivable in the Medicaid Fund by \$54,272,926 and \$36,113,207 respectively. For the full accrual, FSSA overstated the incremental accounts payable and grants receivable adjustments by \$1,073,608,470 and \$714,189,480 for a total overstatement of accounts payable and receivables (net) in the Government Wide Statement of Net position of \$1,127,881,396 and \$750,302,687 respectively.

FSSA posted a prior period adjustment based on the corrected accounts payable query results. The full accrual accounts payable is an average of the most recent 3 years of data for claims paid in a fiscal year with a date of service from a prior fiscal year. In the calculation of the prior period adjustment, FSSA neglected to re-run the 2012 calculation using the new criteria. FSSA instead used the previously reported number for 2012, creating an overstatement in the prior period accounts payable adjustment of \$96 million and an associated overstatement of grants receivable of \$64 million for a net understatement of restated net position of \$32 million.

FSSA had a review process in place; however the review process did not prevent, detect and correct the errors in the current year accrual or prior period adjusting entries.

Following our communication of the above noted errors, adjustments were recorded to correct the financial statements.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and

actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview--General Guidelines and Policy, Section IV)

Corrective Action Plan:

FSSA will evaluate the query of Medicaid claims paid after the end of the state fiscal year (SFY) with dates of service in or before that SFY which is used to prepare the Medicaid modified and full accruals. After the initial accruals have been compiled by FSSA for the CAFR they will be distributed for review to the Office of Medicaid Policy and Planning (OMPP) then approved by the FSSA Agency Controller. This will help ensure that the Medicaid accruals provided to the Auditor of State for inclusion in the CAFR include appropriate adjustments and that they are accurate.

In addition, FSSA's controller and CFO will meet with the staff of the SBOA and AOS in the Spring of 2016 to ensure that the actions being taken to address this finding are progressing as needed.

Contact Person:

David Nelson, Agency Controller, Family and Social Services Administration, 317-233-3045,
David.Nelson@fssa.in.gov

Anticipated Completion Date:

October 5, 2016

FINDING 2015-002, INVESTMENT NOTE DISCLOSURE ERRORS

Adequate controls were not in place to ensure that the information presented in the investment note disclosures were accurate. The Treasurer of State compiles the investment note disclosures and provides them to the Auditor of State for inclusion in the State's Comprehensive Annual Financial Report (CAFR). Our audit identified the following errors in the investment note disclosures presented for audit:

- Concentration of Credit Risk – Federal Home Loan Bank (FHLB) was shown as \$451,161,334. This is the FHLB General Fund amount and should have also included the FHLB Trust Fund amount of \$330,411,631, for a combined total of \$781,572,965.
- Major Moves & Next Generation – Credit quality rating for investments in debt securities table documented \$26,582,863 in Government Collateralized Mortgage Obligations (CMO's) rated as "NR" or Not Rated. The rating should be "AA" based on the Interest Rate Risk spreadsheet.
- Major Moves & Next Generation – Credit quality rating for investments in debt securities table documented \$130,623 as Non US Govt/Corp Bonds rated as "AA". This amount should be rated as "AAA" based on the "5 – 10 year" tab on the Interest Rate Risk spreadsheet.
- Major Moves & Next Generation – Credit quality rating for investments in debt securities table documented \$83 (expressed in thousands) with a rating of "NR" and nothing rated as "B" for Municipal Bonds. Based on the Interest Rate Risk spreadsheet, it should show Municipal Bonds at \$81 (expressed in thousands) with a rating of "B" and 3 (expressed in thousands) with a rating of "NR".

- Major Moves & Next Generation – Credit quality rating for investments in debt securities table documented \$3 (expressed in thousands) with a rating of “CCC & Below” for Municipal Bonds. Based on the Interest Rate Risk spreadsheet, none of the Municipal Bonds should be rated at CCC & Below.

Following our communication of the above noted errors, adjustments were recorded to correct the note disclosures.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency’s control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview--General Guidelines and Policy, Section IV)

Corrective Action Plan:

The Treasurer of State has many good internal controls in place to ensure the accuracy of financial information and would like to stress that the above noted errors did not result in any misstatement of the State’s financial statements. The above noted errors were only in the note disclosures themselves. The Concentration of Credit Risk error was a result of incorrectly manually transferring accurate data from an EXCEL spreadsheet to a WORD document for inclusion in the CAFR. The percentage of FHLB investments was correctly presented as 11.81%. The other errors were a result of formatting issues. Regardless, the Treasurer of State’s office does not minimize these errors, because accuracy is considered very important.

The recent addition of a new staff position, Assistant Portfolio Manager, in the Treasurer’s office, will allow for added controls to be put into place. The Assistant Portfolio Manager will prepare the investment notes, which will then be reviewed by the Portfolio Manager prior to submitting the investment notes to the Auditor of State for inclusion in the State’s CAFR.

Additionally, and of even further significance, the Treasurer’s Office is proposing to use the GASB 40 tables electronically produced by the Treasurer Office’s custodian bank which will eliminate virtually all of the manual entry into the current tables that are presented in the investment notes. As a result of this, the possibility of transposition and formatting errors as noted above will be mostly eliminated.

These changes will help significantly in creating the proper controls and reduce the potential for errors needed to ensure that the information presented is accurate.

Contact Person:

Mike Frick, Deputy Treasurer/Investment Manager, Office of Treasurer of State, 317-232-0140, mfrick@tos.in.gov

Anticipated Completion Date:

December 23, 2015

FINDING 2015-003, INTERNAL CONTROLS OVER TAX REVENUES

During our audit of tax revenues administered by the Indiana Department of Revenue (DOR), we identified the following deficiencies in internal control:

1. DOR utilizes stand-alone custom taxpayer account systems, spreadsheets, and databases that were developed over time to support the core tax processes at DOR. DOR's Revenue Processing System (RPS) processes the majority of tax returns collected, refunds issued, and adjustments to taxpayer accounts, but other stand-alone taxpayer account systems and databases are used by DOR to support tax types not maintained in the RPS.

DOR did not perform timely reconciliations between the State's ENCOMPASS accounting records and its stand-alone custom taxpayer account systems, spreadsheets, and databases. DOR performed one comprehensive reconciliation encompassing the state fiscal year as of June 30, 2015, which was not completed until late August 2015; therefore, inhibiting DOR from detecting and correcting errors or omissions in a timely manner.

Our testing identified errors in the reconciliation and multiple revisions to both the reconciliation and supporting population transaction files were needed. After working with DOR to make the necessary revisions, DOR presented the final reconciliation to us in mid-October 2015. The reconciliation indicated the following differences between DOR's population transaction files and the State's ENCOMPASS financial accounting records:

Opinion Unit	Amount per the State's ENCOMPASS Accounting Records	Amount per DOR's Transaction Population Files	Difference
General Fund	\$13,983,882,654	\$13,953,241,472	\$30,641,182 or 0.22%
Aggregate Remaining Fund Information	1,646,421,876	1,650,496,365	(4,074,489) or -0.25%

Additionally, as a result of our testing of General Fund and Aggregate Remaining Fund Information tax revenues transactions, we identified specific variances between the transaction files and ENCOMPASS. Based on our audit procedures, we projected variances of \$12,583,871 and \$2,125,609 for the General Fund and Aggregate Remaining Fund Information opinion units, respectively. The projected variances identified less activity in the aforementioned detailed transactions than in ENCOMPASS. DOR did not present additional transactions or provide additional information to account for these differences. The projected variances, alone or in combination with the above noted respective variances, were not considered material to either of these opinion units in the financial statements.

2. Each day, when hardcopy tax return information is automatically posted to RPS from the originating system, a Recap Discrepancy Report is generated listing the batches of tax returns, which includes the following information for each batch: batch identification number, tax type, total count of items, total dollar amount, and problems identified by the system. Our inquiry of DOR management and staff revealed that the Recap Discrepancy Report does not consider the tax type when verifying the recap data to the batches in RPS, which could result in a misclassification of tax revenues. DOR management did not design and implement adequate controls to sufficiently compensate for this deficiency.

