State Of North Dakota

Single Audit Report

Fiscal Years Ended June 30, 2014 and 2013

Prepared by the Office of the State Auditor

Robert R. Peterson, State Auditor

STATE OF NORTH DAKOTA
SINGLE AUDIT

For the Fiscal Years Ended June 30, 2014 and 2013

TABLE OF CONTENTS

	PAGE
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 *Government Auditing Standards*	1
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	4
Schedule of Expenditures of Federal Awards	9
Notes to the Schedule of Expenditures of Federal Awards	59
Index of Schedule of Findings and Questioned Costs	69
Section I. Summary of Auditor's Results	72
Section II. Financial Statement Findings	75
Section III. Findings and Questioned Costs for Federal Awards	82
Summary Schedule of Prior Audit Findings	135
North Dakota State Agencies (with Acronyms)	167

STATE AUDITOR
ROBERT R. PETERSON

Phone (701)328-2241
Fax (701)328-1406

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE – DEPT 117
BISMARCK, NORTH DAKOTA 58505

March 26, 2015

Honorable Jack Dalrymple
Governor, State of North Dakota

Members of the Legislative Assembly
of the State of North Dakota

We are pleased to submit the single audit of the State of North Dakota, covering the fiscal years ended June 30, 2014 and 2013.

This report complies with the State's audit requirements, including those placed upon the State as a condition for the receipt of federal funds for fiscal years 2014 and 2013. The audit meets the requirements of Chapter 54-10 of the North Dakota Century Code, the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*.

We issued separate reports on the State of North Dakota's financial statements for fiscal years 2014 and 2013. These reports are included in the State of North Dakota's *Comprehensive Annual Financial Report* issued under separate cover for each of the two fiscal years ended June 30, 2014 and 2013, and are available upon request.

Respectfully submitted,

Robert R. Peterson
State Auditor

STATE AUDITOR
ROBERT R. PETERSON

PHONE
(701) 328-2241
FAX
(701) 328-1406

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE - DEPT. 117
BISMARCK, NORTH DAKOTA 58505

Internal Control and Compliance

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 *Government Auditing Standards*

The Honorable Jack Dalrymple, Governor
of the state of North Dakota

Members of the Legislative Assembly
of the state of North Dakota

Ms. Pam Sharp, CPA, Director
Office of Management and Budget

We have audited, in accordance with auditing standards general 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 North Dakota as of and for the year ended June 30, 2014 and 2013, 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 17, 2014 and December 17, 2013, respectively.

Our report includes a reference to other auditors who audited the following entities, as described in our report on the state of North Dakota's financial statements:

Bank of North Dakota
Beginning Farmer Revolving Loan Fund
Building Authority
College SAVE
Community Water Facility Loan Fund
Department of Trust Lands
Guaranteed Student Loan Program
Housing Finance Agency
Housing Incentive Fund
Job Service North Dakota
Mandan Remediation Trust
PACE and AG PACE Funds
Public Employees Retirement System
Rebuilders Loan Program
Retirement and Investment Office
State Fair Association
Student Loan Trust
Workforce Safety and Insurance
All Discretely Presented Component Units

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those

auditors. Further, any Federal financial assistance received by those entities is reported separately and is not included in the State of North Dakota's schedule of expenditures of federal awards. The financial statements of the North Dakota University System's foundations, that are discretely presented component units, 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 of North Dakota'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 of North Dakota's internal control. Accordingly, we do not express an opinion on the effectiveness of the state of North Dakota's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of financial statement findings, 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency reported in the accompanying schedule of financial statement findings as item F13-1 to be a material weakness.

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 deficiencies described in the accompanying schedule of financial statement findings as items F13-2, F13-3, F14-1 and F14-2 to be significant deficiencies.

Compliance and Other Matters

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

State of North Dakota's Response to Findings

The state of North Dakota's response to the findings identified in our audit is described in the accompanying schedule of findings, recommendations, and management response. The state of North Dakota's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robert R. Peterson
State Auditor

Edwin J. Nagel, Jr., CPA
Director

Bismarck, North Dakota

December 17, 2014

STATE AUDITOR
ROBERT R. PETERSON

Phone (701)328-2241
Fax (701)328-1406

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE – DEPT 117
BISMARCK, NORTH DAKOTA 58505

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Jack Dalrymple
Governor, State of North Dakota

Members of the Legislative Assembly
of the State of North Dakota

Report on Compliance for Each Major Federal Program

We have audited the State of North Dakota's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the State of North Dakota's major Federal programs for the years ended June 30, 2014 and 2013. The State of North Dakota's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor Responsibility

Our responsibility is to express an opinion on compliance for each of the State of North Dakota's major federal programs based on our audit of the types of compliance requirement 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 of North Dakota'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 of North Dakota's compliance.

Basis for Qualified Opinion on Medicaid Cluster

As described in findings 2014-002, 2014-003, and 2014-004 in the accompanying schedule of findings and questioned costs, the State of North Dakota did not comply with requirements regarding special tests and provisions-utilization control and program integrity that are applicable to the Medicaid Cluster. Compliance with such requirements is necessary, in our opinion, for the State of North Dakota to comply with the requirements applicable to that program.

Qualified Opinion on Medicaid Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the State of North Dakota complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Medicaid Cluster for the years ended June 30, 2014 and 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State of North Dakota 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 years ended June 30, 2014 and 2013.

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 questions costs as items 2014-001, 2014-005, 2014-006, 2014-007, 2014-008, 2014-009, 2014-012, 2014-013, 2014-014, 2014-015, 2014-018, 2014-019, 2014-020, 2014-022, 2014-023, 2014-024, 2014-026, 2014-027, 2014-028, 2014-029, 2014-030, 2014-031, 2014-032, 2014-033, 2014-034, 2014-035, 2014-036, 2014-037, 2014-038, 2014-039, 2014-040, 2014-041, 2014-042, 2014-043, 2014-044, 2014-045, 2014-046, 2014-047, 2014-048, 2014-049, 2014-050, 2014-051, and 2014-053. Our opinion on each major federal program is not modified with respect to these matters.

The State of North Dakota's response / Corrective Action Plan to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The State of North Dakota's response was not subject 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 of North Dakota is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State of North Dakota's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing 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 the State of North Dakota's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of North Dakota's internal control over compliance.

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-002, 2014-003, and 2014-005 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-001, 2014-007, 2014-009, 2014-010, 2014-011, 2014-012, 2014-013, 2014-015, 2014-016, 2014-017, 2014-018, 2014-019, 2014-020, 2014-021, 2014-022, 2014-023, 2014-024, 2014-025, 2014-028, 2014-030, 2014-031, 2014-032, 2014-034, 2014-036, 2014-038, 2014-039, 2014-040, 2014-041, 2014-042, 2014-043, 2014-044, 2014-045, 2014-046, 2014-047, 2014-048, 2014-049, 2014-050, 2014-051, 2014-052, and 2014-053 to be significant deficiencies.

The State of North Dakota's response / Corrective Action Plan to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs as. The State of North Dakota'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.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for the State of North Dakota as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collective comprise the State of North Dakota's basic financial statements. We issued our report thereon dated December 17, 2014 and December 17, 2013, respectively, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion 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 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 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Robert R. Peterson
State Auditor

Edwin J. Nagel, Jr., CPA
Director

Bismarck, North Dakota

March 26, 2015

Page left blank intentionally.

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Corporation For National And Community Service						
Unclustered						
Direct Programs:						
94.002	Retired and Senior Volunteer Program	NDSU			$ 312,194	$ 334,443
94.003	State Commissions	60100			84,301	66,402
94.006	AmeriCorps	60100			577,591	574,750
94.007	Program Development and Innovation Grants	60100				8,665
94.009	Training and Technical Assistance	60100				5,521
94.013	Volunteers in Service to America	NDSU			42,244	30,036
94.XXX	Training and Technical Assistance	60100		12PTHND001	5,039	
Pass Through Non-State Entity:						
94.006	AmeriCorps	MISU	Regis University/Colorado Campus Compact	N/A	$ 6,339	$ 1,444
94.007	Program Development and Innovation Grants	MISU	University Of Montana	PG13-26798-04	250	946
94.007	Program Development and Innovation Grants	MISU	University of Montana	PG14-26798-04	1,419	
Total for Unclustered					*$ 1,029,377*	*$ 1,022,207*
Foster Grandparent/Senior Companion Cluster						
Direct Programs:						
94.011	Foster Grandparent Program	NDSU			$ 180,404	$ 224,201
94.011	Foster Grandparent Program	32500			289,513	264,179
Total for Foster Grandparent/Senior Companion Cluster					*$ 469,917*	*$ 488,380*
Total For Corporation For National And Community Service					**$ 1,499,294**	**$ 1,510,587**
Department Of Commerce						
Unclustered						
Direct Programs:						
11.302	Economic Development - Support for Planning Organizations	DCB			$ 23,113	$ 15,807
11.303	Economic Development - Technical Assistance	UND			11,832	118,107
11.468	Applied Meteorological Research	54000				34,186
11.549	State and Local Implementation Grant Program	11200			275,279	
11.558	ARRA - State Broadband Data and Development Grant Program	11200			390,364	505,186

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
11.617	Congressionally-Identified Projects	NDSU			1,017,706	3,371,241
Total for Unclustered					*$ 1,718,294*	*$ 4,044,527*
Research & Development Cluster						
Direct Programs:						
11.303	Economic Development - Technical Assistance	DSU			$	$ 14,447
11.440	Environmental Sciences, Applications, Data, and Education	UND			62,000	68,861
Total for Research & Development Cluster					*$ 62,000*	*$ 83,308*
Total For Department Of Commerce					**$ 1,780,294**	**$ 4,127,835**
Department Of Defense						
Unclustered						
Direct Programs:						
12.112	Payments to States in Lieu of Real Estate Taxes	12000			$	$ 106,475
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			18,943,391	21,266,260
12.XXX	Educational Service Agreement - Air Force	UND		F33600-99-A-0080	4,320	24,110
12.XXX	Educational Service Agreement - Army	UND		W81K04-08-H-0080	132,886	101,532
12.XXX	Educational Service Agreement - Navy	UND		N00140-98-G2501		28,663
12.XXX	Operation Military Kids	NDSU		NAFBA1-13-M-0201		16,218
12.XXX	Operation Military Kids	NDSU		NAFBA1-13-M-0201/333	69,697	
Nonmonetary Assistance:						
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			$ 55,192	$ 22,329
Pass Through Non-State Entity:						
12.XXX	Army Youth Development Project - Acosta	NDSU	Auburn University	13-BGCa-Army-NDSU	$ 147,761	$ 127,440
12.XXX	Army Youth Development Project - Wendt	NDSU	Auburn University	13-BGCA-Army-NDSU-2	131,426	101,315
12.XXX	Pilot Services and Pilot Training Services in support of DHS-CBP Predator Operations and Training Flights	UND	General Atomics	SC1108704		2,841
Total for Unclustered					*$ 19,484,673*	*$ 21,797,183*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Research & Development Cluster						
Direct Programs:						
12.300	Basic and Applied Scientific Research	NDSU			$ 258,290	$ 867,193
12.300	Basic and Applied Scientific Research	UND			155,896	119,391
12.351	Basic Scientific Research - Combating Weapons of Mass Destruction	NDSU				313
12.420	Military Medical Research and Development	UND			125,382	774,959
12.431	Basic Scientific Research	NDSU			227,377	1,125,699
12.599	Congressionally Directed Assistance	UND			1,200,215	1,324,178
12.800	Air Force Defense Research Sciences Program	NDSU			27,363	
12.800	Air Force Defense Research Sciences Program	UND			75,189	69,803
12.901	Mathematical Sciences Grants Program	NDSU			19,947	21,716
12.XXX	All-organic Corrosion-resistant Primer Coatings II	NDSU		N68936-11-P-0463		30,000
12.XXX	Commodity Value for the Great Lakes, Mississippi-Ohio	NDSU		W91237-11-P-0290		47,176
12.XXX	Corrosion and Material Degradation and/or Army Corrision	NDSU		W911NF-10-2-0082	8,773	296,689
12.XXX	Electrochemical Techniques to Probe Coating Heterotgene	NDSU		W911NF-11-2-0027	169,737	145,621
12.XXX	Electronics and Materials for Flexible Sensors	NDSU		H94003-11-2-1102	83,374	925,850
12.XXX	High Performance Tunable Materials Phase II	NDSU		H94003-11-2-1103	400,224	357,633
12.XXX	Highly Soluble Platinum Diimine and 6-phenyl-2	NDSU		W911NF-10-2-0055	150,677	214,420
12.XXX	Lightweight Reliable Materials for Military Systems	UND		W15QKN-11-2-0002		488,802
12.XXX	PAH-34 Determinations on Grand Calumet River Sediments	UND		W912HZ-11-P-0359		19,065
12.XXX	Production of JP-8 Based Hydrogen and Advanced Tactical	UND		W9132T-08-2-0014		13,349
12.XXX	Rapid Prototyping of Miniature Sensors	NDSU		H94003-09-C-0904		1
12.XXX	Thermal Catalytic Syngas Cleanup for High-Efficiency Waste-Energy Converters	UND		W912HQ-12-C-0026	335,358	467,080
12.XXX	Tunable MicroRadio Phase II	NDSU		H94003-11-2-1101	102,686	522,864
Pass Through Non-State Entity:						
12.300	Basic and Applied Scientific Research	UND	University Corporation for Atmospheric Research	Z13-95924	$ 43,794	$ 43,982
12.XXX	CCAT-Liquid Fuel Illinois Coal	UND	Connecticut Center for Advanced Technology	13-K023	118,744	
12.XXX	Development, Testing, and Documentation of Truck Costing	NDSU	Tetra Tech, Inc.	W91237-09-D-0003	12,221	46,063

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
12.XXX	Development, Testing, and Documentatuin of Rail Costing	NDSU	Tetra Tech, Inc.	W91237-09-D-0003		61,717
12.XXX	Grand Forks Airforce Base Lepidoptera Survey	NDSU	EA Engineering, Science, and Technology Inc.	FA8903-10-D-8601		7,187
12.XXX	Innovative Nanostructured Anodes for High Capacity	NDSU	Triton Systems, Inc.	TSI-2413-12-101608	35,721	4,665
12.XXX	MEMS Antenna for Wireless Communications Supporting UAVs in the Battlefield	UND	Laserlith Corporation	FA8650-09-C1600		99,365
12.XXX	Mg-Zn Rich Primer for the Protection of Steel Structures	NDSU	PPG Industries	PO D38958	180,364	63,588
12.XXX	Nanostructure Anodes for High Capacity Li -Lon Batteries	NDSU	Triton Systems, Inc.	TSI-2393-11-100231		7,546
12.XXX	Systems Testing in Support of Liquid Fuels Development for Military Applications	UND	Connecticut Center for Advanced Technology	11-K023	1,212,360	1,218,201
12.XXX	Waterborne Siloxane Polymers	NDSU	Sherwin Williams Company	2010-84		12,156
Total for Research & Development Cluster					*$ 4,943,692*	*$ 9,396,272*
Total For Department Of Defense					**$ 24,428,365**	**$ 31,193,455**
Department Of Education						
Unclustered						
Direct Programs:						
84.002	Adult Education - Basic Grants to States	20100			$ 580,010	$ 730,069
84.011	Migrant Education - State Grant Program	20100			316,280	375,873
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth	20100			76,136	101,495
84.031	Higher Education - Institutional Aid	MISU			430,385	327,224
84.031	Higher Education - Institutional Aid	BSC			307,691	441,883
84.031	Higher Education - Institutional Aid	MASU				182,316
84.048	Career and Technical Education - Basic Grants to States	27000			4,201,241	4,211,432
84.116	Fund for the Improvement of Postsecondary Education	VCSU			213,985	245,795
84.116	Fund for the Improvement of Postsecondary Education	NDSCS				909
84.116	Fund for the Improvement of Postsecondary Education	MISU				84,443
84.116	Fund for the Improvement of Postsecondary Education	NDSU				10,988
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	32500			7,111,764	5,555,819
84.129	Rehabilitation Long-Term Training	32500			16,829	17,757

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
84.161	Rehabilitation Services - Client Assistance Program	32500			134,470	80,798
84.169	Independent Living - State Grants	32500			355,217	283,783
84.177	Rehabilitation Services - Independent Living Services for Older Individuals Who are Blind	32500			209,775	230,487
84.181	Special Education-Grants for Infants and Families	32500			2,420,359	2,070,265
84.184	Safe and Drug-Free Schools and Communities - National Programs	NDUS				39,545
84.186	Safe and Drug-Free Schools and Communities - State Grants	20100				6,993
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities	32500			240,648	107,989
84.196	Education for Homeless Children and Youth	20100			183,208	170,569
84.213	Even Start - State Educational Agencies	20100				91,191
84.224	Assistive Technology	32500			435,863	467,087
84.240	Program of Protection and Advocacy of Individual Rights	36000			209,311	170,493
84.287	Twenty-First Century Community Learning Centers	20100			4,603,603	5,035,541
84.318	Educational Technology State Grants	20100				348,698
84.323	Special Education - State Personnel Development	20100			453,644	150,910
84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	MISU			69,183	89,451
84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	DCB			100,932	129,648
84.326	Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	20100			51,200	96,042
84.343	Assistive Technology - State Grants for Protection and Advocacy	36000			41,538	47,163
84.358	Rural Education	20100			39,242	86,094
84.359	Early Reading First	20100				1,007,440
84.365	English Language Acquisition State Grants	20100			537,348	564,212
84.366	Mathematics and Science Partnerships	20100			904,538	1,014,203
84.367	Improving Teacher Quality State Grants	NDUS			386,284	435,133
84.367	Improving Teacher Quality State Grants	20100			10,021,247	10,666,816
84.369	Grants for State Assessments and Related Activities	20100			2,338,484	4,355,177
84.371	Striving Readers	20100				4,605

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
84.378	College Access Challenge Grant Program	NDUS				40,389
84.386	ARRA - Education Technology State Grants, Recovery Act	20100				98,173
84.407	Transition Programs for Students with Intellectual Disabilities into Higher Education	MISU			249,731	279,276
84.410	Education Jobs Fund	10100				1,200,491
84.XXX	Other Department of Education Programs	20100		ED-08-CO-0075	90,607	138,049
Nonmonetary Assistance:						
84.906	American Printing House for the Blind	25300			$ 90,439	$ 65,965
Pass Through Non-State Entity:						
84.116	Fund for the Improvement of Postsecondary Education	UND	Research Foundation for the State University of New York	240-55128-1089947	$ 14,250	$
84.116	Fund for the Improvement of Postsecondary Education	UND	Research Foundation for the State University of New York	40-55128-1089947		6,807
84.328	Special Education - Parent Information Centers	MISU	Pathfinder Parent Center	N/A	825	748
84.367	Improving Teacher Quality State Grants	MISU	National Writing Project Corporation	04-ND03-SEED2012		40,000
84.367	Improving Teacher Quality State Grants	UND	National Writing Project Corporation	99-ND02-SEED2012	13	19,928
84.418	Promoting Readiness of Minors in Supplemental Security Income	MISU	Utah State Office of Rehabilitation	146213	160,632	
84.928	National Writing Project	MISU	National Writing Project Corporation	04-ND03		4,506
84.XXX	Red River Valley Writing Project 2010-2012	UND	University of California Berkeley	99-ND02		34,607
Total for Unclustered					*$ 37,596,912*	*$ 41,965,275*
Research & Development Cluster						
Direct Programs:						
84.031	Higher Education - Institutional Aid	WSC			$ 375,087	$ 164,600
Pass Through Non-State Entity:						
84.215	Fund for the Improvement of Education	NDSU	Fargo Public Schools	10012005	$	$ 622
Total for Research & Development Cluster					*$ 375,087*	*$ 165,222*
School Improvement Grants Cluster						
Direct Programs:						
84.377	School Improvement Grants	20100			$ 1,301,335	$ 1,788,996
84.388	ARRA - School Improvement Grants, Recovery Act	20100				1,502,896
Total for School Improvement Grants Cluster					*$ 1,301,335*	*$ 3,291,892*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Special Education Cluster (IDEA)						
Direct Programs:						
84.027	Special Education - Grants to States	20100			$ 25,841,502	$ 27,542,634
84.173	Special Education - Preschool Grants	20100			672,888	832,072
Total for Special Education Cluster (IDEA)					*$ 26,514,390*	*$ 28,374,706*
Statewide Data Systems Cluster						
Direct Programs:						
84.372	Statewide Longitudinal Data Systems	20100			$ 1,519,812	$ 2,707,081
Total for Statewide Data Systems Cluster					*$ 1,519,812*	*$ 2,707,081*
Student Financial Assistance Cluster						
Direct Programs:						
84.007	Federal Supplemental Educational Opportunity Grants	DSU			$ 91,400	$ 98,800
84.007	Federal Supplemental Educational Opportunity Grants	NDSU			761,477	782,908
84.007	Federal Supplemental Educational Opportunity Grants	NDSCS			152,985	169,291
84.007	Federal Supplemental Educational Opportunity Grants	LRSC			29,644	24,000
84.007	Federal Supplemental Educational Opportunity Grants	VCSU			71,384	71,384
84.007	Federal Supplemental Educational Opportunity Grants	UND			790,249	920,087
84.007	Federal Supplemental Educational Opportunity Grants	MASU			54,321	75,017
84.007	Federal Supplemental Educational Opportunity Grants	DCB			32,243	32,666
84.007	Federal Supplemental Educational Opportunity Grants	WSC			19,631	19,685
84.007	Federal Supplemental Educational Opportunity Grants	MISU			119,786	139,114
84.007	Federal Supplemental Educational Opportunity Grants	BSC			104,150	77,588
84.033	Federal Work-Study Program	WSC			28,690	24,350
84.033	Federal Work-Study Program	DSU			181,178	182,051
84.033	Federal Work-Study Program	NDSCS			135,544	128,668
84.033	Federal Work-Study Program	LRSC			43,213	30,946
84.033	Federal Work-Study Program	VCSU			80,230	68,362
84.033	Federal Work-Study Program	DCB			41,476	43,902
84.033	Federal Work-Study Program	MISU			175,269	122,131
84.033	Federal Work-Study Program	UND			1,103,751	917,966

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
84.033	Federal Work-Study Program	MASU			82,708	79,646
84.033	Federal Work-Study Program	NDSU			430,760	398,098
84.033	Federal Work-Study Program	BSC			52,628	95,357
84.037	Perkins Loan Cancellations	MISU				89,013
84.037	Perkins Loan Cancellations	MASU				24,652
84.037	Perkins Loan Cancellations	BSC				9,360
84.038	Federal Perkins Loan Program	DSU			8,790	
84.038	Federal Perkins Loan Program	MASU			20,006	
84.038	Federal Perkins Loan Program	LRSC			10,802	
84.038	Federal Perkins Loan Program	NDSU			50,621	
84.038	Federal Perkins Loan Program	VCSU			10,416	14,633
84.038	Federal Perkins Loan Program	BSC			6,417	
84.038	Federal Perkins Loan Program	NDSCS			33,553	
84.038	Federal Perkins Loan Program	MISU			69,907	
84.038	Federal Perkins Loan Program	DCB			9,385	
84.038	Federal Perkins Loan Program	WSC			8,298	
84.038	Federal Perkins Loan Program	UND			269,717	590,445
84.063	Federal Pell Grant Program	MASU			1,187,894	1,201,730
84.063	Federal Pell Grant Program	DCB			1,160,041	1,004,982
84.063	Federal Pell Grant Program	VCSU			1,169,642	1,272,938
84.063	Federal Pell Grant Program	DSU			1,502,482	1,676,914
84.063	Federal Pell Grant Program	WSC			725,242	814,980
84.063	Federal Pell Grant Program	LRSC			1,196,428	1,348,410
84.063	Federal Pell Grant Program	BSC			3,272,397	3,863,929
84.063	Federal Pell Grant Program	MISU			2,878,304	3,035,256
84.063	Federal Pell Grant Program	NDSU			9,979,273	10,347,393
84.063	Federal Pell Grant Program	NDSCS			2,941,977	3,512,019
84.063	Federal Pell Grant Program	UND			9,388,934	9,581,015
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MISU			49,783	60,200