3. DOR's internal controls over changes to taxpayer account systems were not adequate to ensure compliance was being maintained. Deficiencies in internal controls increase the risk that discrepancies or fraud could be undetected. We issued a management letter to DOR management dated April 16, 2014, concerning this matter. On August 26, 2015, we received a status update from DOR stating that DOR was unable to implement wholesale security changes within RPS to eliminate internal control deficiencies; however, the status update indicated that improvements and progress had been made.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

Each agency, department, quasi, institution or office should have internal controls in effect to provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and forms of information processing are part of an internal control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

System controls are in effect on the ENCOMPASS financial accounting system, which is the official book of record for the State; however, each agency is responsible for controls in any subsidiary systems used or other records maintained. At all times, the agency's manual and subsidiary ledgers should reconcile with ENCOMPASS. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

The computerized accounting system must maintain electronic audit trails sufficient to trace all transactions from the original source of entry into the system, through all system processing, through various levels of summarizations, and to the results produced by the system. The audit trails must also maintain sufficient information to trace all transactions from the final results produced by the system, through all system processing and summarizations, and to the original source of entry into the system. Audit trails must also identify the user that processed the transaction or updated the information. These audit trails must be protected from modification and deletion. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.3.5)

Corrective Action Plan:

1) Timely taxpayer system to accounting system reconciliations

The Indiana Department of Revenue (**IDOR**) has developed and documented a three step reconciliation process and template to reconcile PeopleSoft General Ledger detail to the Trial Balance and to the taxpayer source system at the lowest level of detail. The complex reconciliation process involves gathering data from multiple sources and building/accumulating monthly the historical detail into a year to date file for each fiscal year. We are current with the reconciliations for FY2016.

2) Verification of classification of the tax revenues

Subsequent to the compliance period under review by State Board of Accounts, the Agency transitioned to a new imaging vendor. This system conversion resulted in discontinuance of the Recap Discrepancy

Report referenced in this finding. However, the essence of the finding that tax type classification verification is required in addition to the verifications performed by the Agency, has been addressed in FY2016. The Agency verifies on a daily basis the RPS generated Report of Collections / Receipts Report G that summarizes each deposit by tax type against the Finance Hub tax type breakdown for each deposit.

3) Changes to taxpayer account systems

IDOR has made significant improvements to security/change management since June 2013. 62% of the 13 specific State Board of Accounts findings have been completely resolved, 31% were partially corrected and we will continue to make significant progress on these findings over the next twelve months, and 7% will not be corrected in the current RPS system. More substantial changes are not expected until the replacement of RPS. The need to and the intent to replace RPS altogether is expected in the near term. The 2015 Indiana General Assembly appropriated \$2M in FY2016 and FY2017 to conduct a broader integrated tax system feasibility study and to continue the system modernization efforts for all of the tax types administered by IDOR. Having effective internal controls over changes to the taxpayer account systems is a priority requirement for the new integrated tax system that the Agency implements, which will take multiple years.

Contact Person:

Valerie Hunt, Chief Financial Officer, Indiana Department of Revenue, 317-232-2177, vhunt@dor.in.gov

Anticipated Completion Date:

See dates, as applicable, included in the Corrective Action Plan.

FINDING 2015-004, RECONCILIATIONS BETWEEN KIDTRAKS AND ENCOMPASS

The Indiana Department of Child Services (DCS) maintains a subsidiary system, KidTraks. DCS did not perform a comprehensive reconciliation between expenses recorded in KidTraks and expenses posted to the State's accounting system, ENCOMPASS. Management of DCS did not design and implement adequate controls to sufficiently compensate for this deficiency.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

Each agency, department, quasi, institution or office should have internal controls in effect to provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and forms of information processing are part of an internal control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

System controls are in effect on the ENCOMPASS financial accounting system, which is the official book of record for the State; however, each agency is responsible for controls in any subsidiary systems used or other records maintained. At all times, the agency's manual and subsidiary ledgers should reconcile with ENCOMPASS. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview-- General Guidelines and Policy, Section IV)

Corrective Action Plan:

The Department of Child Services concurs that the need for a comprehensive reconciliation exists and will be undertaking efforts to accomplish this task. While we have been performing several moment-in-time, silo-based confirmations of data and transactions between the Encompass System and our Child specific system (Kid Traks), we recognize how this does not seem to fulfill the internal control concept as outlined in the Finding.

Development of a comprehensive reconciliation of the KT-to- Encompass records will be defined and presented to the Application Development team for determining timeline and requirement actions/owners. It is anticipated that this will also require a redesign for the legacy (pre State administration of payments) records and data cleansing for broken/orphaned records due to enhancements/growth introduced when responsibilities of administering and fully funding care for Indiana's Child Welfare clients shifted to the State from the counties in January of 2010.

Contact Person:

Rick Peterson, Chief Financial Officer, Department of Child Services, Telephone 317-234-6910,
rick.peterson@dcs.in.gov

Anticipated Completion Date:

Department of Child Services anticipates that documentation of the Reconciliation functional requirements and critical intersections can be completed by June 30, 2016. Development and system modifications are tentatively projected for completion by June 2017. We would be comfortable in projecting that the first execution of the established reconciliation process as occurring with the State's closure of the July 2017 General Ledger. The agency will take all opportunities to deliver earlier where possible.

FINDING 2015-005, INTERNAL CONTROLS OVER ENCOMPASS ACCOUNTING SYSTEM

Our audit testing identified internal control and security issues in the State's Encompass Accounting system. The issues identified include deficiencies in the following areas:

- approval processes
- segregation of duties
- password controls
- system access
- system monitoring controls

It is critical that an agency approver, whether it be approval of a deposit, payment, journal entry or asset entry, be cognizant of the various funds, accounts, departments and programs of his/her agency in order that incorrect entries be returned to the entry staff for correction prior to approval. It is not the responsibility of the AOS staff to be aware of all operations within an agency and how they should be recorded. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 2.4)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Segregation of duties and safeguarding controls over cash, all other assets, and all forms of information processing are necessary for proper internal control.

Segregation of duties is the concept of having different people do different tasks within the organization. It provides the foundation of good internal control by assuring that no one individual has the capability to perpetuate and conceal errors or irregularities in the normal course of their authorized duties. Segregation of duties is achieved within information technology systems by appropriate assignment of security profiles that define the data the users can access and the functions that they can perform. Access must be restricted to the minimum required for the user to perform their job function. Access rights must be periodically reviewed and approved by management. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.2)

Reporting of user access rights to system functional capabilities and information, as well as reporting of security definitions such as configuration parameters, workflow approval hierarchy, thresholds, and override capabilities must be available to, and easily understood by, management and State Board of Accounts' Field Examiners during the course of a regularly scheduled audit. These security definitions and user access rights must enforce adequate segregation of duties for the accounting system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 14.3.4)

Corrective Action Plan:

We appreciate and take seriously the issues related to ENCOMPASS, the State's accounting system since September 2009, from the 2015 Comprehensive Annual Financial Report and information technology audits. We are in the process of developing a plan with specific actions to be undertaken to address these issues as applicable. This plan, when readied, will be shared with the Enterprise Governance Review Board and Steering Committee which is responsible for overseeing ENCOMPASS and that includes representatives of the Auditor of State, Treasurer of State, State Budget Agency, State Personnel Department, Department of Administration, State Board of Accounts, and Office of Technology.

Contact Persons:

Courtney Everett, Deputy Auditor of Operations, Auditor of State's Office, 317-233-9817, ceverett@auditor.in.gov

Tracy Barnes, Information Technology Director, Auditor of State's Office, 317-234-1916, tbarnes@auditor.in.gov

Tad Stahl, Chief Information Officer, Indiana Office of Technology, 317-234-3434, tstahl@iot.in.gov

Paul Jasheway, Deputy/Assistant IT Director, Indiana Office of Technology, Government Management Information Systems, 317-232-6752, pjasheway@iot.in.gov

Anticipated Completion Date:

June 30, 2016

FINDING 2015-006, PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Adequate controls were not in place to ensure that the Schedule of Expenditures of Federal Awards (SEFA) was reported accurately. The State did not have a proper system of internal control in place to prevent, or detect and correct, errors on the SEFA.

During the audit of the SEFA, we identified the amount reported for the Foster Care program was underreported by \$45,186,693. This error was not detected by the control processes put into place at the State to ensure that the SEFA is materially accurate.

An audit adjustment was proposed, accepted by the State, and made to the SEFA presented in this report.

The State should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An Agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Organizational Overview Chapter)

Corrective Action Plan:

DCS has been reviewing its grant processes to determine what procedures are appropriate and what changes need to be made to the process. We have started reviewing monthly queries for negative revenues, expenses on federal projects not in the federal fund and Over Distribution Limit "ODL" rows in project resources. We plan to compare monthly our project expenses and revenues collected and Year to Date comparison of the same information. Additionally, we will compare on a quarterly basis our reports with the federal reporting requirements (CB-496, CB-396, etc.) that are required by our federal partners. We have also started to include new verbiage in our journals that deal with prior year changes so they can be reviewed separately from our normal business.

Once the SEFA report is created, it will be approved the grant department, then by the Assistant Deputy Director for Special Projects and finally made available to the CFO for final review. These controls and reviews will correct the deficiencies stated above.

Contact Person:

Clinton A. Bohm, Assistant Deputy Director for Special Projects, 317-234-5768, Clinton.Bohm@dcs.in.gov

Anticipated Completion Date:

July 1, 2016

SBOA CAFR Audit Corrective Action Plans, June 30, 2015
March 23, 2016
Page 10

If you have any questions or require further information, please contact Courtney Everett, Deputy Auditor of Operations, at 233-9817 or via email at ceverett@auditor.in.gov.

Sincerely,



Suzanne Crouch
Auditor of State
State of Indiana



Kelly Mitchell
Treasurer of State
State of Indiana



Micah Vincent
Director
Office of Management and Budget



**OFFICE OF THE LT. GOVERNOR
STATE HOUSE
INDIANAPOLIS, INDIANA 46204-2797**

2015-007 Subrecipient Monitoring

Contact Person(s): Aletha Dunston, Mitzi Moss

Anticipated Completion Date: 9/30/15

Corrective Action

The State CDBG program manager will now review the sub-recipient A-133 spreadsheet for completion no less than quarterly. The program manager will document via email when the review is complete.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

PHONE: (232) 232-0619
FAX: (233) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

FINDING 2015-008 – SUSPENSION AND DEBARMENT

Contact Person(s): Kathy Eaton-McKalip

Anticipated Completion Date: Controls are in place as of February 11, 2016.

Corrective Action:

The Suspension and Debarment wording was added to the INDOT-LPA (Local Public Agency) Agreement boilerplate. The wording was reviewed and approved by the INDOT Legal Division and the updated INDOT-LPA Agreement boilerplate was added to the INDOT LPA website. The updated boilerplate is utilized for all newly processed contracts. Further, the sam.gov website is utilized by the LPA Program Section to review for LPA's with noted exclusions. In the event a LPA is identified with a noted exclusion, INDOT Management will be notified for further action.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

PHONE: (232) 232-0619
FAX: (233) 233--3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

FINDING 2015-009 - SUBRECIPIENT MONITORING

Contact Person(s): Kathy Eaton-McKalip

Anticipated Completion Date: December 2016 Controls are in place with additional steps underway to include the process in the Professional Services Contracting System (PSCS) and INDOT Project Closeout (PCO) System.

Corrective Action:

On June 4, 2015 the LPA Program Section initiated a review of the section’s procedures regarding Subrecipient Monitoring to ensure compliance with the applicable policies. Review of the pertinent documentation and discussion with key personnel disclosed action was taken on several key points in the action plan and other points within the action plan were in the process of correction as of the date of the review. The documented corrective actions and the review of these actions by the LPA Funding and Contract Manager are noted below.

STATUS OF CORRECTION

1. The following procedures were implemented early in fiscal year 2016:
 - a) Per the Contracts Program Director, a review is performed at the time of the contract implementation. This review is of the available A133 audits (Single Audit Act) located on the internet at <http://www.in.gov/sboa/resources/reports/audit/Default.aspx> or from the LPA Section’s file of audits provided by the LPA for the applicable LPA to ensure the LPA was audited if the sub recipient expended \$750,000.00 or more in Federal awards in a fiscal year. The Contracts Program Director prepares a spreadsheet entitled “FA-133 AUDIT FINDING TRACKING SPREADSHEET” where the information from these reviews is summarized. This spreadsheet is located on the Y: drive for review at Y:/Scans/LPA/LPA Contract Documents/FA-133 AUDIT FINDINGS TRACKING SPREADSHEET. An example of the format of this spreadsheet is noted below.

FA-133 Verification Spreadsheet

LPA Name	Date of LPA Audit	Year Audited	Any Cash Mgmt. or Trans. Findings (Y/N)	Corrective Action for Finding Attached (Y/N)	Date of Last Verification	Compliance Follow-up Date (if applicable)	Comments

During these reviews the Funding and Contracts Manager will assist the Contracts Program Director if the reviews of the LPA audits indicate audit citations that need additional scrutiny and/or follow-up prior to the implementation of the contract. All correspondence and corrective action will be filed for ready reference. The routing slip for the new contracts was updated on 06/10/15 to reflect this process. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP). A spreadsheet (Review of FA-133 Audits maintained on file at Y:/Scans/LPA/Audit Follow-up) is prepared by the Contracts Program Director and/or the LPA Funding and Contracts Manager highlighting the citations in the SBOA audit reports and the LPA corrective action plans. This spreadsheet is routed with the contract to ensure key personnel reviewing the contract are aware of the relevant LPA citations (and therefore level of risk associated with the LPA) and whether or not the citations were addressed by the LPA. Upon conversation with the State Board of Accounts Auditors it is understood that LPA's that have documented "Going Concern" issues should be forwarded to appropriate Management for further action/monitoring and are considered "High Risk" LPA's.

The A133 audit also needs to be checked when the Purchase Order (PO) is issued and payments are made from the PO which could be substantially later than the actual contract implementation date prompting potential excessive lag times. Discussions with the Director of Project Accounting, Budget, & Procurement and the Fiscal Analysis & Reporting Manager confirmed the audit reports are to be reviewed by Central Office LPA Section prior to awarding funds/entering into a new contract which was being performed. Further, according to the Fiscal Analysis & Reporting Manager the audit reports are also to be reviewed when the Purchase Order (PO) is issued.

The following procedure was implemented and requires the assistance of the Fiscal Analysis & Reporting Manager with INDOT's Finance Division. This procedure was discussed and agreed upon on 06/10/15.

1. On a quarterly basis (July, Oct, Jan, April) the Fiscal Analysis & Reporting Manager will provide the Contracts Program Director with a report of all payment activity for the various LPAs. A comparison is performed by the Contracts Program Director similar to the review performed at contract implementation to determine if an applicable audit report was available and if any audit findings need to be addressed. In order to avoid duplicate efforts, the FA-133 AUDIT FINDING TRACKING SPREADSHEET may be utilized as a resource when possible. This review will be maintained on the Y: drive for ready reference at Y:\Scans\LPA\LPA Contract Documents\Quarterly Audit Reviews.

2. A “Review of FA-133 Audit” spreadsheet is prepared and maintained on file as noted above for any LPA’s with payments within the review periods that do not have a current “Review of FA-133 Audit” spreadsheet on file.
 3. District personnel, such as the District Consulting Services Coordinator, District Program Director, or District Project Manager may be a source for information when assurance is needed that an audit citation has been corrected by the LPA. The District Program Directors and District Project Managers attend quarterly meetings with the LPAs with active contracts and monitor the progress of the projects.
 4. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP). Further, the requirement of the submission of the LPAs Federal Financial Reports was outlined in the INDOT Local Public Agency Project Development Process Guidance Document for Local Federal-Aid Projects (LPA Guidance Document). Submission is verified using the following SBOA internet address <http://www.in.gov/sboa/resources/reports/audit/Default.aspx> as well as the document files of submitted audit reports maintained by the LPA Section.
- b) LPA invoices for reimbursement are reviewed when received at the District level first by the District Finance Program Coordinator 3 for form completion and recalculation of totals and comparison with prior Vouchers from the PO then by the Project Manager to ensure the included expenses were allowable per the contract. The invoices are then approved by the Project Managers once the review for allowable expenses is performed. This process was included in the Draft - INDOT Standard Operating Manual for Processing Local Public Agency Federal-Aid Projects (SOP).
- c) The LPA Section’s review to ensure that the sub-recipient’s have an accounting system in place to allow for accurate reporting is addressed in point a. above through the review of the LPA audit reports.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

PHONE: (232) 232-0619
FAX: (233) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

FINDING 2015-010 - SPECIAL TESTS AND PROVISIONS – QUALITY ASSURANCE

Contact Person(s): John Leckie, Matthew Beeson, Mark Miller

Anticipate Completion Date: May 2016

Corrective Action

The QUALIFIED LABORATORY AND TECHNICIAN PROGRAM (Directive No. 106) will be revised to include the following clarification:

Qualification Required for Personnel Conducting Acceptance Sampling or Testing

The Project Engineer/Supervisor will ensure that all project sampling/testing is done by personnel who meet the requirements of the Qualified Technician Program. In the rare case that the testing is conducted by someone not current qualified, the test results will not be used for acceptance.