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	VCSU			11,484	11,000
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MASU			47,324	52,000
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	NDSU			7,520	26,730
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	DSU			7,520	14,000
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	UND			174,350	142,600
Total for Student Financial Assistance Cluster					*$ 40,781,224*	*$ 43,196,216*
Title I, Part A Cluster						
Direct Programs:						
84.010	Title I Grants to Local Educational Agencies	20100			$ 32,373,181	$ 35,083,358
84.389	ARRA - Title I Grants to Local Educational Agencies, Recovery Act	20100				1,636,979
Total for Title I, Part A Cluster					*$ 32,373,181*	*$ 36,720,337*
TRIO Cluster						
Direct Programs:						
84.042	TRIO - Student Support Services	UND			$ 331,927	$ 368,040
84.042	TRIO - Student Support Services	MISU			208,097	217,434
84.042	TRIO - Student Support Services	NDSU			390,878	368,075
84.042	TRIO - Student Support Services	LRSC			233,472	261,160
84.042	TRIO - Student Support Services	DSU			232,296	273,893
84.044	TRIO - Talent Search	UND			452,687	461,339
84.047	TRIO - Upward Bound	UND			423,543	387,514
84.047	TRIO - Upward Bound	NDSU			251,615	413,792
84.066	TRIO - Educational Opportunity Centers	UND			344,000	365,479
84.217	TRIO - McNair Post-Baccalaureate Achievement	UND			230,880	247,296
84.217	TRIO - McNair Post-Baccalaureate Achievement	NDSU			265,268	230,970
Total for TRIO Cluster					*$ 3,364,663*	*$ 3,594,992*
Total For Department Of Education					**$ 143,826,604**	**$ 160,015,721**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Department Of Energy						
Unclustered						
Direct Programs:						
81.041	ARRA - State Energy Program	60100			$	$ 2,984,210
81.041	State Energy Program	60100			572,833	231,912
81.042	ARRA - Weatherization Assistance for Low-Income Persons	60100				6,188
81.042	Weatherization Assistance for Low-Income Persons	60100			232,259	2,764,831
81.087	Renewable Energy Research and Development	UND			8,803	380,839
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	60100				56,941
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	BSC			185,241	269,593
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	40800				5,277
81.122	Electricity Delivery and Energy Reliability, Research, Development and Analysis	BSC			663,805	1,003,139
81.128	ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	60100				1,355,672
81.XXX	State Heating Oil & Propane (SHOPP)	60100		DE-EI0000845	314	529
Pass Through Non-State Entity:						
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	BSC	Council for Adult and Experiential Learning	OE 0000450	$ 100,406	$ 10,590
Total for Unclustered					*$ 1,763,661*	*$ 9,069,721*
Research & Development Cluster						
Direct Programs:						
81.049	Office of Science Financial Assistance Program	NDSU			$ 1,468,413	$ 224,343
81.049	Office of Science Financial Assistance Program	UND			123,854	1,349,541
81.087	ARRA - Renewable Energy Research and Development	UND			779,537	509,527
81.087	Renewable Energy Research and Development	UND			620,516	856,531
81.087	Renewable Energy Research and Development	NDSU			1,787,098	1,550,662
81.089	Fossil Energy Research and Development	UND			14,287,543	14,288,025
81.112	Stewardship Science Grant Program	NDSU			697,494	1,540,087

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
81.133	ARRA - Geologic Sequestration Training and Research Grant Program	UND			644	77,804
81.135	Advanced Research Projects Agency - Energy	UND			433,662	31,955
Pass Through Non-State Entity:						
81.049	Office of Science Financial Assistance Program	UND	Envergex LLC	N/A	$ 69,416	$
81.079	Regional Biomass Energy Programs	NDSU	South Dakota State University	3TR160 - DE-FG36-08G		2,643
81.086	Conservation Research and Development	NDSU	PPG Industries	DEEE0005359	17,212	2,202
81.087	ARRA - Renewable Energy Research and Development	UND	Arizona Geological Survey	NE-EE0002850	15,208	197,989
81.087	ARRA - Renewable Energy Research and Development	UND	Southern Methodist University	G001011-7525		174,305
81.087	Renewable Energy Research and Development	NDSU	South Dakota State University	3TG147	19,177	21,177
81.087	Renewable Energy Research and Development	UND	University of Minnesota	A001530501		61,608
81.089	Fossil Energy Research and Development	UND	Aerojet Rocketdyne, Incorporated	4410011243	483,526	
81.089	Fossil Energy Research and Development	UND	Air Products and Chemicals, Inc.	210-493-P-A		28,657
81.089	Fossil Energy Research and Development	UND	Center for Inorganic Membrane Studies	N/A		12,376
81.089	Fossil Energy Research and Development	UND	CoalTek Inc.	N/A	17,406	124,845
81.089	Fossil Energy Research and Development	UND	ION Engineering	N/A	8,959	142,351
81.089	Fossil Energy Research and Development	UND	Neumann Systems Group, Inc.	N/A	11,785	232,347
81.089	Fossil Energy Research and Development	UND	Praxair Inc.	N/A	328,898	15,708
81.089	Fossil Energy Research and Development	UND	United Technologies Research Center	2601199		2,093
81.121	Nuclear Energy Research, Development and Demonstration	NDSU	Battelle	DE-AC05--00OR22725	71,866	
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	UND	University of Minnesota	A000211562	22,628	1,087
81.122	Electricity Delivery and Energy Reliability, Research, Development and Analysis	NDSU	University of Minnesota	A000211527		16,359
81.134	Industrial Carbon Capture and Storage (CCS) Application	UND	Eltron Research & Development, Inc.	N/A		17,144
81.135	Advanced Research Projects Agency - Energy	NDSU	Plant Sensory Systems, LLC	03132013	73,363	
81.XXX	Advanced Water Power	NDSU	Sandia National Laboratories	PO 1080579		14,279
81.XXX	Advanced Water Power	NDSU	Sandia National Laboratories	PO 1318700	21,317	4,183
81.XXX	ARRA - Acid Gas Interactions with Seal Materials -ARRA	UND	URS Energy and Construction Inc.	RES1100369		11,041
81.XXX	Enhanced Oil Recovery from the Bakken Shale Using Surfactant Imbibition Coupled with Gravity Drainage	UND	Research Partnership to Secure Energy for America	09123-09	112,376	196,977

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
81.XXX	Phase III - Magnesium Front End Research and Development	NDSU	United States Council for Automotive Research	DE-EE0005660	53,785	
Total for Research & Development Cluster					*$ 21,525,683*	*$ 21,707,846*
Total For Department Of Energy					**$ 23,289,344**	**$ 30,777,567**
Department Of Health And Human Services						
Unclustered						
Direct Programs:						
93.041	Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	32500			$ 66,699	$ 20,739
93.042	Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	32500			289,567	75,034
93.043	Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	32500			90,175	107,105
93.048	Special Programs for the Aging - Title IV - and Title II - Discretionary Projects	MISU			245,745	238,086
93.048	Special Programs for the Aging - Title IV - and Title II - Discretionary Projects	32500			145,903	106,811
93.048	Special Programs for the Aging - Title IV - and Title II - Discretionary Projects	UND			525,746	503,467
93.052	National Family Caregiver Support, Title III, Part E	32500			617,027	521,110
93.069	Public Health Emergency Preparedness	30100			4,229,489	5,557,078
93.089	Emergency System for Advance Registration of Volunteer Health Professionals	30100			127,835	47,607
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	NDSU			329,782	169,897
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	32500			65,558	
93.110	Maternal and Child Health Federal Consolidated Programs	MISU			262,884	339,921
93.110	Maternal and Child Health Federal Consolidated Programs	30100			107,373	326,480
93.113	Environmental Health	UND			16,606	21,424
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	30100			197,726	157,901
93.124	Nurse Anesthetist Traineeships	UND			10,481	14,561

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.127	Emergency Medical Services for Children	30100			131,472	135,546
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	30100			155,277	165,662
93.136	Injury Prevention and Control Research and State and Community Based Programs	30100			104,971	98,112
93.138	Protection and Advocacy for Individuals with Mental Illness	36000			503,179	404,902
93.150	Projects for Assistance in Transition from Homelessness (PATH)	32500			25,544	576,079
93.155	Rural Health Research Centers	UND			123,459	127,481
93.157	Centers of Excellence	UND			648,387	421,240
93.165	Grants to States for Loan Repayment Program	30100			109,578	
93.178	Nursing Workforce Diversity	UND			414,010	396,878
93.184	Disabilities Prevention	MISU			299,680	299,615
93.191	Graduate Psychology Education Program and Patient Navigator and Chronic Disease Prevention Program	UND			180,640	231,752
93.217	Family Planning - Services	30100			995,723	1,069,103
93.223	Development and Coordination of Rural Health Services	UND			1,534,980	1,466,245
93.235	Affordable Care Act (ACA) Abstinence Education Program	30100			9,847	
93.236	Grants to States to Support Oral Health Workforce Activities	30100			28,992	332,477
93.241	State Rural Hospital Flexibility Program	UND			687,021	758,065
93.243	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	32500			519,558	332,928
93.247	Advanced Nursing Education Grant Program	UND			227,117	252,956
93.247	Advanced Nursing Education Grant Program	NDSU			304,699	346,396
93.251	Universal Newborn Hearing Screening	MISU			247,640	266,640
93.267	State Grants for Protection and Advocacy Services	36000			39,226	76,057
93.268	Immunization Cooperative Agreements	30100			1,315,963	1,276,908
93.270	Adult Viral Hepatitis Prevention and Control	30100			64,968	57,752
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	30100			2,578,951	2,879,418
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	MISU			143,827	155,595
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	UND			330,090	323,420

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.296	State Partnership Grant Program to Improve Minority Health	30100			22,771	142,804
93.300	National Center for Health Workforce Analysis	UND			194,076	500,929
93.301	Small Rural Hospital Improvement Grant Program	UND			302,241	79,242
93.324	State Health Insurance Assistance Program	40100			53,815	
93.414	ARRA - State Primary Care Offices	30100				155,789
93.509	Affordable Care Act (ACA) State Health Care Workforce Development Grants	UND				13,706
93.511	Affordable Care Act (ACA) Grants to States for Health Insurance Premium Review	40100				174,877
93.521	The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements;PPHF	30100			330,797	412,261
93.525	State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	32500			631,369	132,669
93.531	PPHF - Community Transfromation Grants and National Dissemination and Support for Community Transformation Grants - financed solely by Preventinon and Public Health Funds	30100			301,165	310,515
93.539	PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	30100			328,433	550,822
93.544	The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes Coordinated Chronic Disease prevention and Health Promotion Program	30100			149,664	194,371
93.556	Promoting Safe and Stable Families	32500			241,284	565,364
93.563	Child Support Enforcement	32500			10,246,838	9,800,009
93.566	Refugee and Entrant Assistance - State Administered Programs	32500			1,413,492	1,378,702
93.568	Low-Income Home Energy Assistance	32500			26,613,454	18,592,522
93.569	Community Services Block Grant	60100			3,284,585	3,314,600
93.586	State Court Improvement Program	18000			114,832	
93.590	Community-Based Child Abuse Prevention Grants	32500			264,541	342,273
93.597	Grants to States for Access and Visitation Programs	32500			115,360	82,220
93.599	Chafee Education and Training Vouchers Program (ETV)	32500			74,202	69,538
93.600	Head Start	MASU			1,889,026	2,397,172

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.600	Head Start	32500			145,977	85,233
93.603	Adoption Incentive Payments	32500			132,000	
93.618	Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	36000			56,305	87,615
93.630	Developmental Disabilities Basic Support and Advocacy Grants	36000			419,519	328,284
93.630	Developmental Disabilities Basic Support and Advocacy Grants	32500			444,649	498,340
93.632	University Centers for Excellence in Developmental Disabilities Education, Research, and Service	MISU			533,227	554,846
93.643	Children's Justice Grants to States	32500			52,626	68,591
93.645	Stephanie Tubbs Jones Child Welfare Services Program	32500			568,534	566,344
93.647	Social Services Research and Demonstration	NDSU			408,800	358,772
93.658	Foster Care - Title IV-E	32500			12,230,348	11,057,328
93.659	Adoption Assistance	32500			5,182,809	5,309,529
93.667	Social Services Block Grant	32500			4,554,876	2,153,334
93.669	Child Abuse and Neglect State Grants	32500			166,079	148,609
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			719,563	753,341
93.674	Chafee Foster Care Independence Program	32500			446,817	593,930
93.712	ARRA - Immunization	30100			130,683	220,866
93.719	ARRA - State Grants to Promote Health Information Technology	11200			1,705,548	1,494,358
93.733	Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance – financed in part by the Prevention and Public Health Fund (PPHF)	30100			441,556	128,778
93.744	PPHF: Breast and Cervical Cancer Screening Opportunities for States, Tribes and Territories solely financed by Prevention and Public Health Funds	30100				93,269
93.745	PPHF: Health Care Surveillance/Health Statistics - Surveillance Program Announcement: Behavioral Risk Factor Surveillance System Financed in Part by Prevention and Public Health Fund	30100			148,910	83,830
93.750	PPHF Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges	MISU			338,233	
93.767	Children's Health Insurance Program	32500			17,011,035	18,037,326
93.768	Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	MISU				114,601

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	40100			237,266	237,227
93.791	Money Follows the Person Rebalancing Demonstration	32500			3,303,644	2,790,423
93.824	Area Health Education Centers Infrastructure Development Awards	UND			344,281	663,431
93.866	Aging Research	UND				24,329
93.884	Grants for Primary Care Training and Enhancement	UND			238,048	182,405
93.888	Specially Selected Health Projects	MISU				1,761
93.889	National Bioterrorism Hospital Preparedness Program	30100			1,323,584	1,305,489
93.913	Grants to States for Operation of Offices of Rural Health	UND			185,559	173,689
93.917	HIV Care Formula Grants	30100			1,598,902	1,576,920
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	30100			1,318,515	1,671,968
93.928	Special Projects of National Significance	30100				67,200
93.938	Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	20100			181,154	387,196
93.940	HIV Prevention Activities - Health Department Based	30100			644,409	686,780
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	30100			87,822	102,857
93.945	Assistance Programs for Chronic Disease Prevention and Control	20100			45,328	
93.945	Assistance Programs for Chronic Disease Prevention and Control	30100			472,712	
93.958	Block Grants for Community Mental Health Services	32500			591,414	725,313
93.959	Block Grants for Prevention and Treatment of Substance Abuse	32500			4,552,791	5,546,744
93.970	Health Professions Recruitment Program for Indians	UND			1,608,610	1,082,374
93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	30100			273,931	191,238
93.991	Preventive Health and Health Services Block Grant	30100			166,714	208,931
93.994	Maternal and Child Health Services Block Grant to the States	30100			1,828,767	1,175,020
93.XXX	Medicated Feeds	60200		HHSF223201110112C		61,443
93.XXX	Medicated Feeds	60200		HHSF223201210136C	24,501	17,311
93.XXX	Medicated Feeds	60200		HHSF223201310115C	8,082	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.XXX	MQSA Inspections	30100		HHSF223200840132C	46,984	56,962
93.XXX	Tissue Residue	60200		HHSF223201110016I		6,928
93.XXX	Tissue Residue	60200		HHSF223201210011I	7,032	
93.XXX	Tissue Residue	60200		HHSF223201310041I	3,026	
Nonmonetary Assistance:						
93.268	Immunization Cooperative Agreements	30100			$ 7,326,396	$ 7,123,464
93.600	Head Start	MASU			484,936	
93.XXX	Division of Strategic National Stockpile	30100		N/A	50	150
Pass Through Non-State Entity:						
93.010	Community-Based Abstinence Education (CBAE)	NDSU	First Choice Clinic	HHS/FCC	$	$ 2,276
93.103	Food and Drug Administration - Research	30100	Institute of Food Technologist	N/A	2,428	
93.110	Maternal and Child Health Federal Consolidated Programs	NDSU	Prevent Child Abuse North Dakota	N/A	7,600	
93.136	Injury Prevention and Control Research and State and Community Based Programs	UND	University of Arizona	157605	9,241	
93.155	Rural Health Research Centers	UND	National Rural Health Association	1 UA9RH26027-01-00	12,456	
93.155	Rural Health Research Centers	UND	National Rural Health Association	I UA9RH19333-01-00		4,206
93.155	Rural Health Research Centers	UND	National Rural Health Association	N/A	4,016	32,484
93.211	Telehealth Programs	NDSU	University of Minnesota	P001007401		1,756
93.243	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	MISU	First District Health Unit	N/A	27,464	
93.262	Occupational Safety and Health Program	LRSC	Colorado State University	G-00452-2	3,847	
93.262	Occupational Safety and Health Program	30100	University of Minnesota Occupational Health	5U58DP003934-02	4,717	
93.262	Occupational Safety and Health Program	30100	University of Minnesota Occupational Health	P002332102		7,633
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	30100	National Association of County and City Health Officials	2011-121514	820	2,357
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	NDSU	Sanford Health	2012 HSD 001	29	
93.307	Minority Health and Health Disparities Research	UND	Sanford Research	SR-2014-09	11,363	
93.576	Refugee and Entrant Assistance - Discretionary Grants	20100	Lutheran Social Services North Dakota	N/A	88,250	126,735
93.605	Family Connection Grants	UND	The Village Family Service Center	1-004	38,566	
93.610	Health Care Innovation Awards (HCIA)	NDSU	Sanford Health	HSD 2013 001	64,389	22,790

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York	1113708-11-66158	10,244	
93.648	Child Welfare Research Training or Demonstration	MISU	University of Denver	SC36908A-02-00		5,972
93.648	Child Welfare Research Training or Demonstration	MISU	University of Denver	SC37039A-02-00	18,000	16,709
93.648	Child Welfare Research Training or Demonstration	UND	University of Denver Butler Institute	PO111174		4,409
93.648	Child Welfare Research Training or Demonstration	UND	University of Denver Butler Institute	SC37039A-04-00	5,585	59,458
93.718	ARRA - Health Information Technology Regional Extension Centers Program	UND	Stratis Health	90RC0021/01	8,162	14,359
93.865	Child Health and Human Development Extramural Research	UND	University of South Dakota	SR-2012-09		6,668
93.865	Child Health and Human Development Extramural Research	UND	University of South Dakota	SR-2013-03	35,177	234,751
93.865	Child Health and Human Development Extramural Research	UND	University of South Dakota	SR-2014-14	256,384	
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	UND	Nelson County Health System	N/A	5,668	56,760
93.933	Demonstration Projects for Indian Health	NDSU	Great Plain Tribal Chairmen's Health Board	N/A	1,726	15,202
93.XXX	Dakota Conference on Rural and Public Health	UND	University of Illinois - Chicago	HHSN-276-2011-00005C		1,073
93.XXX	Information at the Point of Need: A Statewide Project	UND	National Network of Libraries	N/A		3,984
93.XXX	Montana National Laboratory Science Grant	30100	Montana Department of Public Health and Human Services	HM06-605		654
93.XXX	Northern Plains American Indian Behavioral Risk Factor Surveillance System Project	30100	Great Plains Tribal Chairman's Health Board	U1B1IHS007-09-00	18,619	
93.XXX	Recruitment/Retention of American Indians into Nursing Next Steps - Year 4	UND	Cankdeska Cikana Community College	90FY0005/01	392,019	
93.XXX	Town Hall Meeting	NDSU	ICF International	N/A		500
Total for Unclustered					*$ 139,394,662*	*$ 129,294,246*
Aging Cluster						
Direct Programs:						
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	32500			$ 1,629,039	$ 1,591,523
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	32500			2,688,288	3,488,076
93.053	Nutrition Services Incentive Program	32500			799,989	751,191
Total for Aging Cluster					*$ 5,117,316*	*$ 5,830,790*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
CCDF Cluster						
Direct Programs:						
93.575	Child Care and Development Block Grant	32500			$ 2,467,367	$ 1,817,505
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	32500			7,588,158	5,681,509
Total for CCDF Cluster					*$ 10,055,525*	*$ 7,499,014*
Medicaid Cluster						
Direct Programs:						
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	30100			$ 1,661,643	$ 1,745,693
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	32500			911,017	904,065
93.778	Medical Assistance Program	32500			495,723,321	460,790,244
Total for Medicaid Cluster					*$ 498,295,981*	*$ 463,440,002*
Research & Development Cluster						
Direct Programs:						
93.103	Food and Drug Administration - Research	NDSU			$ 5,936	$
93.113	Environmental Health	UND			501,003	269,845
93.121	Oral Diseases and Disorders Research	UND			354,044	341,371
93.155	Rural Health Research Centers	UND			890,528	686,853
93.242	Mental Health Research Grants	UND			306,757	175,301
93.273	Alcohol Research Programs	UND				275,558
93.273	Alcohol Research Programs	NDSU				22,518
93.279	Drug Abuse and Addiction Research Programs	UND			502,731	397,643
93.279	Drug Abuse and Addiction Research Programs	NDSU			11,764	
93.301	Small Rural Hospital Improvement Grant Program	UND				218,878
93.351	Research Infrastructure Programs	UND			356,399	
93.389	National Center for Research Resources	UND				30,745
93.389	National Center for Research Resources	NDSU				598,979
93.393	Cancer Cause and Prevention Research	NDSU			99,776	111,677
93.394	Cancer Detection and Diagnosis Research	NDSU			40,017	42,615

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.395	Cancer Treatment Research	NDSU			144,596	259,286
93.396	Cancer Biology Research	NDSU			121,426	41,732
93.701	ARRA - Trans-NIH Recovery Act Research Support	NDSU			72,803	250,287
93.701	ARRA - Trans-NIH Recovery Act Research Support	UND				10,063
93.837	Cardiovascular Diseases Research	UND			46,899	
93.837	Cardiovascular Diseases Research	NDSU			45,504	73,037
93.838	Lung Diseases Research	NDSU			88,741	61,229
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	NDSU				8,918
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU			176,181	33,756
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND			28,337	189,553
93.855	Allergy, Immunology and Transplantation Research	UND			779,202	590,498
93.855	Allergy, Immunology and Transplantation Research	NDSU			343,975	337,219
93.859	Biomedical Research and Research Training	UND			4,177,337	4,590,602
93.859	Biomedical Research and Research Training	NDSU			2,887,465	2,207,183
93.865	Child Health and Human Development Extramural Research	NDSU			21,408	
93.866	Aging Research	UND			759,953	484,585
93.866	Aging Research	NDSU			49,934	158,046
93.887	Health Care and Other Facilities	UND				159,708
Pass Through Non-State Entity:						
93.070	Environmental Public Health and Emergency Response	UND	Montana Department of Public Health and Human Services	08-07-3-01-058-0	$ 19,810	$ 57,451
93.110	Maternal and Child Health Federal Consolidated Programs	NDSU	Arkansas Children's Hospital Research Institute	N/A	7,394	
93.155	Rural Health Research Centers	UND	University of Minnesota	P000590401		5,180
93.262	Occupational Safety and Health Program	NDSU	University of Minnesota	P002283011/US4OH0101	18,000	
93.262	Occupational Safety and Health Program	NDSU	University of Nebraska Medical Center	34-5420-2002-201	2,917	11,491
93.273	Alcohol Research Programs	UND	University of Illinois - Chicago	2008-06660-02-04DT	40,996	57,106
93.279	Drug Abuse and Addiction Research Programs	UND	University of Florida	UFDSP00010114	6,677	
93.279	Drug Abuse and Addiction Research Programs	UND	University of Michigan	3002276452	5,873	47,373
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	UND	Montana Department of Public Health and Human Services	5U58DP001977	59,389	81,214

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
93.389	National Center for Research Resources	NDSU	WoWiWe Instruction Company	NIH-2R44RR024779-02A	24,069	155,311
93.505	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	NDSU	Prevent Child Abuse North Dakota	N/A	146,599	38,177
93.592	Family Violence Prevention and Services/Discretionary	UND	Texas Muslim Women's Foundation	002	10,162	
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Trinity College	1R01NS065957-04	132,523	126,349
93.855	Allergy, Immunology and Transplantation Research	NDSU	Lynntech, Inc.	1R43A1102357-01		19,693
93.855	Allergy, Immunology and Transplantation Research	NDSU	Lynntech, Inc.	2011-NIH-671-0001		5
93.855	Allergy, Immunology and Transplantation Research	NDSU	University of Utah	10012625-NDSU		4,056
93.855	Allergy, Immunology and Transplantation Research	NDSU	University of Utah	10017972-NDSU	32,640	25,465
93.933	Demonstration Projects for Indian Health	NDSU	Great Plain Tribal Chairmen's Health Board	U261IHS0045	8,279	
93.945	Assistance Programs for Chronic Disease Prevention and Control	UND	Montana Department of Public Health and Human Services	14096760050	8,370	
93.XXX	A POC Field Test for the Rapid Determination of Folate	NDSU	Lynntech, Inc.	200-2012-M-52272		29,995
93.XXX	Recruitment/Retention of American Indians into Nursing (RAIN Next Steps)	UND	Cankdeska Cikana Community College	90FY0005/01	137,477	460,279
Total for Research & Development Cluster					*$ 13,473,891*	*$ 13,746,830*
Student Financial Assistance Cluster						
Direct Programs:						
93.264	Nurse Faculty Loan Program (NFLP)	UND			$ 1,262	$ 2,662
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	UND			102,148	18,013
93.364	Nursing Student Loans	UND				5,600
Total for Student Financial Assistance Cluster					*$ 103,410*	*$ 26,275*
TANF Cluster						
Direct Programs:						
93.558	Temporary Assistance for Needy Families	32500			$ 25,220,778	$ 27,426,806
Total for TANF Cluster					*$ 25,220,778*	*$ 27,426,806*
Total For Department Of Health And Human Services					**$ 691,661,563**	**$ 647,263,963**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Department Of Homeland Security						
Unclustered						
Direct Programs:						
97.012	Boating Safety Financial Assistance	72000			$ 607,326	$ 637,777
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	77000			105,218	112,587
97.029	Flood Mitigation Assistance	54000			3,745	23,746
97.032	Crisis Counseling	32500				636,996
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			36,741,896	67,415,360
97.039	Hazard Mitigation Grant	54000			13,206,994	3,924,150
97.041	National Dam Safety Program	77000			106,557	76,704
97.042	Emergency Management Performance Grants	54000			2,626,483	2,703,311
97.045	Cooperating Technical Partners	77000			495,779	449,079
97.047	Pre-Disaster Mitigation	54000				26,690
97.052	Emergency Operations Center	54000				106,403
97.055	Interoperable Emergency Communications	54000				110,962
97.067	Homeland Security Grant Program	12500				112,416
97.067	Homeland Security Grant Program	54000			5,019,604	7,279,997
97.070	Map Modernization Management Support	77000				116,099
97.089	Driver's License Security Grant Program	80100				103,598
Total for Unclustered					*$ 58,913,602*	*$ 83,835,875*
Research & Development Cluster						
Pass Through Non-State Entity:						
97.061	Centers for Homeland Security	NDSU	University of Minnesota	P001955405 / 2010-ST	$ 76,686	$ 133,029
Total for Research & Development Cluster					*$ 76,686*	*$ 133,029*
Total For Department Of Homeland Security					**$ 58,990,288**	**$ 83,968,904**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Department Of Housing And Urban Development						
Unclustered						
Direct Programs:						
14.171	Manufactured Home Dispute Resolution	60100			$ 806	$ 658
14.231	Emergency Solutions Grant Program	60100			513,339	513,632
14.238	Shelter Plus Care	60100			235,584	159,272
14.239	HOME Investment Partnerships Program	60100			2,288,677	2,825,357
14.251	Economic Development Initiative-Special Project, Neighborhood Initiative and Miscellaneous Grants	DSU			9,846	8,679
14.257	ARRA - Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	60100				22,053
14.269	Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	60100			38,921	
14.401	Fair Housing Assistance Program - State and Local	40600			152,190	334,134
14.XXX	HUD Interest Subsidy	LRSC		CH-ND-AK60(DS)	11,581	8
14.XXX	HUD Interest Subsidy	NDSU		HUD Fund 12100		8,914
Total for Unclustered					*$ 3,250,944*	*$ 3,872,707*
CDBG - State-Administered CDBG Cluster						
Direct Programs:						
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	60100			$ 6,383,226	$ 8,698,941
Total for CDBG - State-Administered CDBG Cluster					*$ 6,383,226*	*$ 8,698,941*
Total For Department Of Housing And Urban Development					**$ 9,634,170**	**$ 12,571,648**
Department Of Justice						
Unclustered						
Direct Programs:						
16.017	Sexual Assault Services Formula Program	30100			$ 236,690	$ 183,486
16.203	Promoting Evidence Integration in Sex Offender Management Discretionary Grant Program	12500			29,799	29,462
16.523	Juvenile Accountability Block Grants	53000			162,942	180,828
16.525	Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	MISU			62,816	51,025