If tests are done by an employee or non-department employee that is not currently qualified, both the District Construction Director and the District Testing Engineer will be notified within 5 business days. Additional testing may be required based on the guidance of the District Testing Engineer.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

PHONE: (232) 232-0619
FAX: (233) 233-3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

2014-011 SPECIAL TESTS AND PROVISION - WAGE RATE

Contact Person(s): David Alyea, Mark Miller

Anticipate Completion Date: March 2016

Corrective Action

Within the Site Manager construction software program there is a report feature that can generate a listing of all contractors and subcontractors with staff numbers that worked in a week. Instruction was provided to field staff through Construction Memo 15-12 on how to correctly enter data and generate this report. This memo was issued on August 3, 2015. Daily reports completed prior to this date may not have been completed in a manner that would capture all the information correctly. This report provides a convenient check that all payrolls have been received. The Project Engineer/Supervisor could also maintain a hard copy or spreadsheet log of subcontractor & contractor employees working on site each week. There may be discrepancies in the number of employees in each classification on daily reports and weekly payrolls. This occurs when a contractor has employees working partial days on a contract. For example, the project staff may record the number of employees at the beginning of the day. Additional employees may arrive to work a partial day on the site at a later time. Project staff may not be aware the additional employees are on the site. There may also be discrepancies if supervisors are counted in a different job classification. Supervisors should not be reported on the weekly payroll report. This topic has been discussed in the Winter 2016 construction conferences to emphasize the importance of maintaining accurate information on the number of weekly payrolls needed for each contract.



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

PHONE: (232) 232-0619
FAX: (233) 233--3691

Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

2014-012 SPECIAL TEST AND PROVISIONS - VALUE ENGINEERING

Contact Person(s): Trevor Mills

Anticipate Completion Date: Complete

Corrective Action

INDOT's Value Engineering policy has been added to Chapter 50 of the Indiana Design Manual. The policy has been reviewed and approved by Joiner Lagpacan of FHWA, and Elizabeth Phillips, the INDOT Standards and Policy Director.

The Value Engineering (VE) study will be uploaded into INDOT's Electronic Records Management System as part of the Final Tracings submittal. I will send an annual report to Eryn Fletcher of FHWA that details each VE study completed in the Capital Program. The policy from the Indiana Design Manual is provided below:

50-3.01 General [Rev. Feb. 2016]

Value engineering is not merely a method of cost cutting but a methodology to review alternatives and to suggest choices that still provide a reasonable product without reducing its quality. Value engineering is a proven effective tool for both product improvement and design enhancement. VE can substantially improve design and cost-effectiveness of projects, facilities, operations, procedures and other areas of the transportation program.

The Department must comply with the US Code of Federal Regulations, 23 CFR Part 627, regarding value engineering for each project that utilizes Federal-aid highway funding. A Value Engineering (VE) analysis should be conducted prior to the completion of final design on each applicable State and Local Public Agency (LPA) project. Failure to comply with the VE requirements by PS&E will preclude the use of federal funds and delay the project letting. Projects that require a VE analysis include the following:

1. Road projects on the National Highway System (NHS) receiving federal assistance with an estimated total cost of \$50 million or more. The total cost includes the sum of all engineering, environmental, right of way, Utility, Railroad, and construction costs attributable to the project.
2. Bridge projects on the NHS receiving federal assistance with an estimated total cost of \$40 million or more. The total cost includes the sum of all engineering, environmental, right of way, Utility, Railroad, and construction costs attributable to the project.
3. Any major projects, located on or off of the NHS that utilizes Federal-aid highway funding in any contract or phase comprising the major project. A major project is defined as a project with an estimated total cost of \$500 million or more.

4. Any project where a VE analysis has not been conducted and a change is made to the project's scope or design between the final design and the construction letting which results in an increase in the project's total cost exceeding the thresholds identified above for road and bridge projects.
5. A project determined to be appropriate by FHWA that utilizes Federal-aid highway program funding.

50-3.02 Value Engineering Analysis [Rev. Feb. 2016]

The VE analysis may be completed anytime during the planning, environmental, or design phases of a project as long as there is enough project information available to conduct an effective VE analysis. However, the VE analysis should be completed as early as practical in development of a project to maximize the opportunities for savings.

In accordance with 23 CFR 630.205, all approved VE recommendations must be included in the project's plans, specifications and estimates (PS&E) prior to authorizing the project for construction. VE analyses are not required for non-NHS bridge projects or for projects delivered using the design/build method of procurement.

If after conducting a VE analysis the project is subsequently split into smaller projects, now under the thresholds shown above, in the design phase or the project is programmed to be completed by the letting of multiple construction projects, an additional VE analysis is not required. However, the project manager may not avoid the requirement to conduct a VE analysis on an applicable project by splitting the project into smaller projects, or programming multiple design or construction projects.

50-3.02(01) Value Engineering Team [Rev. Feb. 2016]

It is the responsibility of the project manager assigned to deliver the project to assemble a multi-disciplinary team to complete the VE analysis and provide recommendations. The team may not include individuals who were directly involved in the planning and development phases of the project, e.g. project manager or designer. The team should be comprised of 3-5 people and led by a different project manager within the Capital Program Management Division. The VE project manager will be responsible for completing the VE analysis in accordance with the Value Engineering Workbook.

50-3.02(02) Value Engineering Workbook [Rev. Feb. 2016]

The Value Engineering Workbook should be completed as soon as possible after Stage 1 review is complete. The project manager will provide the recommendations to the designer for review. The designer should provide comments to the project manager within 15 days. Value Engineering Workbook instructions are available from the Department's Project Management website.

50-3.02(03) Value Engineering Recommendation and Implementation [Rev. Feb. 2016]

The Value Engineering Recommendation Memo is completed by the VE project manager and should be presented to the Capital Program Management Deputy Commissioner within 15 days of receiving and reconciling the comments from the designer.

The final direction to implement the recommendations will be given by the Deputy Commissioner of Capital Program Management. The Deputy Commissioner will sign off on each recommendation from the memo and include a justification.

The project manager should include the signed VE Recommendation Memo as part of the VE workbook and upload it into ERMS. The following naming convention should be used:
FT ValEngStudy DesNumber for Contract Services.

A hard copy of the workbook and recommendations should be distributed to the Project Support Division Director. The changes recommended for implementation are compiled by project and reported to FHWA as part of the annual Value Engineering report.

50-3.03 References [Rev. Feb. 2016]

The following references are available for more detailed information on value engineering techniques and procedures.

1. FHWA Value Engineering Policy, FHWA Order 1311.1B, August 28, 2013.
2. *AASHTO Guidelines for Value Engineering*, 2010, AASHTO.
3. *Value Engineering Workshop*, National Highway Institute, Course Number 134005.



Michael R. Pence, Governor
Mary Beth Bonaventura, Director

Indiana Department of Child Services
Room E306 – MS47
302 W. Washington Street
Indianapolis, Indiana 46204-2738

317-234-KIDS
FAX: 317-234-4497

www.in.gov/dcs

Child Support Hotline: 800-840-8757
Child Abuse and Neglect Hotline: 800-800-5556

March 14, 2016

DCS 2015 Findings Corrective Action Plan

2015-013 - ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST

PRINCIPLES, ELIGIBILITY

Contact Person(s): Rick Peterson, Chief Financial Officer

Anticipated Completion Date: June 30, 2017

Corrective Action

The Department of Child Services (DCS) centralized eligibility determination and payment processing for adoption assistance in 2009. Documentation of Title IV-E eligibility for adoptions finalized since 2009 is maintained in central office. The majority of adoption assistance cases currently in payment status were finalized after centralization in 2009.

Corrective action is focused on adoptions finalized since 2009. A file review and record retention initiative is currently underway in DCS' local offices. This is improving access to Title IV-E eligibility documents for adoptions finalized prior to 2009. DCS plans to complete file reviews and record retention activities in local offices by June 30, 2017.

2015-014 SUBRECIPIENT MONITORING

Contact Person(s): Adam Norman, Assist. Deputy Director, DCS CSB Financial Quality Assurance

Anticipated Completion Date: Status will be provided in next DCS A-133 Review

Corrective Action

CSB will continue to perform the following activities:

- 1) Specific protocols and procedures have been implemented to review and monitor the monthly expense claims of sub-recipients and also the quarterly incentive expenditures and incentive balances of sub-recipients. This includes a review for reasonableness of the expenditures by the CSB Financial Quality Assurance (FQA) Department, and also for variances of these expenditures. If needed, the CSB FQA Department contacts the sub-

recipient for additional information, explanation of expenditures, and potential corrections.

2) The CSB FQA Department also monitors and performs a detailed review of county Cost Allocation Plans (CAP). All of these reviews are tracked in detailed spreadsheets that accompany written review procedures, and are also checked by the supervisors of the CSB FQA Department.

Additionally, for SFY 2016 CSB has implemented the Financial Quality Assurance Reviews of sub-recipients. This involves a detailed review of a county's ledgers, budgets, claims and supporting documentation plus an on-site visit which is subsequently conducted with the county Auditor, Clerk, Prosecuting Attorney, and IV-D court as applicable. After the on-site review, specific recommendations will be given to each office as needed for compliance with federal rules. For these reviews, a detailed spreadsheet is maintained by the CSB FQA Department which records all Review action taken with each county office plus the detailed recommendations given to each county office. The Supervisor and Assistant Deputy Director of the FQA Department review the entire spreadsheet to ensure the Reviews have been conducted and recommendations created. Further, the Deputy Director receives and responds to status reports from the Assistant Deputy Director to ensure the reviews are conducted in a timely manner and to also review the recommendations sent to county offices.

In SFY 2015 and SFY 2016, CSB has issued several guidance documents to all sub-recipients. Also, self-guided, interactive PowerPoint presentations have been issued to assist sub-recipients with proper claiming procedures, and improvement of supporting documentation. Several supporting documentation forms were developed by CSB and sent to sub-recipients as options for them to utilize. Additionally, for SFY 2016, the IV-D Online Expenditure Online Forms tool is being enhanced to better assist counties to properly submit claims and report incentive expenditures and balances, and the IV-D Expense Reporting Guide is being updated to make it easier for the reader to locate information.

Finally, the CSB FQA Department reviews all SBOA audit findings of sub-recipients as well as their responses and corrective action plans. Sub-recipients are contacted to ensure compliance with the corrective action plan and also proof of compliance is required by CSB. A detailed spreadsheet was developed to manage these activities and resolutions. CSB has accessed Gateway to determine if a county was required to have a single audit based on the federal threshold and ensured those counties all have had an audit completed. This information is also captured on the spreadsheet. Secondary reviews of the spreadsheet are conducted by the Supervisor and the Assistant Deputy Director of the CSB FQA Department. The Supervisor and the Assistant Deputy Director of the FQA Department also conduct periodic overall reviews of the entire spreadsheet and set review meetings with staff to ensure proper monitoring and action on the SBOA audit findings.

2015-015 CASH MANAGEMENT

Contact Person(s): Adam Norman, Assist. Deputy Director, DCS CSB Financial Quality Assurance

Anticipated Completion Date: Status will be provided in next DCS A-133 Review

Corrective Action

Specific rules have been communicated, and protocols and procedures have been implemented to monitor the cash management (cash basis accounting) procedures of sub-recipients by the CSB Financial Quality Assurance (FQA) Department.

CSB has clearly set rules, which are included in the IV-D Expense Reporting Guide and reinforced to all county sub-recipient offices during trainings and presentations, which dictate that expenditures must be paid prior to submitting for reimbursement. This is based on the idea of cash based accounting principles, which is communicated to all county offices utilizing federal IV-D funds.

Within the Self-Guided Title IV-D Monthly Expense Claiming and Quarterly Incentive Expenditure Reporting PowerPoint (PPT), this concept is clearly defined. This PPT was distributed via webmail to all county sub-recipient offices in 2015, plus it is currently available for viewing and review on the CSR (the CSB's website accessible by all county sub-recipient offices). Further, the IV-D Expense Reporting Guide also outlines these principles and internal control methods in Section 3, County Claims and Incentive Reporting.

Monitoring occurs both during the review of monthly expense claims/quarterly incentive balances, and during the FQA Reviews. For the former, if needed, the CSB FQA Department contacts the sub-recipient for additional information, explanation of expenditures, and potential corrections of their utilization of proper cash management procedures.

During the FQA Reviews, the concept of only reporting actual expenditures is discussed in detail with each county sub-recipient office. CSB obtains the ledgers of actual expenditures from the County Auditor's Office and compares those ledger figures to the reported monthly claimed amounts for reimbursement and the reported quarterly incentive expenditures, as submitted by each county sub-recipient office. Additionally, CSB's Financial Quality Assurance Plan and the on-site Financial Quality Assurance Questionnaire includes specific questions for review with each county sub-recipient office to ensure cash basis accounting principles are being followed.



FINDING 2015-016 - SUBRECIPIENT MONITORING

Contact Person(s): Connie Berry, Counsel/Director Regulatory Oversight & Compliance Division
Anticipate Completion Date: February 29, 2016

DWD Response

Following the audit, DWD's Regulatory Oversight and Compliance (ROC) Division immediately enacted stronger internal control methods regarding subrecipient federal audit oversight. ROC Division staff continues to maintain the tracking spreadsheet, but now incorporates the added step of notifying the Supervisor via email regarding the status of each region's audit (i.e., which have been submitted, which are outstanding, and the deadline for submission). The Supervisor then confirms receipt of the email, acknowledging review. In addition, the ROC Division staff emails a copy of each audit to the Supervisor upon receipt. The Supervisor has access to the spreadsheet and can review at any time. Once all audits are received, the spreadsheet will be reviewed a final time by Supervisor and signed, once again acknowledging review and showing segregation of duties.

2015-017 SPECIAL TESTS AND PROVISIONS – UI PROGRAM INTEGRITY - OVERPAYMENTS

Contact Person(s): Kate Shelby, Unemployment Insurance Director
Anticipate Completion Date: June 30, 2017

DWD Response

Indiana State Law requires that an employer not be relieved of benefit charges if an overpayment was the result of a "pattern of failure" by an employer to appropriately respond to department information requests. (See Indiana Code § 22-4-11-1.5). The finding in this case suggests that DWD has not begun developing policies and procedures for tracking a "pattern of failure" by employers. However, DWD has implemented a process for developing policies and procedures to regarding tracking a "pattern of failure." DWD employees are working to define a "pattern of failure" so that further procedures can be developed and tracking can begin. Once a sufficient time passes such that DWD can properly define a "pattern of failure," DWD will begin work on changes to its computerized operating system to track employer "patterns of failure." Work on the computerized operating system will take a substantial amount of time and resources to complete. Because Indiana Code § 22-4-11-1.5 has only been in place for since July 2013, enough time has not passed to determine when an employer has established a "pattern of failure" or to implement a system to track "patterns of failure" once a proper definition is found. DWD will continue in its process of defining a "pattern of failure" so that further development can take place.



Michael R. Pence, Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

2015-018 Subrecipient Monitoring

Contact Person(s): Erin Quiring, & Roger Booth

Anticipate Completion Date: April 1, 2016 & June 30, 2016

Corrective Action

Block Grant for Prevention and Treatment of Substance Abuse (SAPT)

The Division of Mental Health and Addiction is in the process of finalizing policies and procedures to ensure compliance with the Block Grant for Prevention and Treatment of Substance Abuse subrecipient monitoring, including, when necessary, the need for written corrective action plans and follow-up with the subrecipient. The anticipated completion date is April 1, 2016.

Ensure all Subrecipients Obtained Required Audits

FSSA Audit Services will expand its methodology to include all SAPT providers by requesting audit reports from every provider for 2014 and going forward to ensure 100% monitoring and compliance. Our research finds we did not request 5 providers (8% non-compliance) for audit reports that may/may not have a single audit.