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	53000			600,000	400,000
16.543	Missing Children's Assistance	12500			445,323	194,922
16.550	State Justice Statistics Program for Statistical Analysis Centers	12500			59,779	
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	UND			579,731	182,240
16.575	Crime Victim Assistance	53000			427,741	170,000
16.576	Crime Victim Compensation	53000			1,145,944	1,246,782
16.580	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	12500				250,850
16.582	Crime Victim Assistance/Discretionary Grants	53000				3,722
16.588	Violence Against Women Formula Grants	30100			793,653	841,652
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	30100			184,559	285,202
16.606	State Criminal Alien Assistance Program	53000			15,929	17,717
16.609	Project Safe Neighborhoods	12500				23,705
16.710	Public Safety Partnership and Community Policing Grants	MISU			120,188	174,927
16.710	Public Safety Partnership and Community Policing Grants	12500			171,656	280,382
16.710	Public Safety Partnership and Community Policing Grants	UND			31,397	21,006
16.727	Enforcing Underage Drinking Laws Program	32500			109,489	295,433
16.740	Statewide Automated Victim Information Notification (SAVIN) Program	11200			21,906	83,692
16.741	DNA Backlog Reduction Program	12500			358,649	150,160
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	12500			140,777	270,489
16.748	Convicted Offender and/or Arrestee DNA Backlog Reduction Program	12500			22,928	36,141
16.750	Support for Adam Walsh Act Implementation Grant Program	12500			18,149	
16.753	Congressionally Recommended Awards	UND			124,243	225,571
16.800	ARRA - Recovery Act - Internet Crimes against Children Task Force Program (ICAC)	12500				79,063
16.810	ARRA - Recovery Act - Assistance to Rural Law Enforcement to Combat Crime and Drugs Competitive Grant Program	12500				186,846
16.812	Second Chance Act Reentry Initiative	53000			88,255	177,669

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
16.813	NICS Act Record Improvement Program	12500			59,818	69,749
16.XXX	Federal Bureau of Prisons (Adult Inmate Housing)	53000		IGA-755-8 & IGA-814-11		3,089
16.XXX	Federal Bureau of Prisons (Juvenile Inmate Housing)	53000		IGA-815-11	77,948	118,137
Pass Through Non-State Entity:						
16.541	Part E - Developing, Testing and Demonstrating Promising New Programs	UND	Midwest Regional Children's Advocacy Center	N/A	$	$ 5,000
16.544	Youth Gang Prevention	UND	Center for Court Innovation	N/A	44,799	43,170
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	UND	Rural Crime and Justice Center	N/A		13,838
16.608	Tribal Court Assistance Program	UND	Fox Valley Technical College	D2012014	30,500	6,738
16.608	Tribal Court Assistance Program	UND	National Judicial College	N/A	5,279	251,968
16.608	Tribal Court Assistance Program	UND	National Judicial College	NJC 2011-IC-BX-K036	372,421	193,566
16.616	Indian Country Alcohol and Drug Prevention	UND	Fox Valley Technical College	D2013020034	32,840	
16.616	Indian Country Alcohol and Drug Prevention	UND	Fox Valley Technical College	N/A	9,086	23,672
16.726	Juvenile Mentoring Program	NDSU	National 4-H Council	N/A	95,086	20,641
16.731	Tribal Youth Program	NDSU	National 4-H Council	N/A	9,329	68,696
16.808	ARRA - Recovery Act - Edward Byrne Memorial Competitive Grant Program	NDSU	Public/Private Venture	10137		3,189
16.815	Tribal Civil and Criminal Legal Assistance Grants, Training and Technical Assistance	UND	American Probation and Parole Association	13-SA-085-1978	90,771	26,423
Total for Unclustered					*$ 6,780,420*	*$ 6,890,848*
JAG Program Cluster						
Direct Programs:						
16.738	Edward Byrne Memorial Justice Assistance Grant Program	12500			$ 430,513	$ 611,066
16.803	ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	12500				768,083
Pass Through Non-State Entity:						
16.738	Edward Byrne Memorial Justice Assistance Grant Program	11200	SEARCH Group, Inc	1314-008 330125	$ 6,904	$
Total for JAG Program Cluster					*$ 437,417*	*$ 1,379,149*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Research & Development Cluster						
Direct Programs:						
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	UND			$ 41,237	$
Pass Through Non-State Entity:						
16.013	Violence Against Women Act Court Training and Improvement Grants	NDSU	State of Minnesota Seventh Judicial District	2010-WC-AX-K014	$ 16,689	$
16.523	Juvenile Accountability Block Grants	NDSU	Dakota Boys and Girls Ranch	2010-JL-FX-0555		3,106
16.726	Juvenile Mentoring Program	NDSU	National 4-H Council	2010-JU-FX-0016		6,617
Total for Research & Development Cluster					*$ 57,926*	*$ 9,723*
Total For Department Of Justice					**$ 7,275,763**	**$ 8,279,720**
Department Of Labor						
Unclustered						
Direct Programs:						
17.235	Senior Community Service Employment Program	32500			$ 321,407	$ 531,632
17.261	WIA Pilots, Demonstrations, and Research Projects	MISU				29,946
17.267	Incentive Grants - WIA Section 503	20100			163,313	508,682
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	LRSC			824,359	217,212
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	BSC			4,873,791	530,331
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	NDSCS			587,111	
17.504	Consultation Agreements	BSC			401,442	437,985
17.600	Mine Health and Safety Grants	27000			20,745	
Total for Unclustered					*$ 7,192,168*	*$ 2,255,788*
Total For Department Of Labor					**$ 7,192,168**	**$ 2,255,788**
Department Of State						
Unclustered						
Direct Programs:						
19.040	Public Diplomacy Programs	UND			$ 42,959	$

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Pass Through Non-State Entity:						
19.009	Academic Exchange Programs - Undergraduate Programs	UND	International Research & Exchanges Board	S-ECAAE-110-CA-065	$	$ 159
19.009	Academic Exchange Programs - Undergraduate Programs	UND	International Research & Exchanges Board	S-ECAAE-12-CA-036		623
19.009	Academic Exchange Programs - Undergraduate Programs	UND	International Research & Exchanges Board	S-ECAAE-12-CA-106	135	
19.009	Academic Exchange Programs - Undergraduate Programs	UND	International Research & Exchanges Board	S-ECAGD-13-CA-035	467	
19.009	Academic Exchange Programs - Undergraduate Programs	UND	International Research & Exchanges Board	S-ECAGD-13-CA-090	734	
19.402	Professional and Cultural Exchange Programs - International Visitor Leadership Program	MISU	National Council for International Visitors	N/A	2,427	4,208
19.408	Academic Exchange Programs - Teachers	UND	International Research & Exchanges Board	FY12TEANorthDakota01		122,622
Total for Unclustered					*$ 46,722*	*$ 127,612*
Research & Development Cluster						
Pass Through Non-State Entity:						
19.017	Environmental and Scientific Partnerships and Programs	NDSU	The National Academies	PGA-P210861	$ 33,185	$ 60,912
Total for Research & Development Cluster					*$ 33,185*	*$ 60,912*
Total For Department Of State					**$ 79,907**	**$ 188,524**
Department Of The Interior						
Unclustered						
Direct Programs:						
15.224	Cultural Resource Management	MISU			$ 13,449	$ 6,294
15.224	Cultural Resource Management	70100			10,000	
15.227	Distribution of Receipts to State and Local Governments	12000			4,091	6,507
15.242	National Fire Plan - Rural Fire Assistance	NDSU			32,685	197,474
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	40800			694,279	703,110
15.252	Abandoned Mine Land Reclamation (AMLR) Program	40800			3,076,693	3,237,770
15.427	Federal Oil and Gas Royalty Management State and Tribal Coordination	11700			582,822	497,694
15.433	Flood Control Act Lands	12000			45,533,606	23,634,710
15.436	Late Disbursement Interest	12000			151	313
15.437	Minerals Leasing Act	12000			50,116,222	29,813,406

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
15.518	Garrison Diversion Unit	72000			787,903	822,399
15.608	Fish and Wildlife Management Assistance	72000			19,212	23,290
15.615	Cooperative Endangered Species Conservation Fund	72000				23,961
15.615	Cooperative Endangered Species Conservation Fund	75000				14,000
15.618	Administrative Grants for Federal Aid in Sport Fish and Wildlife Restoration	72000				13,119
15.626	Enhanced Hunter Education and Safety Program	72000			133,913	
15.633	Landowner Incentive Program	72000				28,803
15.634	State Wildlife Grants	72000			513,111	692,959
15.637	Migratory Bird Joint Ventures	72000				33,874
15.664	Fish and Wildlife Coordination and Assistance Programs	72000			24,252	27,178
15.819	Energy Cooperatives to Support the National Coal Resources Data System (NCRDS)	40500			7,350	11,622
15.904	Historic Preservation Fund Grants-In-Aid	70100			638,050	657,273
15.916	Outdoor Recreation - Acquisition, Development and Planning	75000			280,492	461,308
15.929	Save America's Treasures	70100			1,500	
Pass Through Non-State Entity:						
15.406	National Park Service Centennial Challenge.	DSU	Theodore Roosevelt National Park	H1541080018	$	$ 4,871
15.518	Garrison Diversion Unit	77000	Garrison Diversion Conservancy District	6-FC-60-00210	581,888	4,671,423
15.815	National Land Remote Sensing - Education Outreach and Research	UND	America View	AV08-ND01, Mod 8		23,313
15.815	National Land Remote Sensing - Education Outreach and Research	UND	America View	AV13-ND01	15,214	
15.XXX	Mandan Earthlodge Pest Infestation Ft. Abraham Lincoln State Park	75000	Fort Abraham Lincoln Foundation	P12ac30336	6,911	
Total for Unclustered					*$ 103,073,794*	*$ 65,606,671*
Fish and Wildlife Cluster						
Direct Programs:						
15.605	Sport Fish Restoration Program	72000			$ 4,065,744	$ 4,057,479
15.611	Wildlife Restoration and Basic Hunter Education	72000			6,521,743	6,715,004
Total for Fish and Wildlife Cluster					*$ 10,587,487*	*$ 10,772,483*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Research & Development Cluster						
Direct Programs:						
15.238	Challenge Cost Share	UND			$ 2,387	$
15.511	Cultural Resources Management	UND			34,113	14,193
15.518	Garrison Diversion Unit	UND			30,869	77,140
15.642	Challenge Cost Share	UND			14,352	11,452
15.650	Research Grants (Generic)	NDSU			26,717	48,053
15.655	Migratory Bird Monitoring, Assessment and Conservation	NDSU				4,338
15.657	Endangered Species Conservation – Recovery Implementation Funds	NDSU			2,897	
15.669	Cooperative Landscape Conservation	NDSU			13,745	27,658
15.805	Assistance to State Water Resources Research Institutes	NDSU			56,551	77,357
15.808	U.S. Geological Survey - Research and Data Collection	NDSU			158,122	87,112
15.808	U.S. Geological Survey - Research and Data Collection	UND			65,207	
15.819	Energy Cooperatives to Support the National Coal Resources Data System (NCRDS)	UND				122
15.926	American Battlefield Protection	NDSU			35,117	18,708
Pass Through Non-State Entity:						
15.608	Fish and Wildlife Management Assistance	UND	Red Lake Watershed District	N/A	$ 53,595	$ 28,184
15.611	Wildlife Restoration and Basic Hunter Education	UND	Brigham Young University	12-0332	10,592	37,009
15.615	Cooperative Endangered Species Conservation Fund	NDSU	Minnesota Department Of Natural Resources	3000046556	4,932	
15.634	State Wildlife Grants	NDSU	Ducks Unlimited, Inc.	PP-37-1		18,638
15.634	State Wildlife Grants	NDSU	Nevada Department of Wildlife	N/A	41,545	10,902
15.808	U.S. Geological Survey - Research and Data Collection	UND	America View	N/A	1,969	
Total for Research & Development Cluster					*$ 552,710*	*$ 460,866*
Total For Department Of The Interior					**$ 114,213,991**	**$ 76,840,020**
Department Of The Treasury						
Unclustered						
Direct Programs:						
21.XXX	ARRA - Recovery Zone Economic Development Bonds	WSC		N/A	$ 239,254	$
Total for Unclustered					*$ 239,254*	*$*
Total For Department Of The Treasury					**$ 239,254**	**$**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Department Of Transportation						
Unclustered						
Direct Programs:						
20.106	Airport Improvement Program	41200			$ 171,547	$ 506,698
20.214	Highway Beautification-Control of Outdoor Advertising, and Control of Junkyards	80100				1,289
20.218	National Motor Carrier Safety	50400			1,689,171	1,635,976
20.231	Performance and Registration Information Systems Management	50400			9,085	10,486
20.231	Performance and Registration Information Systems Management	80100			26,011	10,714
20.232	Commercial Driver's License Program Improvement Grant	80100				299,131
20.233	Border Enforcement Grants	50400			208,941	289,603
20.234	Safety Data Improvement Program	80100			7,710	
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	80100			2,425,718	2,101,020
20.509	ARRA - Formula Grants for Rural Areas	80100				213,429
20.509	Formula Grants for Rural Areas	80100			4,064,015	3,938,221
20.615	E-911 Grant Program	11200				835,360
20.616	National Priority Safety Programs	80100			197,409	
20.700	Pipeline Safety Program State Base Grant	40800			121,602	82,665
20.701	University Transportation Centers Program	NDSU			199	6,533
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	54000			128,786	131,704
20.933	National Infrastructure Investments	80100			7,336,370	2,663,630
20.XXX	2009 Midwest Region Motor Fuel Project	12700		FTE090		5,000
20.XXX	2010 Midwest Region Motor Fuel Project	12700		FTC0100		5,000
20.XXX	Accelerated Safety Activity Program	80100		DTFH63-11-P-00053	21,046	235
20.XXX	Fatal Accident Reporting System	80100		DTNH22-07-H-00142		19,979
20.XXX	Fuel Tax Evasion - Intergov. Enforcement Effort	12700		MFTE011	10,364	6,840
20.XXX	Production of Effective Tribal Consultation Practices Video	80100		DTFH5808F-0053		10,000
Pass Through Non-State Entity:						
20.200	Highway Research and Development Program	NDSU	Pennsylvania State University	4204-NDSU-USDOT-0008	$	$ 104,630

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
20.200	Highway Research and Development Program	NDSU	The National Academies	HR 24-38		28,593
20.701	University Transportation Centers Program	NDSU	Rutgers	NJ-26-7067-01	949	
20.701	University Transportation Centers Program	NDSU	Rutgers	NJ-26-7067-06	85,965	
20.701	University Transportation Centers Program	NDSU	Rutgers	NJ-26-7070-00	14,471	
20.XXX	Center of Excellence Research Grant - CGAR Website Administrative Services	UND	Embry-Riddle University	01-C-ERAU-1E	6,398	42,689
Total for Unclustered					*$ 16,525,757*	*$ 12,949,425*
Federal Transit Cluster						
Direct Programs:						
20.500	Federal Transit - Capital Investment Grants	80100			$ 47,800	$ 739,598
Total for Federal Transit Cluster					*$ 47,800*	*$ 739,598*
Highway Planning and Construction Cluster						
Direct Programs:						
20.205	ARRA - Highway Planning and Construction	80100			$	$ 7,370,387
20.205	Highway Planning and Construction	80100			283,057,622	325,987,813
20.219	Recreational Trails Program	80100			50,966	
20.219	Recreational Trails Program	75000			738,393	1,083,519
Total for Highway Planning and Construction Cluster					*$ 283,846,981*	*$ 334,441,719*
Highway Safety Cluster						
Direct Programs:						
20.600	State and Community Highway Safety	80100			$ 1,724,718	$ 1,939,382
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I	80100			1,593,204	2,438,141
20.610	State Traffic Safety Information System Improvement Grants	80100			487,001	364,014
20.612	Incentive Grant Program to Increase Motorcyclist Safety	80100			36,705	107,994
Total for Highway Safety Cluster					*$ 3,841,628*	*$ 4,849,531*
Research & Development Cluster						
Direct Programs:						
20.514	Public Transportation Research	NDSU			$	$ 154,960
20.701	University Transportation Centers Program	NDSU			3,010,301	1,779,998
20.724	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU			17,816	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
20.762	Research Grants	NDSU			128,942	234,382
20.XXX	Evaluating the Benefits of Technology on Participation	NDSU		ND-26-1000	2,981	21,353
20.XXX	Flight Data Monitoring - General Aviation Safety Information Analysis and Sharing Phase II	UND		07-C-GA-UND AMD. 34,38,47	62,341	195,119
20.XXX	Fly by Wire and Fly by Light Control Systems for Rotorcraft	UND		07-C-GA-UND AMD. 30,36		17,614
20.XXX	General Aviation System Safety Management Research	UND		07-C-GA-UND 4,7,15,17,28,33,45	12,700	55,871
20.XXX	Helicopter Lighting System	UND		07-C-GA-UND AMD. 29,35,40, 43	98,473	84,730
20.XXX	Legal Analysis of 14 C.F.R.Part 91 "See and Avoid"	UND		07-C-GA-UND AMD. 46	51,763	5,831
20.XXX	Radar, ADS-B, ASDE-X and FDM Analysis	UND		07-C-GA-UND AMD. 32, 41	39,964	137,964
20.XXX	Subject Matter Expert Support for FAA UAS Simulator Workstation	UND		07-C-GA-UND AMD. 9,19,25,37,44	19,039	17,724
20.XXX	Weather Technology in the Cockpit - User Needs Segment	UND		07-C-GA-UNDAMD.8,16,21,24,31,39		57,742
20.XXX	Wireless Roadside Inspection Project	NDSU		4000119593	65,309	71,989
Pass Through Non-State Entity:						
20.109	Air Transportation Centers of Excellence	UND	Georgia Institute of Technology	RE053-G1	$ 50,383	$
20.109	Air Transportation Centers of Excellence	UND	Purdue University	4108-60202	23,676	
20.200	Highway Research and Development Program	NDSU	Pennsylvania State University	4204-NDSU-USDOT-0008	37	
20.205	Highway Planning and Construction	NDSU	Kadrmas Lee & Jackson Inc.	N/A		17,828
20.514	Public Transportation Research	NDSU	Easter Seals	N/A	1,863	23,137
20.515	State Planning and Research	UND	Iowa Department of Transportation	11954		16,757
20.600	State and Community Highway Safety	NDSU	South Dakota Department of Public Safety	N/A		37,035
20.701	University Transportation Centers Program	NDSU	Bismarck-Mandan Metropolitan Planning Organization	N/A	25,428	15,085
20.701	University Transportation Centers Program	NDSU	Fargo Moorhead Metropolitan Council of Governments	N/A	26,359	67,944
20.701	University Transportation Centers Program	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	35,966	20,210
20.701	University Transportation Centers Program	NDSU	Missouri University of Science and Technology Center	00041896-01	42,966	6,962
20.701	University Transportation Centers Program	NDSU	Montana State University	G136-14-W4660	33,657	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
20.701	University Transportation Centers Program	NDSU	University of South Florida	2117-9050-02-A	232,235	237,988
20.701	University Transportation Centers Program	NDSU	University of South Florida	2117-9060-02-A	43,054	
20.XXX	ADS-B Aviation-Related Research, Consulting, and Training Services as Part of the FAA's ADS_B Program order 0017	UND	Embry-Riddle University	61077-UND	124,482	95,527
20.XXX	Participating in the General Aviation Joint Steering Committee/Safety Analysis Team/Loss of Control Work Group order 0023	UND	Embry-Riddle University	61093	11,578	28,611
20.XXX	Smart Roadside Initiative	NDSU	Leidos Biomedical Research, Inc.	P010062514 T-11-001	82,342	
20.XXX	Smart Roadside Initiative	NDSU	Science Application International Corporation	P010062514 T-11-001		50,652
20.XXX	V-TRIPS	NDSU	Stinger Ghaffarian Technologies	11-45	1,463,991	1,522,284
Total for Research & Development Cluster					*$ 5,707,646*	*$ 4,975,297*
Transit Services Program Cluster						
Direct Programs:						
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	80100			$ 626,940	$ 120,600
20.516	Job Access And Reverse Commute Program	80100			262,522	344,067
20.521	New Freedom Program	80100			146,116	251,815
Total for Transit Services Program Cluster					*$ 1,035,578*	*$ 716,482*
Total For Department Of Transportation					**$ 311,005,390**	**$ 358,672,052**
Department Of Veterans Affairs						
Unclustered						
Direct Programs:						
64.014	Veterans State Domiciliary Care	31300			$ 1,125,058	$ 1,101,799
64.015	Veterans State Nursing Home Care	31300			1,399,021	2,230,218
64.124	All-Volunteer Force Educational Assistance	NDUS			119,887	95,077
64.XXX	Assessment Of Feasibility For Self Employment	NDSU		V437P-1255		525
64.XXX	MWM Veterans Engineering Resource Center - Project	NDSU		VA263-BO-0160	22,008	
64.XXX	VA Processing Fee	NDSU		VA01241994	2,573	1,320
64.XXX	Veterans Administration - Resident Rotations	UND		N/A	401,566	377,694
Total for Unclustered					*$ 3,070,113*	*$ 3,806,633*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Research & Development Cluster						
Direct Programs:						
64.XXX	MWM Veterans Engineering Resource Center - Implementing	NDSU		VA263-BO-0160	$ 21,158	$ 27,473
64.XXX	MWM Veterans Engineering Resource Center - Measuring	NDSU		VA263-BO-0160		18,943
64.XXX	MWM Veterans Engineering Resource Center - Project	NDSU		VA263-BO-0160	63,059	
64.XXX	MWM Veterans Engineering Resource Center - Task 17 - Facilitating Co-management of Dual Care Veterans	NDSU		VA263-BO-0160		28,404
64.XXX	MWM Veterans Engineering Resource Center - Task 5.1.1: Optimization - Probabilistic Risk	NDSU		VA263-BO-0160	27,236	10,571
Total for Research & Development Cluster					*$ 111,453*	*$ 85,391*
Total For Department Of Veterans Affairs					**$ 3,181,566**	**$ 3,892,024**
Environmental Protection Agency						
Unclustered						
Direct Programs:						
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30100			$ 101,959	$ 98,775
66.040	State Clean Diesel Grant Program	30100			87,069	417,850
66.202	Congressionally Mandated Projects	30100			6,548	72,063
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	30100			243,868	312,349
66.435	Water Pollution Control - Lake Restoration Cooperative Agreements	40500			98,000	100,000
66.454	Water Quality Management Planning	30100			95,406	86,256
66.460	Nonpoint Source Implementation Grants	30100			5,053,837	6,316,223
66.461	Regional Wetland Program Development Grants	30100			36,940	213,579
66.605	Performance Partnership Grants	30100			4,830,374	4,230,723
66.605	Performance Partnership Grants	60200				121,806
66.608	Environmental Information Exchange Network Grant Program and Related Assistance	30100			85,023	148,278
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	NDSU				10,384
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	60200			546,745	169,275
66.709	Multi-Media Capacity Building Grants for States and Tribes	30100			27,358	45,163