As further information, FSSA provided SAPT funding to 63 providers in 2014 in the amount of about \$28.3 million. Upon the state examiner's inquiries, Audit Services researched whether our selection methodology was adequate to identify providers subject to the Single Audit Act. Our research found that Audit Services' selection methodology was generally adequate.

Audit Services received 45 single audit reports for 2014. The remaining 18 providers were not required to provide single audits since IRS Form 990s indicated they were not subject to the requirement (7 providers), were profit-making (1 provider), were municipalities (2 providers), were out of business (1 provider), were an Indiana state agency covered by the CAFR (1 agency), were a state university with a single audit (1 university), and were not found in the State Board of Accounts' database of its required audit reports (5 providers).

In sum, our inquiries find that \$27.3 million or 96% of SAPT funding was monitored or otherwise accounted for. But we are unsure of total compliance because of 5 providers that were not in the SBOA database. SBOA examiners inform us that they are behind several years in posting reports to its database. We conclude that relying on the absence of audit reports in SBOA's database is not possible to ensure compliance. We conclude that there are 8% of providers (that's 6 providers out of 63 SAPT providers) for which we do not have conclusive evidence that a single audit report was/was not required.



2015-019 Reporting**Contact Person(s): David Nelson****Anticipate Completion Date: July 2015****Corrective Action**

FSSA reviewed the process for compiling the SSA-4514 report for personal service hours. Modification to the report compilation was made as necessary and documentation of data sources were included in reporting instructions. FSSA paralleled a new report process in April 2015 for the Quarter Ending 3/31/15 SSA-4514 report with the replacement process went into effect July 2015.

2015-020 Period of Performance**Contact Person(s): Scott Krumwied****Anticipate Completion Date: April 1, 2016****Corrective Action**

1. Corrective Action taken for the parameter file changes include a review of a second screen on input. Once the required input is completed, an email indicating as such will be sent to the Systems Supervisor, who will then verify that the needed input were input into the system and are correct. The systems Supervisor will then forward that email to the Administrative Services Director (ASD) of DDB to indicate that the input are verified and correct. The email will then be shared with FSSA Fiscal. The required input has been placed on our SSD intranet page.
2. Corrective action regarding the missed vouchers. DDB realized the issue in the first quarter of FFY15. A list of involved vouchers was created through the DDB system. During the first quarter of FFY16 DDB realized there was an issue with FY15 CE/MER costs, when the end of year costs were too high. While DDB/FSSA fiscal were determining the issue, SBOA found vouchers that still needed to be transferred from FFY15 to FFY14. FSSA fiscal shared their journal entries and we were able to determine those vouchers that still needed to be transferred from FY14 from FFY15. Journal entries should be complete by the end of third quarter FFY16.
3. Correction action 1 should eliminate the need for further corrective action as stated in number 2. If future concerns arise regarding correct years journal entries, inquires will be made through reviewing journal entries.

2015-021 Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

Contact Person(s): David Smalley

Anticipate Completion Date: June 15, 2016

Corrective Action

FSSA/Division of Family Resources would like to note the following policy item that is already in place to assist our eligibility staff in correct processing of TANF eligibility in particular with relationship verification.

Indiana Program Policy Manual

2420.05.05 Verification Of Relationship (C)

Within the C category, the policy stated in this section only applies to ADCU and ADCR.

It is the responsibility of the applicant/recipient to assist the eligibility worker to verify the degree of relationship between a child and a specified relative.

The relationship of a child to a relative listed in the previous section, except for an alleged father, is verified when the eligibility worker either:

Sees the child's birth certificate; or

Obtains verification from two of the sources listed below, when the birth certificate is not seen:

- Hospital records established at the time of birth (including a hospital issued birth certificate);
- Physician's records;
- Marriage records;
- Court records, including adoption records;
- Social Security Administration records;
- Church documents, such as baptismal certificates;
- Passport;- Immigration records;
- Naturalization records;
- School records;
- Records of social agencies (including the Local Office); or
- Signed statement from an unrelated reliable person having specific knowledge about the relationship of the child to the specified relative.

FSSA will develop a training session devoted specifically to relationships and required verifications/documentation in order to support the eligibility decision. Included in this training will be a review of the above noted section in the policy manual as a requirement as well as the necessary documentation that is required to be present in the case record information. This training is currently in development by TANF policy staff and once completed, will be loaded into our Learning Management System (LMS). All eligibility staff will be required to take this training and the advantage of loading this training into LMS is that we can track completion. Our goal is that all eligibility staff will take this training and LMS reporting will verify 100% completion by June 15, 2016.

2015-022 Eligibility

Contact Person(s): Theresa Koleszar

Anticipate Completion Date: July 1, 2016

Corrective Action

BRS will develop an internal written procedure to ensure documentation of review of delegated VR Counselor determinations (i.e. IPE, eligibility, severity determination), based on type of Counselor (i.e. probationary or new), appropriate sample size, etc.

Additionally, VR is in the process of collecting program requirements to develop a new case management system. During this process, VR will explore integration of this review process into the new system to replace the current use of the quality assurance tool which happens outside of the current VR case management system.

2015-023 Special Tests & Provisions: Completion of IPES

Contact Person(s): Theresa Koleszar

Anticipate Completion Date: May 2015

Corrective Action

The Workforce Innovation and Opportunity Act (WIOA) was signed into law July 22, 2014, which resulted in significant changes to the Rehabilitation Act. While the law took effect in July 2014, federal regulations are expected to be released June of 2016. Prior to WIOA, Indiana's VR policy and procedures manual stipulated a timeline of 120 days to complete the IPE after eligibility determination. The Bureau of Rehabilitation Services (BRS) implemented the new requirement of completing the IPE within 90 days after eligibility determination in May 2015. Additionally, VR's newly promulgated rules stipulating the 90-day timeframe for IPE development. The rules were effective October of 2015. No further corrective action is needed.

BRS has just recently begun to receive technical assistance from the Workforce Innovation Technical Assistance Center (WINTAC) on implementation of several new federal requirements. Once federal regulations are released, staffing resources will be dedicated to perform a thorough review of the regulations in order to identify necessary changes to policy, practice, federal reporting, and other business areas. Nearly all changes resulting from WIOA will have an impact on the VR Case Management System, IRIS. Therefore, as BRS is in process of amending the contract with the vendor who maintains IRIS (Fahrenheit IT) to ensure additional resources to specifically address WIOA changes are budgeted in the contract amendment.

2015-024 Earmarking

Contact Person(s): Theresa Koleszar

Anticipate Completion Date: Ongoing

Corrective Action

The Bureau of Rehabilitation Services (BRS) is awaiting release of the federal regulations which are anticipated to more clearly define allowable and unallowable activity and services for the 15% PETS requirement. In the interim, VR has been reporting PETS expenditures and began reporting these expenditures in May 2015 as a required data element on the SF-425 report. BRS has identified VR service categories that appear to align with PETS based on language in the Workforce Innovation and Opportunity Act (WIOA), and reports these expenditures on the SF-425 report, which is due semi-annually. BRS reviews the identified service categories prior to each reporting period to address any necessary modification to the services identified as PETS based on ongoing guidance received from RSA. The BRS contractor, Fahrenheit, completes an extract using IRIS data that calculates total PETS spend based on select services (identified by BRS) that were provided to individuals identified as students at the time of VR application. BRS then reviews the extract and provides the total PETS expenditures to FSSA for federal reporting, using the SF-425 report. BRS reviews and approves the complete SF-425 report prior to submission.

BRS is not currently meeting the 15% requirement. However, additional strategies are in development to increase PETS expenditures including collaboration with providers, schools, DWD and other appropriate partners to expand service provision of PETS to potentially eligible students with disabilities across the state. BRS is just beginning to receive technical assistance from the Workforce Innovation Technical Assistance Center (WINTAC), which is a technical assistance entity funded by the U.S. Department of Education. BRS anticipates expanding the provision of PETS within the next 6-9 months, resulting in a substantial increase in PETS expenses in 2017 and 2018. This aligns with the anticipated release of the federal regulations which will be needed to define allowable services and activities aligned with PETS.