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
66.716	Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	NDSU			44,643	50,283
66.802	ARRA - Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	30100				16,878
66.804	Underground Storage Tank Prevention, Detection and Compliance Program	30100			242,978	210,005
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	30100			403,170	481,742
66.817	State and Tribal Response Program Grants	30100			72,755	48,894
Pass Through Non-State Entity:						
66.951	Environmental Education Grants	70100	Utah Society for Environmental Education	N/A	$ 811	$ 322
Total for Unclustered					*$ 11,977,484*	*$ 13,150,848*
Clean Water State Revolving Fund Cluster						
Direct Programs:						
66.458	Capitalization Grants for Clean Water State Revolving Funds	30100			$ 347,538	$ 335,847
Total for Clean Water State Revolving Fund Cluster					*$ 347,538*	*$ 335,847*
Drinking Water State Revolving Fund Cluster						
Direct Programs:						
66.468	Capitalization Grants for Drinking Water State Revolving Funds	30100			$ 989,186	$ 890,306
Total for Drinking Water State Revolving Fund Cluster					*$ 989,186*	*$ 890,306*
Research & Development Cluster						
Direct Programs:						
66.461	Regional Wetland Program Development Grants	UND			$ 9,482	$ 60,213
66.509	Science To Achieve Results (STAR) Research Program	UND			2,378	67,561
66.516	P3 Award: National Student Design Competition for Sustainability	UND				3,521
Pass Through Non-State Entity:						
66.460	Nonpoint Source Implementation Grants	NDSU	Red River Basin Commission	N/A	$	$ 267
66.460	Nonpoint Source Implementation Grants	NDSU	Red River Regional Planning Council	N/A	17,924	22,638
66.460	Nonpoint Source Implementation Grants	UND	Red River Regional Planning Council	N/A		11,481
66.469	Great Lakes Program	UND	Minnesota Department of Natural Resources	B51912-1		31,581
66.469	Great Lakes Program	UND	Minnesota Department of Natural Resources	B51912-2		87,448
Total for Research & Development Cluster					*$ 29,784*	*$ 284,710*
Total For Environmental Protection Agency					**$ 13,343,992**	**$ 14,661,711**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Equal Employment Opportunity Commission						
Unclustered						
Direct Programs:						
30.XXX	Employment Discrimination - State Fair Employment Practices Agency Contracts	40600		EECCN120113	$ 78,900	$ 95,400
Total for Unclustered					*$ 78,900*	*$ 95,400*
Total For Equal Employment Opportunity Commission					**$ 78,900**	**$ 95,400**
Executive Office of the President						
Unclustered						
Direct Programs:						
95.001	High Intensity Drug Trafficking Areas Program	12500			$ 401,434	$ 580,909
Total for Unclustered					*$ 401,434*	*$ 580,909*
Total For Executive Office of the President					**$ 401,434**	**$ 580,909**
General Services Administration						
Unclustered						
Nonmonetary Assistance:						
39.003	Donation of Federal Surplus Personal Property	11000			$ 2,174,061	$ 2,195,158
Total for Unclustered					*$ 2,174,061*	*$ 2,195,158*
Total For General Services Administration					**$ 2,174,061**	**$ 2,195,158**
Institute of Museum and Library Services						
Unclustered						
Direct Programs:						
45.310	Grants to States	25000			$ 948,716	$ 1,053,047
45.312	National Leadership Grants	70100			80,714	86,700
45.313	Laura Bush 21st Century Librarian Program	VCSU			149,653	147,983
Total for Unclustered					*$ 1,179,083*	*$ 1,287,730*
Total For Institute of Museum and Library Services					**$ 1,179,083**	**$ 1,287,730**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Library Of Congress						
Unclustered						
Pass Through Non-State Entity:						
42.XXX	Open World Program	MISU	FHI Development 360 LLC	OWLC-1205	$ 1,293	$ 1,747
Total for Unclustered					*$ 1,293*	*$ 1,747*
Total For Library Of Congress					**$ 1,293**	**$ 1,747**
National Aeronautics and Space Administration						
Unclustered						
Direct Programs:						
43.XXX	Communicating Climate Change	UND		NNX10AB53A	$	$ 17,310
43.XXX	NASA Earth and Space Science Fellowships Program 2010	UND		NNX10AP45H	9,699	31,289
43.XXX	North Dakota NASA Space Grant Consortium FY 2010-2014	UND		NNX10AL99H	435,006	519,212
Total for Unclustered					*$ 444,705*	*$ 567,811*
Research & Development Cluster						
Direct Programs:						
43.001	Science	UND			$ 1,056,750	$ 244,752
43.008	Education	UND			288,518	272,014
43.XXX	Communicating Climate Change	UND		NNX10AB53A	14,046	
43.XXX	Compositional and Physical Characterizations or Near-Earth Objects	UND		NNX11AP12G		45,299
43.XXX	Evaluation of NASA GISS Model E AR5 Simulated Global Cloud Fraction and Radiation Budgets Using the MODIS-CEES Observation and MERRA Reanalysis	UND		NNX11AM15A	260,885	140,688
43.XXX	Integrated Strategies for the Human Exploration of the Moon and Mars	UND		NNX09AP19A	11,515	169,989
43.XXX	Research Opportunities in Space and Earth Sciences - 2009	UND		NNX10AR22G	55,114	111,612
43.XXX	Rid-Research Infrastructure Development (NASA EPSCoR)	UND		NNX07AK91A	15,393	50,978
43.XXX	Upper Midwest Aerospace Consortium	UND		NNX10AH20G	75,835	629,501
43.XXX	Validation of CERES-Derived Satellite Cloud Properties Using the ARM Data Collected at China and Azores During 2008-2010	UND		NNX10AI05G	137,576	179,998

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
Pass Through Non-State Entity:						
43.001	Science	UND	University Corporation for Atmospheric Research	Z13-89987	$ 40,231	$
43.XXX	Climate Change Communications: Engineering, Environmental Science, and Education(C3E3)	UND	University of Texas at San Antonio	26-1200-75 UND	32,322	21,118
43.XXX	NRA/Research Opportunities in Space and Earth Science - 2008	UND	University of Illinois - Chicago	2008-05675-01		1,693
43.XXX	Science Mission Operations by NSERC and Related Educational Activities	UND	Bay Area Environmental Research Institute	NNX12ADOSA-UND1	2,472,486	2,420,084
43.XXX	Transport Estimates Using MACPEX Observations	UND	Jet Propulsion Laboratory	1494058	13,218	
Total for Research & Development Cluster					*$ 4,473,889*	*$ 4,287,726*
Total For National Aeronautics and Space Administration					**$ 4,918,594**	**$ 4,855,537**
National Archives And Records Administration						
Unclustered						
Direct Programs:						
89.003	National Historical Publications and Records Grants	70100			$ 2,403	$ 7,755
Total for Unclustered					*$ 2,403*	*$ 7,755*
Total For National Archives And Records Administration					**$ 2,403**	**$ 7,755**
National Credit Union Administration						
Unclustered						
Pass Through Non-State Entity:						
44.002	Community Development Revolving Loan Fund Program for Credit Unions	UND	University Federal Credit Union	001	$ 778	$
Total for Unclustered					*$ 778*	*$*
Total For National Credit Union Administration					**$ 778**	**$**
National Endowment for the Arts						
Unclustered						
Direct Programs:						
45.024	Promotion of the Arts - Grants to Organizations and Individuals	70900			$	$ 3,597
45.025	Promotion of the Arts - Partnership Agreements	70900			661,450	716,964
45.025	Promotion of the Arts - Partnership Agreements	DSU				7,000

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
45.025	Promotion of the Arts - Partnership Agreements	VCSU				4,500
Pass Through Non-State Entity:						
45.025	Promotion of the Arts - Partnership Agreements	DSU	Arts Midwest	N/A	$ 4,000	$
Total for Unclustered					*$ 665,450*	*$ 732,061*
Total For National Endowment for the Arts					**$ 665,450**	**$ 732,061**
National Endowment for the Humanities						
Unclustered						
Direct Programs:						
45.149	Promotion of the Humanities - Division of Preservation and Access	70100			$ 148,673	$
45.159	Humanities Fellows	70100				168,047
Pass Through Non-State Entity:						
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	Fargo Public Schools	12507	$	$ 3,516
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	Fargo Public Schools	AHC-12-022		3,000
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	11304		2,750
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	12110	300	200
45.129	Promotion of the Humanities - Federal/State Partnership	UND	North Dakota Humanities Council	12302		492
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	12508	1,043	3,810
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	12509	6,371	
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	12510	3,204	3,996
45.129	Promotion of the Humanities - Federal/State Partnership	BSC	North Dakota Humanities Council	13103		500
45.129	Promotion of the Humanities - Federal/State Partnership	BSC	North Dakota Humanities Council	13306		1,000
45.129	Promotion of the Humanities - Federal/State Partnership	MISU	North Dakota Humanities Council	13308	1,672	
45.129	Promotion of the Humanities - Federal/State Partnership	BSC	North Dakota Humanities Council	13313	2,000	
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	13314	2,000	
45.129	Promotion of the Humanities - Federal/State Partnership	MISU	North Dakota Humanities Council	13507	6,390	
45.129	Promotion of the Humanities - Federal/State Partnership	UND	North Dakota Humanities Council	13514	10,000	
45.129	Promotion of the Humanities - Federal/State Partnership	UND	North Dakota Humanities Council	14301	1,500	
45.129	Promotion of the Humanities - Federal/State Partnership	BSC	North Dakota Humanities Council	14306	1,000	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
45.164	Promotion of the Humanities - Public Programs	DSU	The Library of America	N/A	583	
Total for Unclustered					*$ 184,736*	*$ 187,311*
Research & Development Cluster						
Pass Through Non-State Entity:						
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	13506	$ 3,526	$
45.129	Promotion of the Humanities - Federal/State Partnership	NDSU	North Dakota Humanities Council	13513	10,110	
Total for Research & Development Cluster					*$ 13,636*	*$*
Total For National Endowment for the Humanities					**$ 198,372**	**$ 187,311**
National Science Foundation						
Unclustered						
Direct Programs:						
47.076	Education and Human Resources	NDSU			$ 268,203	$ 149,790
47.076	Education and Human Resources	UND			2,991	
47.076	Education and Human Resources	BSC			47,443	54,927
47.076	Education and Human Resources	NDSCS			134,289	260,568
47.078	Polar Programs	UND			39,012	
Pass Through Non-State Entity:						
47.049	Mathematical and Physical Sciences	MISU	Mathematical Association of America	NSF Grt DMS-0846477	$ 1,225	$
47.076	Education and Human Resources	NDSCS	Dakota County Technical College	NSF-07-530		11,238
47.076	Education and Human Resources	NDSCS	Lorain County Community College	NSF-1104107	7,857	11,029
47.076	Education and Human Resources	NDSU	National Center for Science and Civic Engagement	11224488	2,600	
47.076	Education and Human Resources	NDSU	Salish Kootenai College	LSAMP	3,191	
47.076	Education and Human Resources	NDSU	Salish Kootenai College	N/A		2,100
47.076	Education and Human Resources	NDSU	Salish Kootenai College	NSF/SKC		1
47.076	Education and Human Resources	NDSCS	Southwest Center for Microsystem Education	NSF-1205138	25,607	
Total for Unclustered					*$ 532,418*	*$ 489,653*
Research & Development Cluster						
Direct Programs:						
47.041	Engineering Grants	NDSU			$ 720,153	$ 747,009

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
47.041	Engineering Grants	UND			43,723	21,763
47.049	Mathematical and Physical Sciences	UND			233,974	219,669
47.049	Mathematical and Physical Sciences	NDSU			729,351	806,785
47.050	Geosciences	NDSU				50,645
47.050	Geosciences	UND			31,286	69,485
47.070	Computer and Information Science and Engineering	NDSU			738,683	244,157
47.070	Computer and Information Science and Engineering	UND			66,801	
47.074	Biological Sciences	NDSU			672,138	1,400,089
47.074	Biological Sciences	UND			355,602	474,040
47.075	Social, Behavioral, and Economic Sciences	NDSU			81,108	36,648
47.075	Social, Behavioral, and Economic Sciences	UND			26,230	
47.076	Education and Human Resources	UND			315,376	331,360
47.076	Education and Human Resources	NDSU			825,146	793,436
47.078	Polar Programs	NDSU			120,225	138,029
47.079	Office of International and Integrative Activities	NDSU			382,390	
47.081	Office of Experimental Program to Stimulate Competitive Research	NDSU			3,051,456	3,653,604
47.082	ARRA - Trans-NSF Recovery Act Research Support	NDSU			119,132	550,670
47.082	ARRA - Trans-NSF Recovery Act Research Support	UND			285,633	813,512
Pass Through Non-State Entity:						
47.041	Engineering Grants	NDSU	Blue Sky Engineering	FAR0020186	$ 34,715	$
47.041	Engineering Grants	NDSU	Laserlith Corporation	NSF STTR 11-561	2,794	47,143
47.041	Engineering Grants	NDSU	University of South Florida	2106-1136-00-B		2,530
47.049	Mathematical and Physical Sciences	NDSU	Loyola University, Chicago	dms1156393		351
47.050	Geosciences	NDSU	Pennsylvania State University	4219-NDSU-NSF-8652	28,803	19,843
47.074	Biological Sciences	NDSU	Cornell University	61416-9594	12,861	139,932
47.074	Biological Sciences	NDSU	University of California - Davis	201121859		42,663
47.074	Biological Sciences	UND	University of Connecticut	FRS# 524953	11,159	11,849
47.074	Biological Sciences	NDSU	University of Florida	UF10124 -IOS-0923975	35,919	107,541
47.075	Social, Behavioral, and Economic Sciences	DSU	Southern Illinois University	11-11	4,702	14,728

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
47.076	Education and Human Resources	UND	University of Missouri - Columbia	C00030084-2	26,798	19,166
Total for Research & Development Cluster					*$ 8,956,158*	*$ 10,756,647*
Total For National Science Foundation					**$ 9,488,576**	**$ 11,246,300**
Nuclear Regulatory Commission						
Unclustered						
Direct Programs:						
77.006	U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	BSC			$	$ 123,000
Total for Unclustered					*$*	*$ 123,000*
Total For Nuclear Regulatory Commission					**$**	**$ 123,000**
Small Business Administration						
Unclustered						
Direct Programs:						
59.037	Small Business Development Centers	UND			$ 959,162	$ 721,826
59.058	Federal and State Technology Partnership Program	UND			85,638	72,712
Total for Unclustered					*$ 1,044,800*	*$ 794,538*
Total For Small Business Administration					**$ 1,044,800**	**$ 794,538**
Social Security Administration						
Unclustered						
Direct Programs:						
96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	36000			$ 58,448	$ 71,067
Total for Unclustered					*$ 58,448*	*$ 71,067*
Disability Insurance/SSI Cluster						
Direct Programs:						
96.001	Social Security - Disability Insurance	32500			$ 3,359,850	$ 3,021,309
Total for Disability Insurance/SSI Cluster					*$ 3,359,850*	*$ 3,021,309*
Total For Social Security Administration					**$ 3,418,298**	**$ 3,092,376**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
U.S. Department Of Agriculture						
Unclustered						
Direct Programs:						
10.025	Plant and Animal Disease, Pest Control, and Animal Care	60200			$ 415,919	$ 304,187
10.070	Colorado River Basin Salinity Control Program	NDSU				12,506
10.162	Inspection Grading and Standardization	60200			2,707	4,166
10.163	Market Protection and Promotion	60200			3,000	11,627
10.170	Specialty Crop Block Grant Program - Farm Bill	60200			482,807	504,864
10.171	Organic Certification Cost Share Programs	60200				114,873
10.217	Higher Education - Institution Challenge Grants Program	NDSU				37,066
10.220	Higher Education - Multicultural Scholars Grant Program	NDSU			12,355	14,725
10.220	Higher Education - Multicultural Scholars Grant Program	UND			6,000	6,045
10.314	New ERA Rural Technology Competitive Grants Program	NDSCS			4,028	59,197
10.319	Farm Business Management and Benchmarking Competitive Grants Program	NDSU			371,567	100,366
10.435	State Mediation Grants	60200			86,677	117,759
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			506,074	469,609
10.477	Meat, Poultry, and Egg Products Inspection	60200			4,553	50,276
10.479	Food Safety Cooperative Agreements	60200			20,490	6,919
10.500	Cooperative Extension Service	NDSU			900,950	2,937,296
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	30100			10,314,041	7,331,757
10.558	Child and Adult Care Food Program	20100			10,221,263	10,236,802
10.560	State Administrative Expenses for Child Nutrition	20100			742,388	808,567
10.567	Food Distribution Program on Indian Reservations	20100			1,046,484	1,043,382
10.574	Team Nutrition Grants	20100			132,151	106,734
10.578	WIC Grants To States (WGS)	30100				127,090
10.579	Child Nutrition Discretionary Grants Limited Availability	20100			76,546	52,781
10.582	Fresh Fruit and Vegetable Program	20100			1,802,493	1,654,650
10.652	Forestry Research	NDSU				3,174

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.664	Cooperative Forestry Assistance	NDSU			1,863,390	1,823,443
10.664	Cooperative Forestry Assistance	60200			24,988	43,112
10.672	Rural Development, Forestry, and Communities	NDSU			24,985	
10.678	Forest Stewardship Program	NDSU			2,516	
10.680	Forest Health Protection	60200			18,856	15,160
10.769	Rural Business Enterprise Grants	DCB			9,950	
10.773	Rural Business Opportunity Grants	DCB			77,634	
10.914	Wildlife Habitat Incentive Program	75000				9,380
10.950	Agricultural Statistics Reports	NDSU			77,000	77,000
10.XXX	Highway Hub of History	70100		08-CS-1101800.030	25,000	
10.XXX	Market News	60200		12-25-A-5353	9,751	9,750
10.XXX	Meat Grading	60200		12-25-A-4791	424	13,945
Nonmonetary Assistance:						
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			$ 20,868	$ 7,381
10.558	Child and Adult Care Food Program	20100			16,640	12,897
10.567	Food Distribution Program on Indian Reservations	20100			3,214,595	2,922,746
Pass Through Non-State Entity:						
10.206	Grants for Agricultural Research - Competitive Research Grants	NDSU	University of Nebraska-Lincoln	25-6324-0089-010	$	$ 6,669
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H002484809	11,084	6,166
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H002546601		16,057
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H003040113	2,997	
10.217	Higher Education - Institution Challenge Grants Program	NDSU	Ohio State University	60020124	5,055	7,636
10.217	Higher Education - Institution Challenge Grants Program	NDSU	South Dakota State University	3TC576	8,916	7,473
10.227	1994 Institutions Research Program	NDSU	Cankdeska Cikana Community College	N/A	20,225	12,491
10.303	Integrated Programs	NDSU	Colorado State University	G-1483-3	273	6,175
10.303	Integrated Programs	NDSU	University of Illinois, Urbana Champaign	2012-05854-15(A0107)	9,563	
10.304	Homeland Security - Agricultural	NDSU	Kansas State University	S13012	22,421	22,296
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Kansas State University	S11205	88,139	81,623
10.500	Cooperative Extension Service	NDSU	Auburn University	08-USDA-Army-NDSU		23,346

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.500	Cooperative Extension Service	NDSU	Auburn University	12-USDA-ARMY		13,104
10.500	Cooperative Extension Service	NDSU	Auburn University	12-USDA-Army-NDSU-2		20,186
10.500	Cooperative Extension Service	NDSU	Auburn University	12-USDA-Army-NDSU-3		11,252
10.500	Cooperative Extension Service	NDSU	Iowa State University	410-30-46		1,250
10.500	Cooperative Extension Service	NDSU	Kansas State University	S11086		680
10.500	Cooperative Extension Service	NDSU	Kansas State University	S12044		59,143
10.500	Cooperative Extension Service	NDSU	Kansas State University	S12071	174	13,457
10.500	Cooperative Extension Service	NDSU	Kansas State University	S12121		3,680
10.500	Cooperative Extension Service	NDSU	Kansas State University	S12236		18,523
10.500	Cooperative Extension Service	NDSU	Kansas State University	S13046	527	7,880
10.500	Cooperative Extension Service	NDSU	Kansas State University	S13139	28,834	5,898
10.500	Cooperative Extension Service	NDSU	Kansas State University	S13177	8,231	
10.500	Cooperative Extension Service	NDSU	Kansas State University	S14114	2,024	
10.500	Cooperative Extension Service	NDSU	North Carolina State University	2011-1688-01		4,268
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H001226924		378
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H001911915		35,792
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H002484608	28,540	4,210
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H003044604	17,414	
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H003044611	11,424	
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H003343901	13,784	
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H408906015		48,138
10.500	Cooperative Extension Service	NDSU	University of Nebraska-Lincoln	25-6365-0040-142	8,598	
10.500	Cooperative Extension Service	NDSU	University of New Hampshire	13-071	3,081	12,690
Total for Unclustered					*$ 32,830,394*	*$ 31,501,693*
Child Nutrition Cluster						
Direct Programs:						
10.553	School Breakfast Program	20100			$ 4,569,021	$ 4,365,450
10.555	National School Lunch Program	20100			18,370,563	17,200,132
10.556	Special Milk Program for Children	20100			22,549	24,306

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.559	Summer Food Service Program for Children	20100			531,603	488,634
Nonmonetary Assistance:						
10.555	National School Lunch Program	20100			$ 2,624,250	$ 2,451,975
10.559	Summer Food Service Program for Children	20100			5,563	3,142
Total for Child Nutrition Cluster					*$ 26,123,549*	*$ 24,533,639*
Food Distribution Cluster						
Direct Programs:						
10.565	Commodity Supplemental Food Program	20100			$ 148,177	$ 173,945
10.568	Emergency Food Assistance Program (Administrative Costs)	20100			56,663	151,825
Nonmonetary Assistance:						
10.565	Commodity Supplemental Food Program	20100			$ 525,633	$ 566,378
10.569	Emergency Food Assistance Program (Food Commodities)	20100			376,993	439,453
Total for Food Distribution Cluster					*$ 1,107,466*	*$ 1,331,601*
Forest Service Schools and Roads Cluster						
Direct Programs:						
10.665	Schools and Roads - Grants to States	12000			$ 381	$ 630
Total for Forest Service Schools and Roads Cluster					*$ 381*	*$ 630*
Research & Development Cluster						
Direct Programs:						
10.001	Agricultural Research - Basic and Applied Research	UND			$ 2,025,725	$ 1,951,078
10.001	Agricultural Research - Basic and Applied Research	NDSU			2,481,808	2,026,305
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU			63,259	44,284
10.025	Plant and Animal Disease, Pest Control, and Animal Care	UND			40,337	1,353
10.028	Wildlife Services	NDSU			106,864	92,322
10.156	Federal-State Marketing Improvement Program	NDSU			2,962	
10.167	Transportation Services	NDSU			55,513	49,882
10.200	Grants for Agricultural Research, Special Research Grants	NDSU			373,242	589,057
10.202	Cooperative Forestry Research	NDSU			119,758	203,746
10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	NDSU			2,549,748	2,676,282

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.206	Grants for Agricultural Research - Competitive Research Grants	NDSU			2,315	75,071
10.206	Grants for Agricultural Research - Competitive Research Grants	UND				5,731
10.207	Animal Health and Disease Research	NDSU			54,848	
10.303	Integrated Programs	NDSU			283,989	6,673
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU			2,312,909	2,342,823
10.310	Agriculture and Food Research Initiative (AFRI)	UND			23,155	
10.500	Cooperative Extension Service	NDSU			3,066,206	
10.664	Cooperative Forestry Assistance	NDSU			204,261	181,196
10.777	Norman E. Borlaug International Agricultural Science and Technology Fellowship	NDSU			12,526	36,274
10.903	Soil Survey	NDSU			38,555	35,131
10.912	Environmental Quality Incentives Program	NDSU			205,853	84,294
10.962	Cochran Fellowship Program-International Training-Foreign Participant	NDSU				7,633
10.XXX	Excavation/Analysis of Prehistoric Archaeological Sites 32BL135	UND		10-CS-11011800-019	17,399	3,044
10.XXX	Influence of Fire Severity on Soil Mercury Pools	NDSU		12-JV-11242307-101	3,750	2,719
10.XXX	USDA Forest Serice Cost Share Challenge	VCSU		12-CS-11011800-011	7,281	8,744
10.XXX	Wildland Restoration Effects on Soil Properties	NDSU		11-CR-11221632-185		2,942
Pass Through Non-State Entity:						
10.001	Agricultural Research - Basic and Applied Research	NDSU	Kansas State University	S14133	$ 25,742	$
10.001	Agricultural Research - Basic and Applied Research	NDSU	University of Nebraska-Lincoln	25-6235-0205-002	1,483	1,500
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	Cornell University	67503-10054	5,952	2,833
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	Cornell University	70290-10204	2,829	
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	National Sunflower Association	12-184 / 12-25-B-148	54,000	30,033
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	North Dakota Grape and Wine Association	12-25-B-0942		31,232
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	Northern Plains Sustainable Agriculture	N/A	33,879	4,976
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Colorado State University	2-004-34263-14270	11,382	600
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Iowa State University	416-40-93K	469	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO 42599		2,364
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC064356M	893	132

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC101779A	10	4,990
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC101779F	290	4,710
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC103016A	18,797	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC103016E	35,181	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RCI00653A		3,211
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Montana State University	G128-12-W3364		9,184
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Oregon State University	C0417A-D		520
10.200	Grants for Agricultural Research, Special Research Grants	UND	Pennsylvania State University	4208-UND-USDA-1128		15
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	PPG Industries	USDA/nifa2010-38202-		38,529
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	South Dakota State University	3TJ081		4,100
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	South Dakota State University	3TK131		6,556
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	University of Idaho	BAK466-SB002-NDSU	6,858	6,053
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	University of Wisconsin	419K941	38,146	52,037
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	University of Wisconsin	502K736	60,049	
10.215	Sustainable Agriculture Research and Education	NDSU	Northern Plains Sustainable Agriculture	N/A	3,992	312
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H001226909	5,669	72,860
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H001911532	49,324	43,650
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H002484806	61,439	43,546
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H003040109	74,050	10,077
10.227	1994 Institutions Research Program	NDSU	United Tribes Technical Colleges	2012-38424-19886	2,153	
10.227	1994 Institutions Research Program	NDSU	United Tribes Technical Colleges	N/A	11,848	5,930
10.303	Integrated Programs	NDSU	University of Idaho	BJKH03SB003 POO19979		38,790
10.303	Integrated Programs	NDSU	University of Illinois, Urbana Champaign	2012-05854-17(A0107)	35,583	
10.303	Integrated Programs	NDSU	Western Michigan University	6259	2,385	30,033
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Cornell University	64325-9778	40,686	46,381
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Montana State University	G127-13-W4181	28,992	4,608
10.309	Specialty Crop Research Initiative	NDSU	Cornell University	64094-9749	25,638	38,883
10.309	Specialty Crop Research Initiative	NDSU	Texas A & M University	570608	207,892	124,091
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Iowa State University	416-40-37A	1,216	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Purdue University	8000041989-AG	6,364	8,785
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Texas Woman's University	2010-106-2		9,676
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of California	S-000586	26,086	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of California - Davis	201015718-21	235,940	294,243
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Idaho	BKK290-SB-002		6,565
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Idaho	KK290-SB-002	60,819	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Virginia Tech	422262-19953	16,120	14,368
10.320	Sun Grant Program	NDSU	South Dakota State University	3TG114	29,075	67,990
10.320	Sun Grant Program	NDSU	South Dakota State University	3TJ114	2,055	21,799
10.352	Value-Added Producer Grants	NDSU	American Ag Energy LLC	N/A	9,648	
10.500	Cooperative Extension Service	NDSU	Kansas State University	S14074	10,517	
10.604	Technical Assistance for Specialty Crops Program	NDSU	National Potato Promotion Board	2013-09	62,800	
10.762	Solid Waste Management Grants	UND	North Dakota Solid Waste Recycling Association	N/A	48,998	92,899
10.777	Norman E. Borlaug International Agricultural Science and Technology Fellowship	NDSU	University of California - Davis	016258-92	12,892	
10.912	Environmental Quality Incentives Program	NDSU	North Dakota Natural Resources Trust	68-6633-6-56	36,755	32,402
10.912	Environmental Quality Incentives Program	NDSU	South Dakota State University	3TB082	20,041	52,737
10.XXX	Analysis of Food Consumption in China	NDSU	University of Florida	UF13019 / 00081829	1,398	7,926
Total for Research & Development Cluster					*$ 15,478,598*	*$ 11,698,710*
SNAP Cluster						
Direct Programs:						
10.551	Supplemental Nutrition Assistance Program	32500			$ 78,640,613	$ 87,667,970
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			8,319,343	8,207,837
Total for SNAP Cluster					*$ 86,959,956*	*$ 95,875,807*
Water and Waste Program Cluster						
Direct Programs:						
10.760	Water and Waste Disposal Systems for Rural Communities	77000			$ 231,378	$
Total for Water and Waste Program Cluster					*$ 231,378*	*$*
Total For U.S. Department Of Agriculture					**$ 162,731,722**	**$ 164,942,080**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30, 2014 and 2013

CFDA NUMBER	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURES 2014	EXPENDITURES 2013
U.S. Election Assistance Commission						
Unclustered						
Direct Programs:						
90.401	Help America Vote Act Requirements Payments	10800			$ 1,426,779	$ 806,230
Total for Unclustered					*$ 1,426,779*	*$ 806,230*
Total For U.S. Election Assistance Commission					**$ 1,426,779**	**$ 806,230**
United States Agency For International Development						
Unclustered						
Pass Through Non-State Entity:						
98.001	USAID Foreign Assistance for Programs Overseas	NDSU	Michigan State University	RC103109 NDSU	$ 4,711	$
98.012	USAID Development Partnerships for University Cooperation and Development	NDSU	Higher Education for Development	HED123-9741-UGA-11-0	212,324	413,166
Total for Unclustered					*$ 217,035*	*$ 413,166*
Total For United States Agency For International Development					**$ 217,035**	**$ 413,166**
TOTAL EXPENDITURES OF FEDERAL AWARD					**$ 1,599,589,531**	**$ 1,627,580,817**

NOTE 1. PURPOSE OF THE SCHEDULE

The Schedule of Expenditures of Federal Awards (Schedule) is a supplementary schedule to the State's basic financial statements (BFS) and is presented for the purposes of additional analysis. The Schedule is required by Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations*.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

Federal Financial Assistance – Pursuant to the Single Audit Act of 1984 (Public Law 98-502), the Single Audit Act Amendments of 1996 (Public Law 104-156), and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, that non-federal entities receive or administer, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property interest subsidies, insurance, or direct appropriations. Accordingly, nonmonetary federal assistance, including food commodities, food stamps, vaccines, and donated surplus property is included in federal financial assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals. Contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Catalog of Federal Domestic Assistance – OMB Circular A-133 requires the Schedule to show the total expenditures for each of the State's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Federal financial assistance programs that have not been assigned a CFDA number are indicated using the federal agency's two digit code as the prefix and three X's as the suffix (e.g. 10.XXX is a grant from the USDA).

Clusters of Programs – Closely related programs with different CFDA numbers that share common compliance requirements are to be considered a cluster of programs. The only program clusters presented on the Schedule are those mandated by OMB in the Circular A-133, *Compliance Supplement*.

B. Type A and Type B Programs

The Single Audit Act Amendments of 1996 and OMB Circular A-133 establish the levels of expenditures to be used in defining Type A and Type B federal financial assistance programs. Type A assistance programs for the State of North Dakota are those programs that exceeded $9,652,469 in federal expenditures, distributions, or issuances for the two-year period ended June 30, 2014.

C. Reporting Entity

The Schedule includes all federal financial assistance programs administered by those State departments and entities included in the State's Comprehensive Annual Financial Report, except the departments audited by independent public accounting firms that file their own single audit with the federal clearinghouse. The departments not included in the Schedule are: Housing and Finance, Bank of North Dakota, Job Service North Dakota, Guaranteed Student Loan, Student Loan Trust, and Public Finance Authority.

D. Basis of Accounting

Federal financial assistance expenditures included in the Schedule are reported using the modified accrual basis of accounting, except for the following: colleges, universities, and enterprise entities reported expenditures on the accrual basis; the Department of Human Services, Department of Public Instruction, Division of Emergency Services, Office of the Governor, Secretary of State, Information Technology Department, State Library, Veterans' Home, Insurance Department, Department of Agriculture, State Historical Society, and Council on the Arts reported expenditures on the cash basis; and the Health Department reported expenditures on the cash basis plus accrued payroll and accrued indirect costs.

Indirect Costs – The Schedule includes a portion of costs associated with general activities which are allocated to federal financial assistance programs under negotiated indirect cost rates or cost allocation plans.

Matching Costs – The Schedule does not include matching expenditures.

Nonmonetary Assistance – The Schedule contains values for several nonmonetary assistance programs. The Commodities and Vaccine programs are presented at the federally assigned values of the products distributed by the state. The Surplus Property program is presented at the fair market value of property received. The fair market value was estimated to be 23.3% of the property's original federal acquisition value.

Loan and Loan Guarantee Programs – Information on federal loan and federal loan guarantee programs is included in the Notes to the Schedule instead of on the Schedule itself.

Federal Transactions Between State Entities – Some state entities transfer federal assistance to other state entities (i.e., a pass-through of funds by the primary recipient state entity to a subrecipient state entity). In this case, the expenditures are recognized by the primary state entity on the Schedule of Expenditures of Federal Awards. Purchases of services between state entities using federal moneys are reported as expenditures by the purchasing entity and as revenues for services rendered by the providing entity.

Supplemental Nutrition Assistance Program (SNAP) Expenditures – The Supplemental Nutrition Assistance Program (SNAP) is presented at the dollar value of food stamp electronic benefit transfers authorized and used by recipients.

NOTE 3. NONMONETARY ASSISTANCE INVENTORY

As described previously in Note 2, nonmonetary assistance is reported in the Schedule based on the amount disbursed. At June 30, 2014 and 2013, the inventory balances of nonmonetary assistance were as follows:

Nonmonetary Assistance	June 30, 2014	June 30, 2013
Food Commodities	$ 1,124,622	$ 1,236,641
Donated Surplus Property	3,712,667	2,840,585
Vaccines	1,807,194	1,807,244
Total Inventory Balance	$ 6,644,483	$ 5,884,470

NOTE 4. LOAN PROGRAMS

The state administers two loan programs with continuing compliance requirements other than Student Financial Aid. At June 30, 2014 and 2013, the amount of loans receivable for each loan program were as follows:

Loan Program	CFDA #	FY14	FY13
Community Development Block Grants/State's Program	14.228	$ 6,039,933	$ 7,005,615
HOME Investment Partnerships Program	14.239	1,781,925	1,804,538
Total Loans Receivable		$ 7,821,858	$ 8,810,153

NOTE 5. STUDENT FINANCIAL AID PROGRAMS

Expenditures as included on the Schedule of Expenditures of Federal Awards for student financial assistance programs include refunds to grantors, administrative expenses, collection costs, litigation costs, etc.

Advances to students, loans receivable, and federal capital contributions for applicable loan programs for the fiscal years ended June 30, 2014 and 2013 are identified below:

DESCRIPTION	CFDA #	FY14	FY13
LOAN ADVANCES:			
Health Professions Student Loan Program including Primary Care/Loans for Disadvantaged Students	93.342	$ 55,009	$ 58,950

Nursing Student Loan Program	93.364	442,791	437,677
Nursing Faculty Loan Program	93.264	15,506	34,672
Federal Direct Student Loans	84.268	171,651,857	177,340,643
Federal Perkins Loan Program	84.038	4,928,776	3,803,498
TOTAL ADVANCES		$ 177,093,939	$ 181,675,440
LOANS RECEIVABLE:			
Health Professions Student Loan Program including Primary Care/Loans for Disadvantaged Students	93.342	$ 532,133	$ 527,590
Nursing Student Loan Program	93.364	2,872,717	2,966,462
Nursing Faculty Loan Program	93.264	153,840	143,072
Federal Direct Student Loans	84.268	-	-
Federal Perkins Loan Program	84.038	35,087,247	35,391,429
TOTAL LOANS RECEIVABLE		$ 38,645,937	$ 39,028,553
FEDERAL CAPITAL CONTRIBUTIONS:			
Health Professions Student Loan Program including Primary Care/Loans for Disadvantaged Students	93.342	$ -	$ -
Nursing Student Loan Program	93.364	25,092	7,098
Nursing Faculty Loan Program	93.264	-	-
Federal Direct Student Loans	84.268	-	-
Federal Perkins Loan Program	84.038	-	-
TOTAL CAPITAL CONTRIBUTIONS		$ 25,092	$ 7,098

Loan advances represent new loans made directly by the institution for the Perkins, Nursing, and Health Professions loan programs. The colleges and universities are responsible for completing portions of the loan application, verifying student eligibility, filing enrollment verification reports, refunding money to lenders, and disbursing loan checks received from the lending institutions for Federal Family Education Loans.

Loans receivable are shown at gross and are derived from the financial records of the applicable college or university.

Federal capital contributions represent new federal funds received during the appropriate fiscal year and are derived from the financial records of the applicable college or university.

NOTE 6. SUBRECIPIENTS

State agencies administer a number of federal grants that in part or whole are provided to subrecipients. The amounts provided to subrecipients by state agencies are shown below by program title, federal agency, CFDA number, and year:

STATE OF NORTH DAKOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2014 and 2013

Program Title	Federal Agency	CFDA Number	2014	2013
Agricultural Research - Basic and Applied Research	USDA	10.001	$	$ 6,634
Specialty Crop Block Grant Program - Farm Bill	USDA	10.170	293,336	246,537
Organic Certification Cost Share Programs	USDA	10.171		101,240
Grants for Agricultural Research, Special Research Grants	USDA	10.200	107,798	217,698
Higher Education - Institution Challenge Grants Program	USDA	10.217		11,579
Integrated Programs	USDA	10.303	201,581	
Agriculture and Food Research Initiative (AFRI)	USDA	10.310	680,995	974,569
Farm Business Management and Benchmarking Competitive Grants Program	USDA	10.319	264,443	48,047
Cooperative Extension Service	USDA	10.500	5,013	
School Breakfast Program	USDA	10.553	4,501,439	4,299,361
National School Lunch Program	USDA	10.555	20,873,278	19,534,171
Special Milk Program for Children	USDA	10.556	22,549	24,306
Special Supplemental Nutrition Program for Women, Infants, and Children	USDA	10.557	3,062,562	3,029,724
Child and Adult Care Food Program	USDA	10.558	9,957,597	9,930,677
Summer Food Service Program for Children	USDA	10.559	480,049	446,708
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	USDA	10.561	51,947	66,545
Commodity Supplemental Food Program	USDA	10.565	579,271	652,266
Food Distribution Program on Indian Reservations	USDA	10.567	3,921,610	3,635,007
Emergency Food Assistance Program (Administrative Costs)	USDA	10.568	5,658	45,218
Emergency Food Assistance Program (Food Commodities)	USDA	10.569	376,993	439,453
Team Nutrition Grants	USDA	10.574	19,039	63,500
Fresh Fruit and Vegetable Program	USDA	10.582	1,708,166	1,651,467
Cooperative Forestry Assistance	USDA	10.664	646,725	526,728
Schools and Roads - Grants to States	USDA	10.665	381	630
Forest Health Protection	USDA	10.680	18,523	6,106
Environmental Quality Incentives Program	USDA	10.912	88,532	7,227
Economic Development - Technical Assistance	DOC	11.303	3,418	70,160
Applied Meteorological Research	DOC	11.468		34,186
Payments to States in Lieu of Real Estate Taxes	DOD	12.112		106,475
Basic and Applied Scientific Research	DOD	12.300		477,346
Military Medical Research and Development	DOD	12.420	9,844	374,516
Basic Scientific Research	DOD	12.431	37,415	549,824
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	HUD	14.228	6,062,179	7,825,665
Emergency Solutions Grant Program	HUD	14.231	473,255	474,580
Shelter Plus Care	HUD	14.238	235,584	159,272
HOME Investment Partnerships Program	HUD	14.239	1,948,341	2,406,836
ARRA - Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	HUD	14.257		22,053

Distribution of Receipts to State and Local Governments	DOI	15.227	4,091	6,201
Flood Control Act Lands	DOI	15.433	45,533,606	23,634,710
Late Disbursement Interest	DOI	15.436	74	157
Minerals Leasing Act	DOI	15.437	24,843,245	14,289,813
Sport Fish Restoration Program	DOI	15.605	588,114	1,256,869
Wildlife Restoration and Basic Hunter Education	DOI	15.611	583,953	636,528
Enhanced Hunter Education and Safety Program	DOI	15.626	91,369	
State Wildlife Grants	DOI	15.634	237,402	398,498
Migratory Bird Joint Ventures	DOI	15.637		33,874
Outdoor Recreation - Acquisition, Development and Planning	DOI	15.916	278,574	130,779
Sexual Assault Services Formula Program	DOJ	16.017	226,304	174,753
Juvenile Accountability Block Grants	DOJ	16.523	108,438	140,827
Juvenile Justice and Delinquency Prevention - Allocation to States	DOJ	16.540	600,000	400,000
Missing Children's Assistance	DOJ	16.543	193,248	10,942
Crime Victim Compensation	DOJ	16.576	1,097,804	1,203,679
Violence Against Women Formula Grants	DOJ	16.588	693,341	731,497
Project Safe Neighborhoods	DOJ	16.609		23,705
Public Safety Partnership and Community Policing Grants	DOJ	16.710	14,864	
Edward Byrne Memorial Justice Assistance Grant Program	DOJ	16.738	138,667	277,933
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	DOJ	16.803		246,514
Second Chance Act Reentry Initiative	DOJ	16.812	75,063	177,669
Senior Community Service Employment Program	DOL	17.235	319,981	520,977
Incentive Grants - WIA Section 503	DOL	17.267	8,469	127,793
Mine Health and Safety Grants	DOL	17.600	20,745	
ARRA - Highway Planning and Construction	DOT	20.205		67,249
Highway Planning and Construction	DOT	20.205	7,879,134	21,704,836
Recreational Trails Program	DOT	20.219	293,994	308,254
Federal Transit - Capital Investment Grants	DOT	20.500	47,800	739,598
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	DOT	20.505	2,425,718	2,101,020
ARRA - Formula Grants for Rural Areas	DOT	20.509		213,429
Formula Grants for Rural Areas	DOT	20.509	4,023,840	3,938,221
Enhanced Mobility of Seniors and Individuals with Disabilities	DOT	20.513	626,940	120,600
Job Access And Reverse Commute Program	DOT	20.516	262,522	344,067
New Freedom Program	DOT	20.521	146,116	251,815
State and Community Highway Safety	DOT	20.600	404,246	351,807
Alcohol Impaired Driving Countermeasures Incentive Grants I	DOT	20.601	538,832	529,954
Incentive Grant Program to Increase Motorcyclist Safety	DOT	20.612	36,705	107,994
University Transportation Centers Program	DOT	20.701	1,856,291	804,326

Interagency Hazardous Materials Public Sector Training and Planning Grants	DOT	20.703	116,945	76,694
National Infrastructure Investments	DOT	20.933	7,336,370	2,663,630
Accelerated Safety Activity Program	DOT	20.XXX		235
Helicopter Lighting System	DOT	20.XXX	58,500	
Science	NASA	43.001	95,627	
Climate Change Communications: Engineering, Environmental Science, and Education(C3E3)	NASA	43.XXX	1,930	
Communicating Climate Change	NASA	43.XXX	4,904	2,457
Integrated Strategies for the Human Exploration of the Moon and Mars	NASA	43.XXX	8,836	35,087
North Dakota NASA Space Grant Consortium FY 2010-2014	NASA	43.XXX	12,562	
Research Opportunities in Space and Earth Sciences - 2009	NASA	43.XXX	10,153	
Upper Midwest Aerospace Consortium	NASA	43.XXX	69,997	134,946
Promotion of the Arts - Partnership Agreements	NEA	45.025	563,045	
Mathematical and Physical Sciences	NSF	47.049		48,471
Computer and Information Science and Engineering	NSF	47.070		3,914
Biological Sciences	NSF	47.074	7,039	542,125
Social, Behavioral, and Economic Sciences	NSF	47.075	18,910	
Education and Human Resources	NSF	47.076	45,007	23,130
Polar Programs	NSF	47.078	19,636	
Office of Experimental Program to Stimulate Competitive Research	NSF	47.081	681,490	603,946
ARRA - Trans-NSF Recovery Act Research Support	NSF	47.082	82,239	522,954
Trans-NSF Recovery Act Research Support	NSF	47.082	1,640	
Small Business Development Centers	SBA	59.037	167,096	93,500
State Clean Diesel Grant Program	EPA	66.040	79,862	406,000
Water Quality Management Planning	EPA	66.454	5,340	46,664
Nonpoint Source Implementation Grants	EPA	66.460	3,495,678	4,249,463
Great Lakes Program	EPA	66.469		65,479
Performance Partnership Grants	EPA	66.605	58,900	85,605
ARRA - Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	EPA	66.802		15,005
ARRA - State Energy Program	DOE	81.041		1,109,479
State Energy Program	DOE	81.041	520,240	79,951
ARRA - Weatherization Assistance for Low-Income Persons	DOE	81.042		6,188
Weatherization Assistance for Low-Income Persons	DOE	81.042	200,135	2,426,509
Office of Science Financial Assistance Program	DOE	81.049		766,564
ARRA - Renewable Energy Research and Development	DOE	81.087	360,198	132,230
Renewable Energy Research and Development	DOE	81.087	51,049	103,048
Fossil Energy Research and Development	DOE	81.089	741,397	780,472

ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	DOE	81.128		1,313,602
Adult Education - Basic Grants to States	ED	84.002	377,515	509,118
Title I Grants to Local Educational Agencies	ED	84.010	31,911,802	34,664,385
Migrant Education - State Grant Program	ED	84.011	245,953	284,166
Special Education - Grants to States	ED	84.027	23,385,507	25,181,822
Career and Technical Education - Basic Grants to States	ED	84.048	2,103,244	2,581,186
Fund for the Improvement of Postsecondary Education	ED	84.116		8,802
Rehabilitation Services - Vocational Rehabilitation Grants to States	ED	84.126	61,888	64,188
Independent Living - State Grants	ED	84.169	352,952	277,308
Special Education - Preschool Grants	ED	84.173	638,893	758,647
Safe and Drug-Free Schools and Communities - State Grants	ED	84.186		6,993
Education for Homeless Children and Youth	ED	84.196	110,890	107,999
Even Start - State Educational Agencies	ED	84.213		91,166
Assistive Technology	ED	84.224	435,863	467,087
Twenty-First Century Community Learning Centers	ED	84.287	4,333,338	4,712,021
Educational Technology State Grants	ED	84.318		348,698
Special Education - State Personnel Development	ED	84.323	91,906	31,314
Rural Education	ED	84.358	37,989	85,487
English Language Acquisition State Grants	ED	84.365	357,311	353,483
Improving Teacher Quality State Grants	ED	84.367	9,717,514	10,525,012
Grants for State Assessments and Related Activities	ED	84.369		500
School Improvement Grants	ED	84.377	1,252,701	1,730,127
ARRA - Education Technology State Grants, Recovery Act	ED	84.386		93,168
ARRA - School Improvement Grants, Recovery Act	ED	84.388		1,422,674
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	ED	84.389		1,636,979
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	HHS	93.044		158,279
Special Programs for the Aging - Title III, Part C - Nutrition Services	HHS	93.045	280,046	
Public Health Emergency Preparedness	HHS	93.069	1,863,853	2,699,695
Affordable Care Act (ACA) Personal Responsibility Education Program	HHS	93.092	183,199	92,303
Maternal and Child Health Federal Consolidated Programs	HHS	93.110	24,244	150,122
Oral Diseases and Disorders Research	HHS	93.121		41,098
Injury Prevention and Control Research and State and Community Based Programs	HHS	93.136	57,523	62,750
Rural Health Research Centers	HHS	93.155	243,645	104,178

Grants to States for Loan Repayment Program	HHS	93.165	109,578	
Family Planning - Services	HHS	93.217	592,451	676,999
Development and Coordination of Rural Health Services	HHS	93.223	198,863	173,206
Affordable Care Act (ACA) Abstinence Education Program	HHS	93.235	8,755	
Grants to States to Support Oral Health Workforce Activities	HHS	93.236	25,399	181,200
State Rural Hospital Flexibility Program	HHS	93.241	302,520	352,539
Immunization Cooperative Agreements	HHS	93.268	7,568,629	7,400,149
Alcohol Research Programs	HHS	93.273		158,070
Drug Abuse and Addiction Research Programs	HHS	93.279	27,322	22,947
Centers for Disease Control and Prevention - Investigations and Technical Assistance	HHS	93.283	325,434	335,440
Small Rural Hospital Improvement Grant Program	HHS	93.301	247,067	228,253
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	HHS	93.521	19,016	9,608
The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes Coordinated Chronic Disease prevention and Health Promotion Program	HHS	93.544	5,000	
Promoting Safe and Stable Families	HHS	93.556		276,830
Temporary Assistance for Needy Families	HHS	93.558	4,016,929	5,651,309
Child Support Enforcement	HHS	93.563	133,453	130,356
Refugee and Entrant Assistance - State Administered Programs	HHS	93.566	560,976	446,591
Low-Income Home Energy Assistance	HHS	93.568	5,084	148,868
Community Services Block Grant	HHS	93.569	3,134,829	3,175,227
Child Care and Development Block Grant	HHS	93.575	1,877,036	1,208,562
Refugee and Entrant Assistance - Discretionary Grants	HHS	93.576	87,522	116,341
Community-Based Child Abuse Prevention Grants	HHS	93.590		115,962
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	HHS	93.596	637,884	544,244
Developmental Disabilities Basic Support and Advocacy Grants	HHS	93.630	221,055	332,065
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	HHS	93.632		10,215
Children's Justice Grants to States	HHS	93.643		25,892
Stephanie Tubbs Jones Child Welfare Services Program	HHS	93.645		151,135
Social Services Research and Demonstration	HHS	93.647	57,697	40,410
Foster Care - Title IV-E	HHS	93.658	3,530,900	3,417,404
Adoption Assistance	HHS	93.659	58,273	52,720

Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	HHS	93.671	679,921	717,528
Chafee Foster Care Independence Program	HHS	93.674		447,302
PPHF Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges	HHS	93.750	150,106	
Children's Health Insurance Program	HHS	93.767	44,167	60,043
Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	HHS	93.768		2,416
Medical Assistance Program	HHS	93.778	120,602	83,833
Diabetes, Digestive, and Kidney Diseases Extramural Research	HHS	93.847	49,312	12,599
Allergy, Immunology and Transplantation Research	HHS	93.855	3,704	
Biomedical Research and Research Training	HHS	93.859	390,739	398,021
National Bioterrorism Hospital Preparedness Program	HHS	93.889	912,575	991,099
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	HHS	93.938		30,404
Assistance Programs for Chronic Disease Prevention and Control	HHS	93.945	5,000	
Block Grants for Community Mental Health Services	HHS	93.958		88,916
Health Professions Recruitment Program for Indians	HHS	93.970	80,598	43,498
Preventive Health Services - Sexually Transmitted Diseases Control Grants	HHS	93.977	8,027	7,956
Preventive Health and Health Services Block Grant	HHS	93.991	10,737	26,413
Maternal and Child Health Services Block Grant to the States	HHS	93.994	697,545	854,183
AmeriCorps	CNCS	94.006	577,591	438,601
High Intensity Drug Trafficking Areas Program	EOP	95.001	27,108	166,990
Boating Safety Financial Assistance	DHS	97.012	29,332	44,197
Flood Mitigation Assistance	DHS	97.029		22,936
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	DHS	97.036	36,160,216	49,743,869
Hazard Mitigation Grant	DHS	97.039	12,329,245	2,722,334
Emergency Management Performance Grants	DHS	97.042	1,507,123	1,377,859
Pre-Disaster Mitigation	DHS	97.047		26,690
Emergency Operations Center	DHS	97.052		106,403
Interoperable Emergency Communications	DHS	97.055		78,513
Homeland Security Grant Program	DHS	97.067	3,639,502	5,870,826
			$324,894,334	$329,807,273

STATE OF NORTH DAKOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Years Ended June 30, 2014 and 2013
Index