2015-025 Period of Performance

Contact Person(s): Theresa Koleszar

Anticipate Completion Date: Partially Complete by July 1, 2016

Corrective Action

VR will be procuring an entity to develop a vendor payment portal over the next few months. This is expected to reduce issues with late and lost claims, as it will eliminate paper invoices from vendors, and require vendors to submit claims electronically. We will be conducting requirements gathering for this portal over the next few months, with hopes of implementing a portal within one year.

One of the other items in question resulted as part of a journal transfer of funds process. The VR program has 3 separate funding sources: The VR Basic Grant, the Supported Employment Grant, and Program Income. All client services are initially charged to the VR Basic Grant, the largest funding source. A transfer of expenditures from the VR Basic Grant to either the Supported Employment Grant or Program Income is needed a handful of times throughout the year to appropriately utilize these funding sources in line with federal requirements. An extract is developed with appropriately identified transactions for these transfers of funds, based on federal requirements for these funding sources. Ensuring that only appropriate transactions are included in each of these transfers can be better ensured by adding another layer of review prior to fund transfers being processed. The DDRS Controller will review in detail all individual transactions identified in each transfer to ensure each transaction aligns with the appropriate federal fiscal year. If inappropriate transactions are identified, they will be removed and as needed replaced with other transactions prior to processing any transfer of funds. This corrective action will be completed by July 1, 2016.

The remaining item was for a payment on an activity that occurred in a prior federal fiscal year; however the payment was not processed until after the federal fiscal year closed. Therefore, the activity was charged to the open federal grant. Once a grant is closed, charges may not be made to that grant. In the future, BRS will consider using state funds as an alternative to paying for these exceptional circumstances. This corrective action will be completed by July 1, 2016.



Indiana Department of Education

Glenda Ritz, NBCT

Indiana Superintendent of Public Instruction

2015-026 – Cash Management

Contact Person(s): Jeff Barber, Title 1 and Title II-A
Nathan Williamson, SIG

Anticipate Completion Date: *Title 1 Grants to Local Education Agencies (Title 1, Part A) and Improving Teacher Quality State Grants (Title II-A):* April 2016; School Year 2016-2017

School Improvement Grants (SIG): March 11, 2016

Corrective Action

Title 1, Part A and Title II-A: The Federal Title Grant Programs and Support (FTGPS) division is in the process of hiring (candidate has been selected) a Fiscal/Reporting Specialist who will assume the duties of conducting the fiscal monitoring for Title I, Part A; Title II-A and Title III. That work is currently being conducted by a third party vendor via contract. We anticipate that the new hire will be on staff within the next two to three weeks.

In conjunction with the creation and development of this position, FTGPS will be reviewing and updating the fiscal monitoring processes and procedures. This review and update will include adding a test for compliance with subrecipient cash management requirements. To conduct this test during the on-site visit, the Fiscal/Reporting Specialist will pull reimbursement requests for Title I, Part A and Title II-A from the fiscal year period subject to the monitoring visit. The specialist will then request the supporting documentation to determine that the reimbursement were for expenses approved within the application; that the activities occurred within the allowable activity period; and that those expenses were incurred prior to the submission of the reimbursement request. It should be noted that the reimbursement request process used for the distribution of federal fund requires expenses approved in the grant application to be incurred prior to the request for payment. With that being the case, there should be no lapse in time between transfer of funds from the Indiana Department of Education (IDOE) and the disbursement of funds by the subrecipient for program purposes. As stated previously, the test will be used to determine that all requests are in fact for reimbursement of incurred expenses.

FTGPS will address the update of the fiscal monitoring document and process to add the cash management compliant test beginning April 1, 2016. Because the current school year's fiscal monitoring process is coming to a close in the next week, the implementation of this test will begin with the on-site fiscal monitoring schedule for 2016-17. This process will begin in the Fall of 2016.

School Improvement Grants: IDOE has developed a process to monitor the reimbursement requests by SIG LEAs and schools on a quarterly basis.

1. The Title I Finance team will send a reimbursement update monthly to the SIG program staff for review.
2. The SIG team will review the spreadsheet and take action, depending upon the time of review during the project period:



Quarter 1: SIG team will send email communication to LEA and school regarding the availability of funds, offer technical assistance on how to submit reimbursement or other fiscal procedures.

Quarters 2 – 3: SIG team will embed fiscal monitoring into onsite and virtual visits to ensure that LEA and school are on track to expend funds before the end of the project period.

Quarter 4: SIG team will notify LEAs and schools individually regarding reimbursement. Action steps may be taken to ensure reimbursement before end of project period.

Communication between IDOE and LEA or school will be tracked through a Fiscal Monitoring Log and/or through onsite or virtual visit reports.



2015-027 – Special Tests and Provisions: Schoolwide Programs

Contact Person(s): Nathan Williamson

Anticipate Completion Date: *Title 1 Grants to Local Educational Agencies (Title 1, Part A), Improving Teacher Quality State Grants (Title II-A), and School Improvement Grants (SIG):* January 1, 2016

Corrective Action

The *Title I Fiscal Handbook* has been updated for school year (SY) 2015-2016. The sentence regarding consolidation has been removed.

Link to *Title I Fiscal Handbook*: <http://www.doe.in.gov/sites/default/files/titlei/title-i-fiscal-handbook-2015-2016.pdf>.



2015-028 – Subrecipient Monitoring

Contact Person(s): Brenda Martz

Anticipate Completion Date: *Identification of Award Information:* Completed for Improving Teacher Quality State Grants (Title II-A) in August 2015 and included on all federal fiscal year (FFY) 2015 application approval notifications. No later than April 1, 2016 all Title I Grants to Local Education Agencies (Title 1, Part A) approval notifications.

During the Award Monitoring: Current processes already in place to correct 2012-13 identified deficiency.

Monitoring of Subrecipient Audits: Beginning July 1, 2016.

Corrective Action

Identification of Award Information: As noted in the provision of the document request during the audit, the Title II-A application approval notifications include federal award CFDA title and number, award name and number, award year and name of the Federal agency beginning with FFY 2015. This information will be added immediately to the Title I, Part A approval notifications that are generated by the Title I, Part A application system. This will provide a notification for any approval notices going forward, including amendments to the current year's application.

During the Award Monitoring: The Federal Title Grant Programs and Support (FTGPS) division conducts desktop, fiscal and on-site reviews for Title I, Part A, Title II-A and Title III-A for subrecipients. Subrecipients determined to have deficiencies are required to submit corrective actions to the Indiana Department of Education (IDOE) for review. Since school year (SY) 2012-2013 when it was determined that 5 subrecipients did not have appropriate follow up procedures conducted on their corrective actions, measures have been put in place to ensure that internal monitoring processes are thorough and complete.

Two coordinator positions within the division were created in the summer of 2015 to provide second reviews on all reporting documents that are sent to the subrecipients during desktop, fiscal and on-site monitoring. The coordinators also provide ongoing training and oversight for all specialists on the processes for monitoring so that there is consistency within the division on how to provide appropriate reviews during monitoring. A tracking system has been developed over the last three years to track the dates for when all monitoring documents are received from the subrecipient and for when all correspondence is sent to the subrecipient from IDOE, including dates for final approvals. The coordinators also monitor the trackers for consistency and to be sure due dates are being met.

The specialists maintain subrecipient folders on the division's shared drive and keep all documentation related to desktop, fiscal and on-site monitoring saved in the folders. Emails that are sent to the subrecipients are now saved on the shared drive in the subrecipient's folder, including the final approval email.



Indiana Department of Education

Glenda Ritz, NBCT

Indiana Superintendent of Public Instruction

Monitoring of Subrecipient Audits: The Department will add an assurance to the application for Title I, Part A and Title II-A requesting that the subrecipient indicate if they have expended more than \$750,000 in federal funds to determine eligibility for a federal audit. The corrective action will be implemented on the Title I, Part A and Title II-A applications for the 2016 federal fiscal year. A central agency-level tracking spreadsheet will be developed and maintained to track all subrecipients in order to identify those that meet the new \$750,000 threshold that begins with the July 1, 2016 fiscal year as outlined in 2 CFR Part 200.



2015-029 – Suspension and Debarment

Contact Person(s): Nathan Williamson

Anticipate Completion Date: September 1, 2015

Corrective Action

IDOE revised school improvement grant (SIG) assurances for school year (SY) 2015-2016. All existing SIG subgrantees have signed assurances that contain language regarding Suspension and Debarment requirements.