		PAGE NO.
Section I	**Summary of Auditors' Results**	72
Section II	**Financial Statement Findings**	75
Section III	**Findings and Questioned Costs for Federal Awards**	82

STATE AGENCY	CFDA NUMBER	FEDERAL AGENCY	FINDING NUMBER
Department of Health	93.069	HHS	2014-001
Department of Human Services	93.777/93.778	HHS	2014-002
Department of Human Services	93.777/93.778	HHS	2014-003
Department of Human Services	93.777/93.778	HHS	2014-004
Department of Human Services	93.777/93.778	HHS	2014-005
Department of Human Services	93.777/93.778	HHS	2014-006
Department of Human Services	93.777/93.778	HHS	2014-007
Department of Human Services	93.777/93.778	HHS	2014-008
Department of Human Services	93.777/93.778	HHS	2014-009
Department of Human Services	93.777/93.778	HHS	2014-010
Department of Human Services	93.777/93.778	HHS	2014-011
Department of Human Services	93.777/93.778	HHS	2014-012
Department of Human Services	93.777/93.778	HHS	2014-013
Department of Human Services	93.777/93.778	HHS	2014-014
Department of Human Services	93.575/93.596	HHS	2014-015
Department of Human Services	93.575/93.596	HHS	2014-016
Department of Human Services	93.575/93.596	HHS	2014-017
Department of Human Services	93.575/93.596	HHS	2014-018
Department of Human Services	93.575/93.596	HHS	2014-019
Department of Human Services	93.575/93.596	HHS	2014-020
Department of Human Services	93.575/93.596	HHS	2014-021
Department of Human Services	93.575/93.596/93.044/ 93.045/93.053	HHS	2014-022
Department of Human Services	93.767	HHS	2014-023
Department of Human Services	93.767	HHS	2014-024
Department of Human Services	93.568	HHS	2014-025
Department of Human Services	93.658	HHS	2014-026

Department of Human Services	93.558	HHS	2014-027
Department of Human Services	93.563	HHS	2014-028
Department of Human Services	Various	Various	2014-029
Department of Public Instruction	Various	Various	2014-030
Department of Transportation	20.205	DOT	2014-031
Department of Transportation	20.205	DOT	2014-032
Department of Transportation	20.205	DOT	2014-033
Department of Transportation	20.205	DOT	2014-034
Department of Transportation	20.205	DOT	2014-035
Department of Transportation	20.509	DOT	2014-036
Department of Transportation	20.933	DOT	2014-037
Department of Transportation	Various	Various	2014-038
Game and Fish Department	15.605/15.611	DOI	2014-039
Highway Patrol	20.218	DOT	2014-040
Office of the Adjutant General	97.039/97.036	DHS	2014-041
Office of the Adjutant General	97.067	DHS	2014-042
Office of the Adjutant General	12.401	DOD	2014-043
Office of the Attorney General	Various	DOJ	2014-044
Office of the State Treasurer	15.433/15.437	DOI	2014-045
Bismarck State College/Dakota College at Bottineau/Dickinson State University/Minot State University/North Dakota State School of Science/North Dakota State University/Valley City State University/Williston State College	Various	ED	2014-046

Bismarck State College/Dickinson State University/North Dakota State School of Science/University of North Dakota/Williston State College	Various	ED	2014-047
Dakota College at Bottineau/ Williston State College	Various	ED	2014-048
North Dakota State College of Science	Various	ED	2014-049
Williston State College	Various	ED	2014-050
North Dakota State University	10.001/10.xxx	USDA	2014-051
North Dakota State University	Various	Various	2014-052
Bismarck State College/Williston State College/North Dakota State University/Dickinson State University/North Dakota State University Office/Valley City State University/University of North Dakota/North Dakota State School of Science/Lake Region State College/Minot State University/Dakota College at Bottineau/Mayville State University	Various	Various	2014-053

SECTION I
SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Type of auditors' report issued on compliance for major programs:	Qualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.551/10.561	SNAP Cluster
10.553/10.555/10.556/ 10.559	Child Nutrition Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program
10.567	Food Distribution Program on Indian Reservations

CFDA Number(s)	Name of Federal Program or Cluster
12.401	National Guard Military Operations and Maintenance (O&M) Projects
14.228/14.255	CDBG – State-Administered CDBG Cluster
15.433	Flood Control Act Lands
15.437	Mineral Leasing Act
15.605/15.611	Fish and Wildlife Cluster
16.738/16.803	JAG Program Cluster
20.205/20.219	Highway Planning and Construction Cluster
20.218	National Motor Carrier Safety
20.933	National Infrastructure Investments
66.460	Nonpoint Source Implementation Grants
84.181	Special Education-Grants for Infants and Families
84.367	Improving Teacher Quality State Grants
93.044/93.045/93.053	Aging Cluster
93.069	Public Health Emergency Preparedness
93.268	Immunization Cooperative Agreements
93.558/93.714	TANF Cluster
93.563	Child Support Enforcement
93.575/93.596/93.713	CCDF Cluster
93.658	Foster Care – Title IV-E
93.719	ARRA – State Grants to Promote Health Information Technology
93.777/93.778	Medicaid Cluster
93.767	Children's Health Insurance Program
93.959	Block Grants for Prevention and Treatment of Substance Abuse
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
97.039	Hazard Mitigation Grant
97.067	Homeland Security Grant Program

STATE OF NORTH DAKOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Years Ended June 30, 2014 and 2013

CFDA Number(s)	Name of Federal Program or Cluster
84.007/84.033/84.037/ 84.038/84.063/84.268/ 84.375/84.376/84.379/ 93.264/93.364/93.342/ 93.407/93.925	Student Financial Assistance Cluster
R & D	Research and Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $9,652,469

Auditee qualified as a low risk auditee? No

SECTION II
FINANCIAL STATEMENT FINDINGS

FINDING NUMBER: F13-1

Lack of Controls Over Financial Statement Adjustments

Condition:
The Office of Management and Budget does not have adequate internal control to ensure adjustments being made to the financial statements contained in the Comprehensive Annual Financial Report (CAFR) are proper. Errors in adjustments made to the fund financial statements totaled $54.2 million. Errors in adjustments made to the government-wide financial statements totaled $26.6 million.

Effect:
The financial statements are at risk of being misstated.

Cause:
Due to time constraints in producing the CAFR, adjustments are not always thoroughly investigated.

Criteria:
Review and approval procedures are identified as important controls by COSO (*Internal Control – Integrated Framework* by the Committee of Sponsoring Organization of the Treadway Commission).

Recommendation:
We recommend the Office of Management and Budget ensure all CAFR adjustments are adequately reviewed for accuracy and ensure all government-wide adjustments are based off the most current fund statements.

Views of Responsible Officials / Planned Corrective Actions:
The Office of Management and Budget agrees with the recommendation. We will continue to work with agencies to receive information in a timely manner, and review legislation to ensure the appropriate amount of time is available to properly code and review adjustments.

FINDING NUMBER: F13-2 (Prior Audit Finding)

Improper Capital Asset Reporting

Condition:
The Office of Management and Budget (OMB) does not have adequate internal control to ensure capital assets are properly reported and the Department of Corrections and Rehabilitation (DOCR) does not have adequate controls in place to ensure proper capitalization of buildings and proper reporting of construction in progress. Errors were found during the audit of the 2012 Comprehensive Annual Financial Report (CAFR) on the construction in progress closing package of DOCR. OMB was notified of these errors and the necessity to follow up to ensure proper amounts were being reported in 2013, yet every number reported by DOCR on

the 2013 construction in progress closing package was incorrect as was the amount capitalized in the PeopleSoft Asset Management system for the one building completed during 2013 (overstated by $8.9 million). The errors in the construction in progress included improper additions to (understated $14.1 million) and deletions from (overstated $6.6 million) construction in progress and an incorrect ending balance in construction in progress (overstated by $2.8 million). With the additional information obtained from DOCR to calculate the errors for 2013, it was noted that additional, undiscovered errors existed in 2012 resulting in a prior period adjustment to construction in progress of $17.9 million.

Effect:
Capital assets and the related note disclosures are at risk of being misstated.

Cause:
Better training and communication is needed along with clearer reporting guidelines (CAFR closing packages).

Criteria:
The publication *Internal Control – Integrated Framework* from the Committee of Sponsoring Organizations (COSO) of the Treadway Commission includes chapters on information and communication and control activities that address these areas.

Recommendation:
We recommend the Office of Management and Budget evaluate controls surrounding capital assets to: 1) improve information and communication, including where necessary, applicable training covering accounting for building projects as well as proper reporting on closing packages; and 2) where applicable, add preventative or detective controls as necessary.

We recommend the Department of Commerce and Rehabilitation implement controls to ensure construction in progress is properly accounted for and reported and capital assets are properly valued.

Views of Responsible Officials / Planned Corrective Actions:
The Office of Management and Budget agrees with the recommendation. We will continue to train and communicate with the agencies to ensure closing packages are completed accurately. We also plan to develop preventative and detective controls for all building projects within the state.

The Department of Corrections and Rehabilitation concurs with the above recommendation. Internal controls have been implemented to ensure capital assets are properly reported and valued.

FINDING NUMBER: F13-3 (Prior Audit Finding)

Improper Reconciliation of Motor Vehicle Clearing Account

Condition:
The Department of Transportation is not properly reconciling the motor vehicle clearing account. Monies are transferred to the State Treasurer on a monthly basis, however the Department of Transportation is unable to completely identify the proper allocation of the remaining funds. Consequently, monies remain undisbursed from the motor vehicle clearing account each month.

Effect:
Without a proper reconciliation, there is an unacceptably high risk of errors in the management of the motor vehicle clearing account and monthly transfer to the State Treasurer and related distributions.

Cause:
The Vehicle Registration and Titling System was not designed to provide the necessary reconciliations.

Criteria:
Proper reconciliation procedures are identified as critically important controls by COSO (*Internal Control – Integrated Framework* by the Committee of Sponsoring Organizations of the Treadway Commission).

Recommendation:
We recommend the Department of Transportation properly reconcile the motor vehicle clearing account.

Views of Responsible Officials / Planned Corrective Actions:
NDDOT agrees with the finding and recommendation.

It should be noted that Motor Vehicle management and NDDOT internal staff have reviewed the collection and deposit activities for the Motor Vehicle Division and have determined that all revenues received are being deposited into the Motor Vehicle clearing account in the Bank of North Dakota.

Existing controls as well as controls that have been implemented are designed to ensure segregation of duties and verification that all funds are properly deposited and accounted for. Existing controls include the following: Online transactions are automatically deposited into the Motor Vehicle Clearing account at the Bank of North Dakota. In-house transactions are reconciled daily to the daily drawer report from the Vehicle Registration Titling System (VRTS). Motor Carrier funds received in house are reconciled daily to the Commercial Vehicle Information System Network (CVISN).

Controls that have been implemented include: Each month the Bank of North Dakota clearing account is reconciled to ensure that proper supporting documentation is attached for all debits and credits passing through the account during the month. Branch payments are reconciled to drawer reports from VRTS once received in the Bismarck office. Should Motor Vehicle or Motor

Carrier drawer report be over/short cash the discrepancy is tracked and reported to the employee's supervisor. This ensures that there are no patterns or consistency in the same individual having discrepancies. Motor Vehicle accounting staff has created a schedule to conduct random audits of any employee using a cash drawer. Each drawer will be audited once per quarter to ensure that the drawer is being used for its intended purpose and that all moneys are accounted for throughout the day.

All funds are properly deposited and accounted for in the clearing account; however, the problem lies in the fact that the funds are not all being distributed out of the clearing account and transferred to the ND State Treasurer's Office for subsequent distribution.

Reconciliation of the motor vehicle clearing account is a very complex undertaking. The primary system involved in the processing of the related transactions is the Vehicle Titling and Registration System (VRTS). This system is extremely complex and it is used to process a multitude of unique transactions that are allocated to many separate funds as directed by our legislature. The reconciliation problems that have been encountered likely stem from procedural and/or information technology issues as related to the VRTS system since the VRTS system was not designed to have a financial reconciliation function. Also, any problems with distribution may stem from the fact that the current VRTS system is incapable of handling the complex and multiple distributions required by law.

To attempt to resolve this issue, NDDOT assembled a large, multi-disciplinary task force made up of individuals with accounting, auditing, Motor Vehicle, and information technology expertise. This group actively worked on the reconciliation project for more than two years. Each unique category of transaction was researched, mapped and traced through the VRTS system in a test environment. As discrepancies were revealed through this process, procedural and/or information technology solutions were developed, implemented, and further tested to ensure that a satisfactory solution was put in place.

While the task force identified and resolved several issues affecting the reconciliation, they were not able to fully reconcile the Motor Vehicle clearing account.

NDDOT addressed the VRTS problems with the 2013 Legislature. It was emphasized that the VRTS system is approximately 12 years old and has major deficiencies that very significantly hinder the ability to meet the current Motor Vehicle registration and reporting needs, including the account reconciliation issue. To address the numerous problems with the VRTS system, the 2013 Legislature approved a major IT project to replace the system and appropriated funding for the replacement. Accordingly, the NDDOT efforts to reconcile the clearing account under the VRTS system have been discontinued and efforts are now focused on obtaining and implementing a replacement to the VRTS system. One of the requirements for the new system is that it must fully support reconciliation of all related accounts.

FINDING NUMBER: F14-1 (Prior Audit Finding)

Improper Reconciliation of Motor Vehicle Clearing Account

Condition:
The Department of Transportation is not properly reconciling the motor vehicle account. Monies are transferred to the State Treasurer on a monthly basis, but the Department of Transportation is unable to completely identify the proper allocation of the remaining funds. Consequently, monies remain undisbursed from the motor vehicle clearing account each month.

Effect:
Without a proper reconciliation, there is an unacceptably high risk of errors in the management of the motor vehicle clearing account and monthly transfer to the State Treasurer and related distributions.

Cause:
The Department of Transportation failed to implement this recommendation in the past two audits as the Vehicle Registration and Titling System (VRTS) was not designed to provide the necessary reconciliation.

Criteria:
Proper reconciliation procedures are identified as critically important controls by COSO (*Internal Control – Integrated Framework* by the Committee of Sponsoring Organizations of the Treadway Commission).

Recommendation:
We recommend the Department of Transportation implement procedures to properly reconcile the motor vehicle clearing account.

Views of Responsible Officials / Planned Corrective Actions:
NDDOT agrees with the finding and recommendation.

It should be noted that Motor Vehicle management and NDDOT internal audit staff have reviewed the collection and deposit activities for the Motor Vehicle Division and have determined that all revenues received are being deposited into the Motor Vehicle clearing account in the Bank of North Dakota.

Existing controls as well as controls that have been implemented are designed to ensure segregation of duties and verification that all funds are properly deposited and accounted for. Existing controls include the following: Online transactions are automatically deposited into the Motor Vehicle Clearing account at the Bank of North Dakota. In-house transactions are reconciled daily to the daily drawer report from the Vehicle Registration Titling System (VRTS). Motor Carrier funds received in-house are reconciled daily to the Commercial Vehicle Information System Network (CVISN).

Controls that have been implemented include: Each month the Bank of North Dakota clearing account is reconciled to ensure that proper supporting documentation is attached for all debits and credits passing through the account during the month. Branch payments are reconciled to

drawer reports from VRTS once received in the Bismarck office. Should Motor Vehicle or Motor Carrier drawer report be over/short cash the discrepancy is tracked and reported to the employee's supervisor. This ensures that there are no patterns or consistency in the same individual having discrepancies. Motor Vehicle accounting staff has created a schedule to conduct random audits of any employee using a cash drawer. Each drawer will be audited once per quarter to ensure that the drawer is being used for its intended purpose and that all moneys are accounted for throughout the day.

All funds are properly deposited and accounted for in the clearing account; however, the problem lies in the fact that the funds are not all being distributed out of the clearing account and transferred to the ND State Treasurer's Office for subsequent distribution.

Reconciliation of the motor vehicle clearing account is a very complex undertaking. The primary system involved in the processing of the related transactions is the Vehicle Titling and Registration System (VRTS). This system is extremely complex and it is used to process a multitude of unique transactions that are allocated to many separate funds as directed by our legislature. The reconciliation problems that have been encountered likely stem from procedural and/or information technology issues as related to the VRTS system since the VRTS system was not designed to have a financial reconciliation function. Also, any problems with distribution may stem from the fact that the current VRTS system is incapable of handling the complex and multiple distributions required by law.

To attempt to resolve this issue, NDDOT assembled a large, multi-disciplinary task force made up of individuals with accounting, auditing, Motor Vehicle, and information technology expertise. This group actively worked on the reconciliation project for more than two years. Each unique category of transaction was researched, mapped and traced through the VRTS system in a test environment. As discrepancies were revealed through this process, procedural and/or information technology solutions were developed, implemented, and further tested to ensure that a satisfactory solution was put in place.

While the task force identified and resolved several issues affecting the reconciliation, they were not able to fully reconcile the Motor Vehicle clearing account.

NDDOT addressed the VRTS problems with the 2013 Legislature. It was emphasized that the VRTS system is approximately 12 years old and has major deficiencies that very significantly hinder the ability to meet the current Motor Vehicle registration and reporting needs, including the account reconciliation issue. To address the numerous problems with the VRTS system, the 2013 Legislature approved a major IT project to replace the system and appropriated funding for the replacement. Accordingly, the NDDOT efforts to reconcile the clearing account under the VRTS system have been discontinued and efforts are now focused on obtaining and implementing a replacement to the VRTS system. Once of the requirements for the new system is that it must fully support reconciliation of all related accounts.

NDDOT has entered into a contract with an entity to replace the VRTS system. Work will commence on the new system in mid-February, 2015. The new system is expected to be operational by late summer of 2016.

FINDING NUMBER: F14-2

Taxes Receivable Errors

Condition:
The Office of the State Tax Commissioner's original taxes receivable closing package was misstated. Closing package amounts are used by the Office of Management and Budget to prepare the state's financial statements.

Effect:
Prior to corrections, taxes receivable were overstated by approximately $28 million and the allowance for doubtful accounts was overstated by approximately $18 million.

Cause:
Software consultants made last minute changes without notifying the appropriate personnel. This resulted in some of the amounts included in the taxes receivable balance to include accounts where payments were received by the Office of State Tax Commissioner on June 30, 2014, and therefore were no longer receivables at fiscal year-end.

Criteria:
The Office of Management and Budget requires closing packages to be in proper order to accurately prepare the state's financial statements.

Recommendation:
We recommend the Office of the State Tax Commissioner take steps to insure software changes are properly implemented and communicated to the necessary personnel.

Views of Responsible Officials / Planned Corrective Actions:
The Office of the State Tax Commissioner provided the Office of Management and Budget an adjusted taxes receivable closing package in time to be included in the state's 2014 financial statements. Procedures when backing out and reinstating program changes for taxes receivable reports are being updated to ensure changes are properly implemented and communicated to staff.

DEPARTMENT OF HEALTH

Finding 2014-001
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Disease Control and Prevention
CFDA # 93.069
Public Health Emergency Preparedness

Questioned Cost: $0

Condition:
The Health Department, Public Health Emergency Preparedness Program, does not have adequate subrecipient monitoring procedures. During fiscal year 2013 there were no desk reviews completed and during fiscal year 2014 one of the nine subrecipients selected for testing did not have a desk review completed.

Criteria:
The A-133 Compliance Supplement Part 3 states that monitoring activities normally occur throughout the year and may take various forms such as reviewing financial and performance reports submitted by the subrecipient.

Cause:
New grants management personnel were unable to locate any documentation pertaining to these reviews.

Effect:
Subrecipient noncompliance with federal requirements may go undetected.

Recommendation:
We recommend the Department of Health, Public Health Emergency Preparedness Program, strengthen subrecipient monitoring procedures surrounding desk reviews.

Department of Health Response/Corrective Action Plan:
The Public Health Emergency Preparedness program agrees with the recommendation identified above. In addition to desk reviews our monitoring program consists of extensive program contact with subrecipients through video conference, and submission and review of progress reports. The monitoring activities described herein continued during the audit target years of 2013 and 2014, as well as additional years. During the year 2014, we documented desk reviews for 52 out of 54 subrecipients. We acknowledge that we are not able to produce documentation of desk reviews that were completed for 2013 due to turnover in grant management staff. However, the substantial monitoring previously described, including annual desk reviews of local public health and tribal subrecipients, continues in the PHEP program.

DEPARTMENT OF HUMAN SERVICES

Finding 2014-002
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: $0

Condition:
The Surveillance Utilization Review Section (SURS) sampling plan was properly designed but not properly executed to identify suspected cases of fraud within the Medicaid Program. Some of the deficiencies include:

- Sampling activities are not consistently documented;
- Samples are not always expanded when errors are detected in accordance with the SURS sampling plan;
- A quarterly provider audit was not performed during the 4th quarter of 2013 and 1st quarter of 2014. Several ad hoc audits appear to have been done as replacement audits, however, no documentation exists to indicate the ad hoc audits were performed as replacement audits and the SURS sampling plan does not indicate that ad hoc audits can be performed instead of the required quarterly provider audits;
- Sampling results are not tracked in a manner to identify patterns that may indicate fraud or abuse; and
- The SURS did not sufficiently document and conclude on actions taken to identify fraud and abuse.

Criteria:
42 CFR part 455 requires states to have methods and criteria for identifying suspected fraud cases. One of those methods required is a properly designed and executed sampling plan.

The North Dakota SURS Sampling Plan outlines the type and frequency of audits to be performed, requires samples to be properly documented, and samples to be expanded when errors are detected.

Cause:
Failure to fully implement a prior Single Audit finding. The SURS sampling plan was not adequately followed.

Effect:
Significant provider and recipient errors could potentially exist with the North Dakota Medicaid program without being pursued or detected.

Recommendation:
We recommend the Department of Human Services ensure the SURS sampling activities are executed in accordance with the SURS sampling plan by ensuring:

- Sampling activities are properly documented;

- Samples are expanded when errors are detected in accordance with the SURS sampling plan;
- Quarterly audits are performed every quarter;
- Sampling results are tracked in manner to identify patterns of fraud and abuse; and
- Conclusions and actions taken to identify fraud and abuse are sufficiently documented.

Department of Human Services Response/Corrective Action Plan:
The Department will ensure the SURS sampling activities are executed in accordance with the SURS sampling plan.

Finding 2014-003
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster
Questioned Cost: $0

Condition:
The Surveillance Utilization Review Section (SURS) unit did not perform adequate preliminary investigations on cases of suspected fraud and abuse referred to the unit and did not adequately document the actions taken in the cases. Out of 20 suspected cases of fraud sampled, we identified 10 instances where SURS did not sufficiently document and conduct preliminary investigations of cases referred to them. Some of these cases may have ended in referrals to the States Attorney or Office of Inspector General (OIG).

In addition, no documentation was maintained by the SURS to indicate if cases were properly referred to the OIG. During the audit period $16,480 was recouped as a result of fraud investigations.

Criteria:
42 CFR part 455.13 requires states to have methods or criteria for identifying suspected fraud cases, methods for investigating these cases, and procedures, developed in cooperation with legal authorities, for referring suspected fraud cases to law enforcement officials.

42 CFR part 455.14 requires states to perform a preliminary investigation of Medicaid fraud or abuse reported to them to determine whether there is sufficient basis to warrant a full investigation.

42 CFR part 455.15 requires states to perform a full investigation or refer the case to an appropriate law enforcement agency if the findings of a preliminary investigation give the agency reason to believe that an incident of fraud or abuse has occurred in the Medicaid program.

Cause:
Failure to fully implement a prior Single Audit finding.

Effect:
Cases of fraud or abuse may not be investigated and /or prosecuted as required.

Recommendation:
We recommend the Department of Human Services ensure preliminary investigations are properly documented and performed on all cases of fraud and abuse referred to the unit, determine whether there is a sufficient basis to warrant a full investigation, and, when necessary, refer those cases to the proper authorities as required.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to improve our process for documenting preliminary investigations and when necessary, perform a full investigation or ensure they are referred to the proper authorities.

Finding 2014-004
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster
Questioned Cost: $0

Condition:
The Surveillance Utilization Review Section (SURS) unit does not operate independently of other Medicaid operations. We noted the following:

- The SURS Unit is organized within the Medical Services Division of the Department's organizational chart;
- The SURS Administrator is responsible to the Program Integrity Unit Administrator who is responsible to the Director of Medical Services;
- The SURS Fraud and Abuse Manual requires all quarterly and six month provider reviews to be prior approved by the Medical Services Director before execution; and
- A significant amount of SURS Unit resources were allocated to work on developing the new Medicaid Management Information System (MMIS).

Criteria:
Section N of the OMB A-133 compliance supplement for the Medicaid program requires auditors to consider if the personnel conducting the reviews are sufficiently organized outside the control of other Medicaid operations to objectively perform their function.

Cause:
Failure to fully implement a prior Single Audit finding.

Effect:
As there is a lack of independence between Medicaid operations and the SURS, the effectiveness of the unit may be diminished. SURS employees may be less likely to report irregularities knowing that the Medical Services Division may not consider the irregularities a problem. In addition, the Medical Services

Division may try to keep significant findings of the SURS from going forward to avoid any negative consequences the findings may have on the Medical Services Division. Lastly, insufficient resources may be allocated to the SURS unit to sufficiently perform their duties.

Recommendation:
We recommend the Department of Human Services sufficiently organize the SURS unit outside the control of other Medicaid operations so the SURS unit can objectively perform their function.

Department of Human Services Response/Corrective Action Plan:
The Department will consider reviewing the reporting structure to ensure that SURS functions are objectively performed.

Finding 2014-005
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster
Questioned Cost: Unknown

Condition:
Starting in January of 2014 the Department of Human Services began using two new systems called MAGI in the Cloud and the Contingency System to perform Medicaid eligibility determinations. These systems do not have sufficient edit checks and system functionality to ensure eligibility determinations are proper.

Criteria:
The State Medicaid Agency or its designee is required to determine client eligibility in accordance with eligibility requirements defined in the approved State plan (42 CFR section 431.10).

The Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control – Integrated Framework states that there should be a variety of control activities suited to information systems to ensure accuracy and completeness including edit checks used to control data entry.

Cause:
The determinations made by the MAGI system require caseworkers to manually determine the level of eligibility and manually enter the results into a database called the Contingency System.

Effect:
The review pilot performed by the Quality Control Unit for January 2014 - March 2014 for the Medicaid program identified 44 cases out of 175 active cases that had an incorrect eligibility determination. The review identified improper payments of $7,939. The results of this review were finalized with the Centers for Medicare and Medicaid Services on September 19, 2014. An accurate projection of questioned costs was unable to be determined as the information needed to perform the projection was not required to be accumulated as part of the review pilot.

Recommendation:
We recommend the Department of Human Services develop system edit checks and improve system functionality to ensure eligibility determinations made for the Medicaid program are proper.

Department of Human Services Response/Corrective Action Plan:
Once the Department learned that the contingency solutions would be used longer than 1-3 months, contingency system edits and enhancements continued to be made. In addition, the Department is finalizing the procurement of a new eligibility system which will contain the necessary edit checks and system functionality to ensure eligibility determinations are made properly.

Finding 2014-006
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster
Questioned Cost: Unknown

Condition:
North Dakota does not have an established Medicaid Fraud Control Unit that is separate and distinct from the Department of Human Services.

Criteria:
42 CFR part 1007 requires all states to have a Medicaid Fraud Control Unit in operation that is separate from the Medicaid agency. 42 CFR parts 455, 456, and 1002 require cases of fraud to be properly identified and investigated.

Cause:
Failure to fully implement a prior Single Audit finding. The Department of Human Services contends that a waiver granted by the Federal Government in 1994, to waive the requirement of a Medicaid Fraud Control Unit, is still in effect despite significant changes in circumstances since it was granted. The Department of Human Services has been working with the Centers for Medicare and Medicaid Services (CMS) to resolve the prior audit finding related to the Medicaid Fraud Control Unit and as of the end of the audit period CMS has not provided a response to the Department of Human Services on this issue.

Effect:
Cases of fraud occurring within North Dakota's Medicaid program during the audit period may not be properly identified, investigated, and referred to the proper authorities.

Recommendation:
We recommend the Department of Human Services apply for a new Federal waiver or work to create a Medicaid Fraud Control Unit that is separate and distinct from the Department of Human Services.

Department of Human Services Response/Corrective Action Plan:
In November 2010 the Department contacted the Centers for Medicare and Medicaid Services (CMS) inquiring to what extent conditions needed to change to require a new waiver request be submitted. The most recent information was requested by and sent to CMS in November 2011 and the Department has received no further response. Recently, the Health and Human Services (HHS) Office of Inspector General (OIG) announced their audit work plan for 2015. Included in the HHS OIG Work Plan for 2015 is " ….We will also determine whether North Dakota, the only State that does not have a MFCU and that received an exemption in 1994, continues to operate under the conditions that support the State's exemption." Because HHS OIG will be reviewing the North Dakota MFCU exemption, we will allow their office to issue their findings before taking further action.

Finding 2014-007
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster
Questioned Cost: $169

Condition:
The Department of Human Services paid claims through the Medicaid Management Information System (MMIS) that were not allowable. Of the 120 claims tested, 2 claims paid a total of $169 incorrectly based upon the detailed support received from the provider. These errors, when projected against the entire population, project to a possible error of $1,682,004.

Criteria:
The OMB Circular A-133 Compliance Supplement for the Medicaid program states to be allowable, Medicaid costs for medical services must be:

- Covered by the State plan and waivers;
- Reviewed by the State consistent with the State's documented procedures and system for determining medical necessity of claims;
- Properly coded; and
- Paid at the rate allowed by the State plan.

Cause:
The provider billings were incorrectly coded based upon services provided.

Effect:
The Medicaid program paid unallowable claims.

Recommendation:
We recommend the Department of Human Services enhance its monitoring activities surrounding Medicaid payments through additional testing of support from providers.

Department of Human Services Response/Corrective Action Plan:
The Department will perform additional testing of Medicaid payments and will request and review applicable support from providers.

Finding 2014-008
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: Unknown

Condition:
Starting January 1, 2014 the North Dakota Department of Human Services' (DHS) procedures to identify medical services that are the legal obligation of third parties were not sufficient for certain recipients that were held in the contingency system called Mini-App.

Criteria:
42 CFR 433.138 requires the State agency to take reasonable measures to determine the legal liability of the third parties who are liable to pay for services furnished.

Cause:
On January 1, 2014 DHS began using Mini-App to determine Medicaid eligibility. The Mini-App system was not initially designed to communicate third-party liability (TPL) data to the claims payment system or to perform the data match with the vendor Health Management Systems.

Effect:
The DHS Medicaid program may have paid for medical services that are the legal obligation of third parties.

Recommendation:
We recommend the North Dakota Department of Human Services update the Mini-App system to ensure a sufficient TPL data match process is in place to augment the identification of medical services that are the legal obligation of third parties.

Department of Human Services Response/Corrective Action Plan:
The Department has worked with Information Technology Department and programmed a file for the recipients in the Mini-App (excluding expansion recipients) to go back to January 1, 2014. The file was sent to Health Management Systems who will check for third party liability of recipients in the Mini-App (excluding expansion recipients) that had any eligibility from January 1, 2014 to present. Therefore, the Department will identify any third party liability that may have been available for these recipients and will adjust claims back to January 1, 2014 (dates of service) accordingly.

Finding 2014-009
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: Unknown

Condition:
The Department of Human Services (DHS) did not maintain the required eligibility documentation, which includes current license information, eligibility checklists, and provider agreements, in the provider eligibility files. Findings related to provider eligibility files have been issued in the previous four Single Audits.

Criteria:
The North Dakota Medicaid State Plan section 4.13 requires DHS to obtain a provider agreement.

42 CFR part 455, subpart B (sections 455.100 - 455.106) discusses required disclosure of information by providers including tax information.

In order to receive Medicaid payments providers of medical services must be licensed in accordance with Federal, State, and local laws and regulations (42 CFR sections 431.107 and 447.10; and section 1902 (a)(9) of the Social Security Act).

Cause:
Failure to fully implement a prior single audit finding which was originally issued in the 2005-2006 single audit. Management indicated that all resources have been dedicated to implementing the new MMIS system for the State of North Dakota which resulted in DHS not updating the old system provider files.

Effect:
The Department of Human Services could be inappropriately paying ineligible providers with Medicaid funds.

Recommendation:
We recommend the Department of Human Services update Medicaid provider eligibility files to ensure current license information, eligibility checklists, and provider agreements are maintained within the provider eligibility files.

Department of Human Services Response/Corrective Action Plan:
The Department is in the process of revalidating 100% of providers who plan to continue enrollment with North Dakota Medicaid once we transition to Health Enterprise (Enterprise MMIS). Once North Dakota Health Enterprise, MMIS is in production, the provider files must be current in order for the system to pay claims.

The Department continues to have two full-time temporary and two fulltime permanent staff processing enrollments; staff are working on enrollments in both Legacy and Health Enterprise. Additionally, the Department has contracted with two vendors to assist with the Health Enterprise provider enrollment activities. The Department is transitioning from paper provider files to electronic provider files.

Finding 2014-010
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: Unknown

Condition:
The Department of Human Services does not have a process in place to ensure access rights to the fee schedule in the Medicaid System are appropriate.

Criteria:
Proper internal controls, as documented in the Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control - Integrated Framework, include limiting access to computer systems to only individuals that need access for their job duties and ensuring proper segregation of duties.

Cause:
The Department does not have written policies and procedures related to monitoring fee schedule access rights.

Effect:
The possibility exists for unauthorized changes being made to the fee schedule resulting in overpayments being made with Medicaid funds.

Recommendation:
We recommend the Department of Human Services develop procedures to ensure access rights to the Medicaid fee schedule are reviewed on a recurring basis to ensure access is properly limited.

Department of Human Services Response/Corrective Action Plan:
The Department will develop procedures to ensure access rights to Medicaid fee schedules are reviewed annually.

Finding 2014-011
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: Unknown

Condition:
The Department of Human Services does not have a process in place to ensure access rights to the Vision eligibility system are appropriate.

Criteria:
Proper internal controls, as documented in the Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control - Integrated Framework, include limiting access to computer systems to only individuals that need access for their job duties and ensuring proper segregation of duties.

Cause:
Failure to implement a prior Single Audit finding.

Effect:
The possibility exists for unauthorized changes being made to eligibility records and violations of Health Insurance Portability and Accountability Act (HIPAA) regulations.

Recommendation:
We recommend the Department of Human Services develop procedures to ensure access rights to the Vision eligibility system are reviewed on a recurring basis to ensure access is properly limited.

Department of Human Services Response/Corrective Action Plan:
The Department has developed procedures to ensure access rights to the Vision system are reviewed annually along with the mainframe user id audit.

Finding 2014-012
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: Unknown

Condition:
The Department does not have sufficient procedures in place to ensure out-of-state hospitals, out-of-state nursing facilities, and in-state and out-of-state ICF/ID facilities meet the prescribed health and safety standards, however, the Department of Human Services has implemented procedures to ensure in-state hospitals and in-state nursing facilities enrolled in the North Dakota Medicaid Program meet the prescribed health and safety standards.

Criteria:
The OMB Circular A-133 Compliance Supplement states "providers must meet the prescribed health and safety standards for hospitals, nursing facilities and ICF/IDs (42 CFR part 442)."

Cause:
Failure to fully implement a prior Single Audit finding. The Department has not developed the required monitoring procedures to ensure all providers are meeting the standards.

Effect:
The Department runs the risk of enrolling providers who do not meet the prescribed health and safety standards. Providers who do not meet these standards are not eligible to receive payments through Medicaid.

Recommendation:
We recommend the Department of Human Services implement procedures to ensure out-of-state hospitals, out-of-state nursing facilities, and ICF/ID facilities enrolled in the North Dakota Medicaid Program meet the prescribed health and safety standards and maintain documentation that the provider has met the standards on a yearly basis.

Department of Human Services Response/Corrective Action Plan:
The Department will consider developing procedures to ensure out-of-state hospitals, out-of-state nursing facilities, and ICF/ID facilities meet the prescribed health and safety standards.

Finding 2014-013
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: $0

Condition:
The risk analysis created by the Department of Human Services for the Medicaid program did not include the following required elements:

- Personnel practices;
- A review of all ADP system security installations such as eligibility systems; and
- Consideration of service organization internal controls.

Criteria:
The OMB Circular A-133 Compliance Supplement requires that state agencies establish and maintain a program for conducting a periodic risk analysis on the existing Medicaid systems including any additions/modifications to the systems. State agencies shall perform the analysis of the system on a biennial basis. The State agency shall maintain pertinent supporting documentation. 45 CFR section 95.621 lists the required elements.

Cause:
Failure to fully implement a prior Single Audit finding.

Effect:
As the risk analysis has not been properly completed there is the possibility that appropriate, cost effective safeguards will not be incorporated into new and existing systems. Security over different areas of the system can also become compromised bringing into question the validity of the data contained within the system.

Recommendation:
We recommend the Department of Human Services include all elements in the risk analysis of the Medicaid system as required by the OMB Circular A-133 Compliance Supplement and 45 CFR section 95.621.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to enhance procedures surrounding the Medicaid risk analysis and ensure adequate documentation is included for all required elements.

Finding 2014-014
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.777, 93.778
Medicaid Cluster

Questioned Cost: $0

Condition:
The Department of Human Services did not submit drug rebate utilization data to the Centers for Medicare and Medicaid Services (CMS) within 60 days after the end of the quarter. The non-compliance occurred during two quarters of the audit period.

Criteria:
Section 1927 (b)(2)(A) of the Social Security Act requires the data to be submitted within 60 days after the end of the quarter.

Cause:
Failure to fully implement a prior Single Audit finding. The outside service organization, Health Information Designs, did not submit the utilization data in a timely manner as required.

Effect:
Noncompliance with federal laws and regulations.

Recommendation:
We recommend the Department of Human Services submit drug rebate utilization data to CMS within 60 days after the end of the quarter.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to work with Health Information Designs and the Information Technology Department to ensure the drug utilization data is submitted to CMS within 60 days after the end of the quarter.

Finding 2014-015
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $7,726

Condition:
The Child Care Assistance Program failed to sufficiently follow up on a suspected fraud case. Documentation in a case file indicated an anonymous phone call had been received reporting a Child Care Assistance recipient had intentionally falsified income and household information to receive benefits. The county eligibility worker began to investigate further by contacting the recipient, pulling IVES information, and getting additional pay stubs. However, the investigation stopped and there was no final assessment of an intentional program violation or a recoupment amount. This individual was being investigated for a SNAP disqualification during the same time. The investigation through the SNAP program was completed and a 10 year program disqualification was issued under that program.

Criteria:
The 45 CFR 98.60 (2)(h)(i) states "Lead Agencies shall recover child care payments that are a result of fraud. These payments shall be recovered from the party responsible for committing the fraud."

Cause:
The policies and procedures developed for identification and recoupment of intentional program violations in the Child Care Assistance Program were not adequately followed.

Effect:
An individual received $7,726 in Child Care Assistance benefits over a three year period using potential falsified information.

Recommendation:
We recommend the Department of Human Services ensure the counties properly follow the policies and procedures developed for identification and recoupment of intentional program violations in the Child Care Assistance program to ensure recipients don't receive improper benefits.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to train the counties to ensure the policies and procedures for identification and recoupment of intentional program violations in the Child Care Assistance program are properly followed.

Finding 2014-016
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $0

Condition:
Child Care eligibility workers have the ability to process duplicate and other improper payments in the Child Care Assistance System. Weaknesses within the system are identified as the following:

- One child can be entered with multiple social security numbers;
- The same child can be entered with first and last name switched;
- The state rate maximum is only calculated on a per payment basis not a per month basis;
- Payments can be made to multiple providers in one month; and
- Exception reports are not generated and reviewed.

Criteria:
OMB Circular A-133 Compliance Supplement Section 6 for Internal Control states that computer and program controls should include edit checks.

Cause:
Failure to implement a prior Single Audit finding. There is a lack of built-in system controls in the Child Care Assistance System to prevent duplicate and other improper payments.

Effect:
Child Care eligibility workers can process duplicate and other improper payments without detection. Also, the identified weaknesses could allow for fraudulent payments to occur whether they are initiated by recipients, providers, or eligibility workers.

Recommendation:
We recommend the Department of Human Services properly implement system controls to prevent duplicate and other improper payments from being made from the Child Care Assistance System.

Department of Human Services Response/Corrective Action Plan:
The Department is aware of limitations within the Child Care payment system. System changes are currently being tested and these changes are anticipated to be in place by September 1, 2014. During the audit period, the Department continued to sample and review case files to ensure duplicate and other improper payments weren't made.

Finding 2014-017
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $0

Condition:
No controls exist for ensuring that individual eligibility workers are collecting and maintaining all applicable information for Child Care Assistance eligibility determinations and benefit payments. Twenty-eight of sixty cases tested had missing information such as birth records, income records, and daycare billing forms. This information had to be re-requested by the county eligibility workers.

Criteria:
Part 6 of the OMB Circular A-133 Compliance Supplement states that a manual criteria checklist or automated process should be used in making eligibility determinations.

Part 4 of the OMB Circular A-133 Compliance Supplement for the CCDF Cluster, section III (E) (1) states that lead agencies must have in place procedures for documenting and verifying eligibility.

Cause:
The Department of Human Services did not develop or implement controls for ensuring that individual eligibility workers are collecting and maintaining all applicable information for Child Care Assistance eligibility determinations.

Effect:
The lack of controls may result in benefit payments being issued for an individual that should not have been deemed eligible for the Child Care Assistance Program. Also, benefit payments could be fraudulent or inaccurate due to missing information.

Recommendation:
We recommend the Department of Human Services develop and implement controls to ensure that all individual eligibility workers are collecting and maintaining all applicable information for Child Care Assistance eligibility determinations.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to work with the counties to ensure they are collecting and maintaining all applicable information for the Child Care Assistance eligibility determinations.

Finding 2014-018
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $0

Condition:
The Child Care Assistance Program did not conduct compliance inspections of self-declared providers that would ensure health and safety requirements are being met prior to January 1, 2014 when a new policy to conduct these compliance inspections was implemented. The total amount of payments paid to self-declared providers prior to that date was $3,340,896.

Criteria:
45 CFR 98.41 (d) states "each lead agency shall certify that procedures are in effect to ensure that child care providers of services for which assistance is provided under this part, within the area served by the Lead Agency, comply with all applicable State, local, or tribal health and safety requirements."

Cause:
The Child Care Assistance Program did not finalize procedures to perform compliance inspections for self-declared providers to ensure that they are complying with applicable health and safety requirements until January 2014.

Effect:
There is potential for health and safety hazards to exist and go undetected. Also, the Child Care Assistance Program is not following regulations set by the Federal Government.

Recommendation:
No recommendation will be issued because the Department of Human Services developed new policies and procedures for all self-declared renewals and new applications processed after January 1, 2014.

Finding 2014-019
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $0

Condition:
The Child Care Assistance Program did not ensure that the licensing entities for out-of-state and tribal providers have conducted compliance inspections to verify health and safety requirements are being met. The total amount paid to these providers during our audit period was $1,345,353.

Criteria:
45 CFR 98.41 (d) states "each lead agency shall certify that procedures are in effect to ensure that child care providers of services for which assistance is provided under this part, within the area served by the Lead Agency, comply with all applicable State, local, or tribal health and safety requirements."

Cause:
The Child Care Assistance Program did not develop procedures to ensure that licensing entities of out-of-state and tribal providers conducted compliance inspections to ensure the providers are complying with applicable health and safety requirements.

Effect:
There is a potential for health and safety hazards to exist and go undetected. Also, the Child Care Assistance Program is not following regulations set by the Federal Government.

Recommendation:
We recommend the Department of Human Services develop procedures to ensure that licensing entities of out-of-state and tribal providers conducted compliance inspections to ensure the providers are complying with applicable health and safety requirements.

Department of Human Services Response/Corrective Action Plan:
The Department currently receives a copy of each out-of-state and tribal provider child care license before making a payment to the provider. The Department will consider enhancing our procedures to ensure other state or tribal entities followed federal health and safety requirements when they license providers.

Finding 2014-020
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster

Questioned Cost: $740

Condition:
The Child Care Assistance program did not have appropriate documentation to support the eligibility determinations made for 3 of the 60 cases reviewed. The total error amount was $740. These errors, when projected against the entire population, project to a possible error of $690,196.

Criteria:
The Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control-Integrated Framework identifies having appropriate supporting documentation for transactions as a necessary control activity.

Part 4 of the OMB Circular A-133 Compliance Supplement for the CCDF Cluster, section III (E) (1) states that lead agencies must have in place procedures for documenting and verifying eligibility.

Cause:
The identified errors occurred because the Department was unable to receive case files or additional supporting documentation from the counties.

Effect:
Payments were made to providers on behalf of individuals whose eligibility for the Child Care Assistance Program could not be verified.

Recommendation:
We recommend the Department of Human Services ensure the counties collect and maintain appropriate supporting documentation for all eligibility determinations made for the Child Care Assistance Program.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to train the counties to ensure they collect and maintain appropriate supporting documentation for all eligibility determinations made for the Child Care Assistance Program.

Finding 2014-021
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596
CCDF Cluster
Questioned Cost: $0

Condition:
The Child Care Assistance Program did not have any written policies or procedures in place for identifying or recovering potential provider fraudulent payments that are a result of intentional program violations for a majority of the audit period. Adequate policies and procedures for provider fraud were not developed until April 1, 2014.

Criteria:
The 45 CFR 98.60 (2)(h)(i) states "Lead Agencies shall recover child care payments that are a result of fraud. These payments shall be recovered from the party responsible for committing the fraud."

The Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control - Integrated Framework states that control policies and procedures must be established and executed to help ensure that the actions identified by management as necessary to address risks to achievement of the entity's objectives are effectively carried out.

Cause:
The Department of Human Services did not finalize written policies or procedures for identifying or recovering potential provider fraud until April 1, 2014.

Effect:
Potential provider fraud in the Child Care Assistance Program may not be identified or recovered.

Recommendation:
No recommendation will be issued since the Department of Human Service implemented this as of April 1, 2014.

Finding 2014-022
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.575, 93.596, 93.044, 93.045, 93.053
CCDF Cluster and Aging Cluster
Questioned Cost: Unknown

Condition:
Proper documentation was not provided to support payroll charges to the Aging and CCDF Clusters. Two out of 25 paychecks selected for testing in the Aging Cluster and three of 23 tested in the CCDF Cluster did not have a time sheet or certification supporting the charge.

Criteria:
OMB Circular A-87 Attachment B Section 8(h)(4) states "where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation."

OMB Circular A-87 Attachment B Section 8(h)(3) states "where employees are expected to work solely on Single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification."

Cause:
The Department of Human Services did not properly ensure that all necessary payroll certifications and timesheets for all employees were received.

Effect:
Potential for unauthorized payroll to be charged to the Federal programs.

Recommendation:
We recommend the Department of Human Services implement procedures to ensure compliance with Federal timekeeping requirements.

Department of Human Services Response/Corrective Action Plan:
The Department will review our current procedures and make changes where necessary.

Finding 2014-023
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.767
Children's Health Insurance Program

Questioned Cost: Unknown

Condition:
Starting in January of 2014 the Department of Human Services began using two new systems called MAGI in the Cloud and the Contingency System to perform Children's Health Insurance Program (CHIP) eligibility determinations. These systems do not have sufficient edit checks and system functionality to ensure eligibility determinations are proper.

Criteria:
OMB Circular A-133 Compliance Supplement Section 6 for Internal Control states that computer and program controls should include edit checks.

The Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control - Integrated Framework states that there should be a variety of control activities suited to information systems to ensure accuracy and completeness.

Cause:
The determinations made by the MAGI system require caseworkers to manually determine eligibility and manually enter the results into a database called the Contingency System.

Effect:
The review pilot performed by the Quality Control Unit for January 2014 - March 2014 for the CHIP program identified 9 cases out of 23 active cases that had an incorrect eligibility determination. The review identified improper payments of $919. The results of this review were finalized with the Centers for Medicare and Medicaid Services on September 19, 2014. An accurate projection of questioned costs was unable to be determined as the information needed to perform the projection was not required to be accumulated as part of the review pilot.

Recommendation:
We recommend the Department of Human Services develop system edit checks and improve system functionality to ensure eligibility determinations made for the CHIP program are proper.

Department of Human Services Response/Corrective Action Plan:
Once the Department learned that the contingency solutions would be used longer than 1-3 months, contingency system edits and enhancements continued to be made. In addition, the Department is finalizing the procurement of a new eligibility system which will contain the necessary edit checks and system functionality to ensure eligibility determinations are made properly.

Finding 2014-024
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare and Medicaid Services
CFDA # 93.767
Children's Health Insurance Program

Questioned Cost: $2,440

Condition:
One eligibility determination out of twenty-five tested was made incorrectly for the Children's Health Insurance Program (CHIP). The total error amount was $2,440. This error, when projected against the entire population, projects to a possible error of $460,392.

Criteria:
Section 4 of North Dakota's CHIP State Plan states the Healthy Steps program will cover children whose family adjusted gross income is no more than 160% of the federal poverty level.

Cause:
The eligibility worker entered the wrong income amount for the parent. If the proper income would have been entered the family would have exceeded the income limits of the CHIP program.

Effect:
Payments made on behalf of an ineligible recipient.

Recommendation:
We recommend the Department of Human Services ensure eligibility determinations made for the CHIP program are proper.

Department of Human Services Response/Corrective Action Plan:
The Department of Human Services will continue to work to ensure that eligibility determinations for CHIP are made properly. Ongoing training will be offered to all eligibility workers that work with CHIP. Currently, if an error is found, the Department of Human Services Regional Representatives are notified and additional training is provided to the eligibility worker; this will remain an ongoing practice.

Finding 2014-025
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.658
Foster Care - Title IV-E

Questioned Cost: $0

Condition:
Although the Foster Care program is performing eligibility reviews, the Department of Human Services does not have written policies and procedures related to the performance of the reviews. With a lack of policies and procedures there is no guidance on:

- How many cases should be reviewed;
- How often cases should be reviewed;
- Requiring corrective action plans;
- Implementing a formal follow-up process on errors; and
- Developing a tracking system for errors and follow-up.

Criteria:
Part 3, Section M of the A-133 Compliance Supplement states that a pass-through entity is responsible for monitoring the subrecipient's use of Federal awards to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws and regulations.

The Committee of Sponsoring Organizations of the Treadway Commission states that management needs to have a strategy to ensure that ongoing subrecipient monitoring is effective.

Cause:
The Department of Human Services had turnover in the Foster Care Program limiting resources available to complete policies for the program.

Effect:
The absence of clearly written policies and procedures leaves the State vulnerable to inconsistent operations and ineffective functioning.

Recommendation:
We recommend the Department of Human Services develop and implement policies and procedures for Foster Care Program eligibility reviews. The policies and procedures should include guidance about:

- How many cases should be reviewed;
- How often cases should be reviewed;
- Requiring corrective action plans;
- Implementing a formal follow-up process on errors; and
- Developing a tracking system for errors and follow-up.

Department of Human Services Response/Corrective Action Plan:
The Department will document our policies and procedures for Foster Care case file reviews.