Renewal applications for Cohorts 4 & 5 are available on the website, <http://www.doe.in.gov/sig>.

All newly funded SIG schools signed assurances that specifically included language on suspension and debarment.

Newly awarded application for Cohort 6 are available on the website, <http://www.doe.in.gov/sig>.



2015-030 – Eligibility and Earmarking

Contact Person(s): Nathan Williamson

Anticipate Completion Date: *School Improvement Grants: September 1, 2015*

Corrective Action

The Indiana Department of Education (IDOE) has developed a process for eligibility and earmarking for the most current year of School Improvement Grants (SIG), school year (SY) 2015-2016. This process ensures that there are segregation of duties related to all compliance requirements.

During the newest round of applications, all applications are reviewed multiple times by multiple reviewers. This includes:

- A first review by an individual utilizing the evaluation rubric to ensure that proposed expenditures are reasonable, allocable, and necessary and fit the purpose and intent of the SIG award.
- A second review by a SIG team member
- A phone call with school, LEA, and other stakeholders by an IDOE committee
- A final review by SIG team and SEA leadership, which includes a review of the final budgets and total dollars awarded according to Federal guidance.

Renewal applications, including final budgets and amounts awarded, are reviewed by at least two SIG team members. Award letters are drafted by a Coordinator and signed by a Director.

Amendments are reviewed by two members of the SIG team. A specialist conducts the initial review and prepares the approval packet. The Coordinator conducts the second review and signs off for approval. All approved documents are shared with the IDOE Fiscal team and posted publicly on the IDOE – SIG website. An amendment tracker tools tracks the progress and current status of amendments to ensure that compliance of all steps of the process.

A final review and budgets ensure that at least 95% of funds are awarded directly to schools. This final review is conducted by an internal SIG committee that includes, at a minimum, the Coordinator and Director. Final approved budget amounts are shared with the SIG Fiscal team.



2015-031 – Subrecipient Monitoring

Contact Person(s): Nathan Williamson

Anticipate Completion Date: *ID Award Notification:* March 11, 2016; *During the Award Monitoring:* May 27, 2016; *Monitoring of Subrecipient Audits:* April 1, 2016; *ARRA Subawards:* April 1, 2016

Corrective Action

ID of Award Information: The Indiana Department of Education (IDOE) will re-issue award letters for all grantees for the current school year with all required information included by March 11, 2016. For subsequent school years, this information will be shared with schools prior to the beginning of the grant activity, through preliminary renewal letters and final approval letters.

During the award monitoring: IDOE conducted fiscal monitoring in school year (SY) 2014-2015 and is ongoing. Grantees with findings or incomplete data are asked to provide information during onsite and virtual visits. Fiscal monitoring is embedded in the protocols for both visits for all current grantees. Desktop monitoring has been added. Findings are being addressed through current onsite and virtual visits, to be completed by May 27, 2016.

Additionally, the School Improvement Grant (SIG) budget was revised for SY 2015-2016 to more accurately identify expenditures by using the Title I, Part A budget that identifies Object and Expenditure account codes that align with the reimbursement forms and Final Expenditure Reports.

Monitoring of Subrecipient Audits: The Department will add an assurance to the application for SIG that will request that the subrecipient indicate if they have expended more than \$750,000 in federal funds in their fiscal year to determine eligibility for a federal audit. The corrective action will be implemented on the SIG applications for 2016 federal fiscal year. A central agency-level tracking spreadsheet will be developed and maintained to track all subrecipients in order to identify those that meet the new \$750,000 threshold that begins with the July 1, 2016 fiscal year as outlined in 2 CFR Part 200.

ARRA Subawards: The Department will monitor subrecipients who received ARRA subawards in FY 2014 to ensure that they are registered in the System for Award Management (SAM). The Department will add an assurance to the application for future School Improvement ARRA funding, if applicable, that will require the subrecipient to indicate they have registered in SAM.



2015-032 – Allowable Costs/Cost Principles

Contact Person(s): Beverly S. Flanagan
Tracy Brown

Anticipate Completion Date: *Allocated Agency-wide Cost: March 4, 2016; Submission of Cost Allocation Plan: December 30, 2016*

Corrective Action

Since 2009 the Indiana Department of Education (IDOE) has allocated agency-wide cost to state, dedicated and federal programs based on the number of full-time filled positions in a program. These cost were allocated monthly. Effective March 4, 2016, the IDOE will no longer allocate agency-wide cost to the Title 1 program.

By December 30, 2016, the IDOE must submit to the U.S. Department of Education its indirect cost proposal. As a part of that proposal, IDOE will submit a Cost Allocation Plan (CAP) to allow for the allocation of agency-wide cost to state, dedicated and federal programs. The submitted indirect cost proposal and CAP should be approved no later than June 30, 2017 as that is the date IDOE's current approved rate proposal expires.



2015-033 – Allowable Costs/Cost Principles

Contact Person(s): Jeff Barber
Hazel Beasley
Tracy Brown

Anticipate Completion Date: May 31, 2016

Corrective Action

The Indiana Department of Education (IDOE) has been and is currently working with the U.S. Department of Education regarding a 5 year reset on Title I allocations. IDOE will continue working hand in hand with federal officials until this process is complete. The anticipated completion date is May 31, 2016.



2015-034 – Reporting

Contact Person(s): Melissa K. Ambre

Anticipate Completion Date: *Internal Control – Accounting Drive:* February 24, 2016; *Internal Control – NPEFS Inbox:* March 8, 2016; and *NPEFS Report Data Gathering and Preliminary Review:* May 1, 2016

Corrective Action

NPEFS submission period on or before the first Tuesday after Labor Day.

1. Internal Control

- a. Create a NPEFS folder in the Accounting Drive accessible by staff working on NPEFS (*Completed February 24, 2016*)
 - i. Folder will contain all files related to preparation and submission of the NPEFS report. (organized by year)
 1. Guidance from the US Department of Commerce (Census Bureau)
 2. Webinar materials
 3. Accounting handbook
 4. Applicable FY NPEFS data file submitted by IDOE
 5. IDOE comments in response to data file submission
 6. Designation letters
 7. Other information applicable to NPEFS
- b. Create a NPEFS inbox in MS Office (*completed March 8, 2016*)
 - i. Accessible for communications between IDOE and US Department of Commerce (Census Bureau).
- c. Receipt of US Department of Commerce information concerning FY NPEFS (in process for FY2015 submission)
 - i. Director and Assistant Director, Office of School Finance, to review information
 1. Determine changes
 2. Identify any new fund, object, revenue and expenditure accounts from last reporting cycle to current reporting cycle
 3. Seek clarification from staff at US Census Bureau, if needed, on accounting for Chart of Account changes
 - ii. Assistant Director and Fiscal Analyst, Office of School Finance, pull data file
 1. Review information against FY Form 9 data
 2. Discuss and review draft data file with Director, Office of School Finance
 - a. Discuss any discrepancies or notable changes in revenues and expenditures from prior to current FY



Glenda Ritz, NBCT
Indiana Superintendent of Public Instruction

- iii. Add-ons
 - 1. Request from the State Budget Agency information on Teacher COLA, PSF, base pension and lottery transfer
 - 2. Request from IDOE Application Developer - TRF, IN School for the Blind and IN School for the Deaf data
 - 3. Request ADA be calculated for applicable fiscal year
 - a. Request supporting data file for NPEFS folder
 - d. Submission of NPEFS data file (to be done as part of FY2015 submission)
 - i. Prior to submission, schedule a meeting with CFO to discuss report
 - 1. Discuss changes in Chart of Accounts from last submission period to current submission period
 - ii. Submit NPEFS data file
 - 1. Request CFO sign-off on submission
 - 2. Print hard copy for IDOE records
 - e. Response to US Department of Commerce/Census Bureau questions (to be done as part of FY2015 submission)
 - i. Assistant Director, Office of School Finance meets with Director, Office of School Finance to discuss questions
 - ii. Respond to questions; save comments in file
 - iii. For any changes in data, add a column on the NPEFS file that identifies any line items that changed along with a notation of the reason for the change.
 - iv. Prior to resubmission, discuss with CFO report changes/clarifications
 - v. Maintain all email communications in inbox
2. Other
- a. Discussing participation in crosswalk process with Census Bureau staff
 - i. Year long process
 - ii. Advised that it does not always work for every state.