Finding 2014-026
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.658
Foster Care - Title IV-E

Questioned Cost: $0

Condition:
The Foster Care Program's Title IV-E plan approved by the Administration for Children and Families (ACF) did not provide for periodic review of payment rates for Family Foster Care Home maintenance payments at reasonable, specific, time-limited periods to ensure that rate's continuing appropriateness for the administration of the Title IV-E program.

Criteria:
The Title IV-E agency's plan approved by ACF must provide for periodic review of payment rates for Foster care maintenance payments at reasonable, specific, time-limited periods established by the Title IV-E agency to ensure that rate's continuing appropriateness for the administration of the Title IV-E program (42 USC 671 (a)(11); 45 CFR section 1356.21 (m)(l); 45 CFR section 1356.60(a)(l) and (c)).

Cause:
The Department did not realize this element was missing from the Title IV-E plan.

Effect:
As written procedures do not exist there is the potential that the review process is not performed consistently from one period to the next.

Recommendation:
We recommend the Foster Care Program's Title IV-E plan provide for periodic review of payment rates for Family Foster Care Home maintenance payments at reasonable, specific, time-limited periods to assure the rate's continuing appropriateness.

Department of Human Services Response/Corrective Action Plan:
The Department will update the Foster Care Title IV-E plan to include our Family Foster Care Policy Manual which details the payment rates which are established annually based upon legislative action.

Finding 2014-027
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.558
TANF Cluster

Questioned Cost: $513

Condition:
The Temporary Assistance for Needy Families (TANF) Program did not have appropriate documentation to support the eligibility determinations made for 3 of the 60 cases reviewed. The total error amount was $513. These errors, when projected against the entire population, project to a possible error of $494,928.

Criteria:
The Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control-Integrated Framework identifies having appropriate supporting documentation for transactions as a necessary control activity.

Cause:
The identified errors occurred because the State was unable to receive a case file or additional supporting documentation from one county.

Effect:
Payments were made to individuals whose eligibility for the TANF Program could not be verified.

Recommendation:
We recommend the Department of Human Service collect and maintain appropriate supporting documentation for all eligibility determinations made for the TANF Program.

Department of Human Services Response/Corrective Action Plan:
The Department will continue to train the counties to ensure they collect and maintain appropriate supporting documentation for all eligibility determinations made for the TANF Program.

Finding 2014-028
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
CFDA # 93.563
Child Support Enforcement

Questioned Cost: $0

Condition:
The Department of Human Services Child Support program was not properly drawing down funds in accordance with the Cash Management Improvement Act (CMIA) agreement during fiscal year 2013. The agency requested Federal reimbursement for journal vouchers that were for retained collections from the

Federal share of the TANF program that should have been netted against child support expenditures but were instead added to the total of the expenditures in the worksheet used to calculate the amount of the federal draw.

Criteria:
31 CFR 205.15 states that State interest liability may accrue if Federal funds are received by a State prior to the day the State pays out the funds for Federal assistance program purposes. State interest liability accrues from the day Federal funds are credited to a State account to the day the State pays out the Federal funds for Federal assistance purposes.

Cause:
The Department of Human Services had turnover in the position responsible for the federal draws during the period noted. The new staff included expenses that should not have been used for the draws.

Effect:
The Department of Human Services had more revenues than expenditures in the Child Support program for a period of 8 to 41 days, resulting in an interest liability owed to the federal government in the amount of $238.

Recommendation:
We recommend the Department of Human Services ensure funds for the Child Support program are drawn down in accordance with the Cash Management Improvement Act agreement.

Department of Human Services Response/Corrective Action Plan:
The Department will ensure funds for the Child Support program are drawn down in accordance with the Cash Management Improvement Act agreement.

Finding 2014-029
VARIOUS FEDERAL AGENCIES
CFDA # All Programs

Questioned Cost: Unknown

Condition:
The Department of Human Services (DHS) did not use an appropriate allocation methodology to allocate the salaries of 6 fiscal liaisons to the various divisions and indirect cost pool activities the liaisons worked on. Currently, DHS allocates the salaries of the liaisons based on the number of divisions/units the liaison works on. If the liaison is assigned to 4 divisions/units, the salary is allocated 25% to each unit. DHS does not maintain personnel activity reports and does not perform time studies for these employees.

Criteria:
2 CFR Part 225 Appendix B Section 8(h)(4) states "where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency.

Cause:
The Department stated the allocation methodology was approved in the Department's cost allocation plan approved by the Division of Cost Allocation.

Effect:
Unsupported salary expenditures are being charged to various grants at DHS. The total salaries and benefits of the 6 fiscal liaisons for the audit period was $862,618. As DHS does not keep time records to support the allocation of liaisons salaries an accurate questioned cost could not be calculated.

Recommendation:
We recommend the Department of Human Services allocate the salaries of the fiscal liaisons using an appropriate allocation methodology that is in compliance with 2 CFR Part 225.

Department of Human Services Response/Corrective Action Plan:
The Department will work with the Division of Cost Allocation to determine if a more appropriate allocation method is viable.

DEPARTMENT OF PUBLIC INSTRUCTION

Finding 2014-030
VARIOUS FEDERAL AGENCIES
CFDA # Various
All Grants with Subrecipients
Questioned Cost: $0

Condition:
The Department of Public Instruction does not have adequate procedures in place to ensure that subrecipients spending $500,000 in federal awards have met the audit requirements of OMB Circular A-133. We noted several errors in the monitoring worksheets used by the Department.

Criteria:
OMB Circular A-133 requires pass-through entities to ensure subrecipients receive an A-133 audits as required, issue management decisions on audit findings within 6 months, and ensure subrecipients take timely and appropriate corrective action on all audit findings.

Cause:
The Department of Public Instruction has updated their methodology for tracking the A-133 audit requirement and the process still needs some enhancements.

Effect:
The Department of Public Instruction may not be aware of all findings regarding funding they have passed through to subrecipients.

Recommendation:
We recommend the Department of Public Instruction implement controls to ensure they review all subrecipients A-133 audit reports.

Department of Public Instruction Response/Corrective Action Plan:
The Department agrees with the recommendation and will continue to work towards strengthening the procedures around A-133 audit report tracking.

DEPARTMENT OF TRANSPORTATION

Finding 2014-031
U.S. DEPARTMENT OF TRANSPORTATION
Federal Highway Administration
CFDA # 20.205
Highway Planning and Construction
Questioned Cost: $0

Condition:
The Department of Transportation (DOT) does not have proper procedures to ensure evidence is obtained to verify whether local matching contributions are from non-federal sources; involved in federal funding, directly or indirectly; or were used for another federally-assisted program.

Criteria:
2 CFR Part 200.403 (f) states that except where otherwise authorized by statute, costs must not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

2 CFR Part 200.306(b)(1) states "For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions are verifiable from the non-Federal entity's records."

2 CFR 200.331(d) states, "All pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved."

Cause:
The Department of Transportation included local matching source for the local entities in the agreement templates; however, management did not implement further procedures to ensure that the source for the local entity was verified.

Effect:
Local match contributions could include funds from other federal sources not authorized, involve federal funding, or be used for another federally-assisted program.

Recommendation:
We recommend the Department of Transportation ensure evidence is obtained to verify whether local matching contributions are from an allowable source.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. NDDOT is in the process of developing and implementing a comprehensive, department wide program for all aspects of subrecipient monitoring. This program is to be completed and implemented no later than May 1, 2015. Portions of the comprehensive program that have already been developed will be implemented immediately.

Finding 2014-032
U.S. DEPARTMENT OF TRANSPORTATION
Federal Highway Administration
CFDA # 20.205
Highway Planning and Construction
Questioned Cost: $0

Condition:
The Department of Transportation has not fully developed, approved, and implemented policies and procedures for the value engineering program. This policy should include:

- Approval or rejection of recommendations;
- Monitoring the implementation of recommendations and change proposal recommendations;
- Identification of all applicable projects in accordance with 23 CFR 627.5;
- Identification of when additional value engineering analysis should be considered or conducted;
- Control procedures to ensure a value engineering analysis is conducted on all applicable projects including projects administered by subrecipients;
- Control procedures to ensure all approved recommendations are implemented and documented in a final value engineering report prior to the project being authorized to proceed to a construction letting;
- Identification of when value engineering change proposals may be used; analysis, documentation basis and process for evaluating and accepting a value engineering change proposal; and how a net savings of each value engineering change proposal may be shared between the agency and contractor; and
- Review of any project where a delay occurs between when the final plans are completed and the project advances to a letting for construction to determine if a change has occurred to the project's scope or design where a value engineering analysis would be required to be conducted.

Criteria:
Documented policies and procedures are required for the value engineering program in accordance with 23 CFR 627.

Cause:
The Department of Transportation has not approved and implemented the value engineering policy to be in compliance with the Code of Federal Regulations since 2006. The Department of Transportation has drafted value engineering policies in the consultant administrative services manual; however, these policies have not been reviewed, approved and implemented.

Effect:
Noncompliance with Code of Federal Regulations. Potential for applicable projects to not have a value engineering analysis resulting in excessive expense of federal funds.

Recommendation:
We recommend the Department of Transportation develop, approve, and implement a Value Engineering Policy in accordance with 23 CFR 627.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. NDDOT is in the process of developing a value engineering policy. The value engineering policy will be fully developed, approved, and implemented by May 1, 2015.

Finding 2014-033
U.S. DEPARTMENT OF TRANSPORTATION
Federal Highway Administration
CFDA # 20.205
Highway Planning and Construction
Questioned Cost: $0

Condition:
The Department of Transportation (DOT) has not fully implemented nor obtained approval from the Federal Highway Administration (FHWA) of qualification-based selection procedures (Brooks Act) used when contracting to procure engineering and design related services for a construction project using Federal-aid highway funding. The Department of Transportation has not required the subrecipients to develop written procedures to provide for the following related to procurement of consultant services:

- Preparing a scope of work, evaluation factors, and cost estimate;
- Soliciting proposals;
- Evaluating and ranking proposals and a documented basis of selection;
- Negotiating the amount to be paid;
- Monitoring the consultant's work and preparing a performance evaluation when the work is completed; and
- Determining the extent to which the consultant, who is responsible for the professional quality, technical accuracy, and coordination of services, may be reasonably liable for costs resulting from errors or deficiencies in design furnished under its contract (23 CFR section 172.9(a)).

Subsequently, the Department of Transportation is required to approve the written procedures developed by the subrecipients in accordance with 123 CFR section 172.9. Additionally, the Department of Transportation has not developed procedures to monitor subrecipients for compliance with the required procedures of the Brooks Act.

Criteria:
State Department of Transportations and local public agencies (subrecipients) must use qualification-based selection procedures (Brooks Act) when contracting to procure engineering and designed related services for construction projects using Federal-aid highway funding in accordance with 23 USC 112(b)(2) and 23 CFR section 172. Written procedures of the State DOT and subrecipients are required and must be approved by the Federal Highway Administration and State DOT, respectively, in accordance with 23 USC 112(b)(2) and 23 CFR section 172. A pass-through entity is responsible for monitoring the subrecipient's use of Federal awards to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provision of contracts or grant agreements and that performance goals are achieved, in accordance with the OMB Circular A-133 Compliance Supplement.

Cause:
The Department of Transportation has submitted a draft of preliminary procedures in the consultant administrative services manual to the Federal Highway Administration for approval; however, approval has not been received and procedures have not been implemented.

Effect:
Non-compliance with federal regulations.

Recommendation:
We recommend the Department of Transportation fully implement and obtain written approval of qualification-based selection procedures from FHWA in accordance with 23 CFR section 172.9.

We recommend the Department of Transportation require subrecipients to develop written procedures in accordance with 23 USC 112(b)(2) and 23 CFR section 172 including required procedures of 23 USC section 172.9 and, subsequently approve the subrecipient procedures. We also recommend the Department of Transportation develop and perform subrecipient monitoring procedures to ensure compliance with the required qualification-based selection procedures of the Brooks Act pursuant to 23 CFR section 172.9.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. Efforts are currently underway to fully implement the recommendation by May 1, 2015.

Finding 2014-034
U.S. DEPARTMENT OF TRANSPORTATION
Federal Highway Administration
CFDA # 20.205
Highway Planning and Construction

Questioned Cost: Unknown

Condition:
The Department of Transportation (DOT) has not documented county compliance with final project subrecipient monitoring procedures since 2008. The Department of Transportation performs final project reviews of cities ensuring compliance with various requirements including funding, project selection, environmental impact, public involvement, design standards, utility, and engineering consultant selection. These reviews have not been performed since 2008 for county projects. During fiscal years 2013 and 2014, a total of 37 counties were paid $26,601,308 in grants from the Highway Planning and Construction program.

Criteria:
OMB Circular A-133, section .400(d)(3) requires a pass-through entity to monitor the activities of subrecipients to provide reasonable assurance 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.

Cause:
Due to heavy workload the DOT failed to perform subrecipient monitoring reviews of the counties as required.

Effect:
Non-compliance with OMB Circular A-133 subrecipient monitoring compliance requirements by a pass-through entity. Possible non-compliance by subrecipients of project agreements with DOT and federal requirements.

Recommendation:
We recommend the Department of Transportation ensure subrecipient monitoring procedures are performed for counties receiving Highway Planning and Construction grants.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. NDDOT is in the process of developing and implementing a comprehensive, department wide program for all aspects of sub-recipient monitoring. This program is to be completed and implemented no later than May 1, 2015. Portions of the comprehensive program that have already been developed will be implemented immediately.

Finding 2014-035
U.S. DEPARTMENT OF TRANSPORTATION
Federal Highway Administration
CFDA # 20.205
Highway Planning and Construction

Questioned Cost: $0

Condition:
The Department of Transportation did not report all emergency projects within the Federal Funding Accountability and Transparency Act (FFATA) reporting requirements in accordance with 2 CFR part 170. There were at least 188 emergency projects with temporary payments during our audit period. In addition, for emergency projects, the Department of Transportation did not obtain the subrecipient's Dun and Bradstreet Data Universal Numbering System (DUNS) number and identify to the subrecipient the Federal award information (Catalog of Federal Domestic Assistance (CFDA) title and name and the Federal awarding agency).

Criteria:
Subawards with obligations in excess of $25,000 are required to be reported under the Federal Funding Accountability and Transparency Act in accordance with 2 CFR part 170 and DUNS number needs to be obtained prior to the subawards issuance.

A pass- through entity is responsible for determining whether an applicant for a subaward has provided a Dun and Bradstreet Data Universal Numbering System (DUNS) number as part of its subaward application and at the time of the subaward, identifying to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; and name of Federal awarding agency) and applicable compliance requirements in accordance with OMB Circular A-133 Compliance Supplement (Subrecipient Monitoring) Part 3.

Cause:
The Department of Transportation misinterpreted guidance from the Federal Highway Administration North Dakota Division and did not recognize that the FFATA reporting requirements and OMB Circular A-133 subrecipient monitoring requirements do not allow for exclusions for emergency projects based on the nature of the projects.

Effect:
Noncompliance with FFATA reporting requirements and OMB Circular A-133 subrecipient monitoring compliance requirements.

Recommendation:
We recommend the Department of Transportation report all federal awards to subrecipients including emergency projects within the Federal Funding Accountability and Transparency Act reporting requirements. We also recommend the Department of Transportation obtain the DUNS number and identify Federal award information to subrecipients of emergency projects.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. As noted by the State Auditor's Office in the cause section of the finding, NDDOT misunderstood communications with the Federal Highway Administration; as a result NDDOT did not properly obtain information and report some payments for temporary repairs on projects funded with FHWA emergency relief funding as required by the Federal Funding Accountability and Transparency Act.

NDDOT has received clarification from FHWA and will collect the proper data and properly report payments for temporary repairs on FHWA emergency relief projects for all future payments.

Finding 2014-036
U.S. DEPARTMENT OF TRANSPORTATION
Federal Transit Administration
CFDA # 20.509
Formula Grants for Rural Areas
Questioned Cost: $0

Condition:
The Department of Transportation did not comply with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements for sub-awards made after the effective date of October 1, 2010. The agency did not complete FFATA reporting for sub-awards entered into for the period of July 2012 through January 2013 and April 2014 through June 2014.

Criteria:
FFATA Subaward Reporting Information as prepared by the Federal Transit Administration states all direct recipients that pass subawards through to subrecipients are subject to the requirements to report sub-award information by the end of the month after the month in which they make any subaward under the grant for awards effective after October 1, 2010. Subawards with obligations in excess of $25,000 are required to be reported under the Federal Funding Accountability and Transparency Act in accordance with 2 CFR part 170.

Cause:
Due to employee turnover and reassigning employee responsibilities, the Department failed to file the FFATA report as required.

Effect:
Noncompliance with FFATA reporting requirements.

Recommendation:
We recommend the Department of Transportation properly comply with Federal Funding Accountability and Transparency Act reporting requirements of 2 CFR part 170.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. NDDOT is developing procedures to insure that staff is adequately cross trained and equipped so that FFATA reporting requirements are properly met at all times, including periods of staff turnover.

Finding 2014-037
U.S. DEPARTMENT OF TRANSPORTATION
Federal Railroad Administration
CFDA # 20.933
National Infrastructure Investments

Questioned Cost: $0

Condition:
The Department of Transportation did not report the single subaward of the National Infrastructure Investments Program totaling $10 million according Federal Funding Accountability and Transparency Act (FFATA) requirements.

Criteria:
Subawards with obligations in excess of $25,000 are required to be reported under the FFATA in accordance with 2 CFR part 170.

Cause:
The Department of Transportation did not ensure FFATA reporting responsibility was properly assigned.

Effect:
Noncompliance with FFATA reporting requirements.

Recommendation:
No recommendation will be made. The single subaward of the National Infrastructure Investments program was awarded during federal fiscal year 2013. The federal fiscal year 2013 reporting period for FFATA is considered closed.

Finding 2014-038
U.S. DEPARTMENT OF TRANSPORTATION
CFDA # Various
All Grants with Subrecipients

Questioned Cost: $0

Condition:
The Department of Transportation (DOT) does not have adequate procedures in place to ensure that subrecipients spending $500,000 or more in Federal awards have met the audit requirements of OMB Circular A-133. Specifically, we noted the following conditions:

- Procedures to identify annually, based on the subrecipient's fiscal year, subrecipients that expended $500,000 or more in Federal awards from all sources have not been implemented; and
- A tracking system for monitoring subrecipients that require an audit to ensure audit requirements are met has not been implemented.

Criteria:
OMB Circular A-133 section .400(d)(4) requires that a pass-through grantor ensure that subrecipients expending $500,000 or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of OMB Circular A-133.

Cause:
The Department of Transportation designed procedures to comply with the recommendation; however, procedures were not implemented during the audit period.

Effect:
Subrecipients spending more than $500,000 from all sources including the Department of Transportation may not be completing audits as required by the OMB Circular A-133.

Recommendation:
We recommend that the Department of Transportation implement procedures to identify annually, based on the subrecipient's fiscal year, subrecipients that spent $500,000 or more in Federal awards from all sources. We also recommend the developed tracking system for monitoring subrecipients that met the A-133 audit threshold be implemented to ensure all required audits are completed within 9 months of the subrecipient's fiscal year end, management decisions are issued within 6 months of receiving the audit report, and timely and appropriate corrective action of all findings.

Department of Transportation Response/Corrective Action Plan:
NDDOT agrees with the finding. NDDOT is in the process of developing and implementing a comprehensive, department wide program for all aspects of subrecipient monitoring. This program is to be completed and implemented no later than May 1, 2015. Portions of the comprehensive program that have already been developed will be implemented immediately.

GAME AND FISH DEPARTMENT

Finding 2014-039
U.S. DEPARTMENT OF THE INTERIOR
CFDA # 15.605, 15.611
Sport Fish Restoration Program/Wildlife Restoration and Basic Hunter Education
Questioned Cost: $11,025

Condition:
The North Dakota Game and Fish Department (The Department) had unallowable costs during the audit period for volunteer recognition banquet expenses. The Department paid for guest meals at a volunteer instructor's banquet that were determined to be ineligible expenses because the guests were not volunteer instructors. There were also some trapping (fur bearer) instructors that attended that should not have been paid out of this federal program. This is an annual banquet and errors were noted in both years.

2013
- CFDA 15.605 – Sportfish Restoration Program - $612 in meal errors were noted.
- CFDA 15.611 – Wildlife Restoration and Basic Hunter Education Program - $4,772 in meal errors were noted.

2014
- CFDA 15.605 – Sportfish Restoration Program - $173 in meal errors were noted.
- CFDA 15.611 – Wildlife Restoration and Basic Hunter Education Program - $4,758 in meal errors were noted.
- The Department incorrectly paid $710 in sales tax to the catering company on the banquet meals.

Criteria:
2 CFR 225 Appendix A, section C(1) requires that for costs to be considered allowable under a Federal award, the costs must be:
- Necessary and reasonable for proper and efficient performance and administration of Federal awards; and
- Authorized or not prohibited under State or local laws or regulations.

North Dakota Century Code Section 57-39.2-04(6) says that state agencies are exempt from paying sales tax on items otherwise taxable.

Cause:
The North Dakota Game and Fish Department was not aware that banquet meal costs for guests of the hunter and aquatic education instructors were considered unallowable costs.

Effect:
The North Dakota Game and Fish Department is not expending federal funds in an allowable manner.

Recommendation:
We recommend the North Dakota Game and Fish Department implement policies and procedures to ensure that only allowable costs are charged to the Sport Fish Restoration Program / Wildlife Restoration and Basic Hunter Education Grant Program.

Game and Fish Department Response/Corrective Action Plan:
The Department agrees with the recommendation. The Department believed these expenditures were allowable per the approved grant by the federal granting agency. The Department will work with the federal grantor to confirm the required language is included in the grant application and work plans and ensure only allowable costs are charged to federal grant programs.

HIGHWAY PATROL

Finding 2014-040
U.S. DEPARTMENT OF TRANSPORTATION
CFDA # 20.218
National Motor Carrier Safety Assistance Program
Questioned Cost: Unknown

Condition:
The North Dakota Highway Patrol lacks appropriate policies and procedures needed to ensure that only eligible costs are charged to Motor Carrier Safety Assistance Program (MCSAP) Grants. The following errors were noted:

1. The reallocation process for payroll costs does not have an approval process in place to ensure accuracy.
2. The $200 payments to the Highway Patrol Officers in lieu of reimbursements for meals and other expenses is not being reallocated based on actual hours worked.
3. Proper controls are not in place to ensure that a supervisor cannot approve their own timecard.

The errors noted in (1) and (2) above resulted in the MCSAP program being undercharged by $753.

Criteria:
2 CFR Part 225 Appendix B, Section 8(d) states that fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefit plans and the cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowable if the costs are equitably allocated to all related activities.

Internal Control-Integrated Framework (COSO Report), published by the Committee of Sponsoring Organizations of the Treadway Commission, identifies monitoring as one of the five components of internal control. Monitoring activities include supervisor or managerial review of reports.

Cause:
The North Dakota Highway Patrol's corrective action regarding finding 12-39 of the 2011-12 Single audit did not properly address the $200 meal reimbursement reallocation.

Effect:
The lack of controls increases the risk that the program guidelines are not being followed and ineligible costs are charged to the program.

Recommendation:
We recommend the North Dakota Highway Patrol ensure proper policies and procedures are in place to prevent the billing of payroll costs to the MCSAP Program that are not eligible for reimbursement.

Highway Patrol Response/Corrective Action Plan:

- Condition 1) The Highway Patrol agrees with the recommendation. The reallocation process prepared by the payroll section will be approved by the accounting section prior to being entered into the PeopleSoft monthly payroll system.
- Condition 2) The Highway Patrol agrees with the recommendation. The monthly $200 payments to Highway Patrol officers assigned to a federal program will be reallocated using the same process as are the regular salaries and benefits to ensure that the correct proportion of this expense is charged to federal programs.
- Condition 3) The Highway Patrol agrees with the recommendation. Electronic time sheets for all supervisors will be approved by another authorized signer to ensure independent authorization. The Highway Patrol's daily activity system will be updated to prevent supervisors from approving their own entries.

OFFICE OF THE ADJUTANT GENERAL

Finding 2014-041
U.S. DEPARTMENT OF HOMELAND SECURITY
Federal Emergency Management Agency
CFDA # CFDA 97.039/97.036
Hazard Mitigation Grant/ Disaster Grants Public Assistance
Questioned Cost: $0

Condition:
The Office of the Adjutant General does not have proper procedures to ensure evidence is obtained to verify whether local matching contributions are from non-federal sources; involved in federal funding, directly or indirectly; and were used for another federally-assisted program.

Criteria:
2 CFR Part 200.403 (f) states that except where otherwise authorized by statute, costs must not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

2 CFR Part 200.306(b)(1) states "For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions are verifiable from the non-Federal entity's records."

2 CFR 200.331(d) states, "All pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved."

Cause:
The Office of the Adjutant General has revised their grant agreements to include stipulations that matching funds are from allowable sources, however, further procedures to ensure the allowable source of match from the local entity was verified were not developed.

Effect:
Local match contributions could include funds from other federal sources not authorized, involve federal funding, or be used for another federally-assisted program.

Recommendation:
We recommend the Office of the Adjutant General ensure evidence is obtained to verify whether local matching contributions are from an allowable source.

Office of the Adjutant General Response/Corrective Action Plan:
The agency concurs, however, the agency implemented a process that had been deemed sufficient, where by certification has been required stating local matching contributions are from non-federal sources. We will expand our certification process to meet new requirements.

Finding 2014-042
U.S. DEPARTMENT OF HOMELAND SECURITY
Federal Emergency Management Agency
CFDA # CFDA 97.067
Homeland Security Grant Program
Questioned Cost: $0

Condition:
The North Dakota Adjutant General did not have controls in place to ensure funds for subgrants were obligated within forty-five days after the date of the grant award.

Criteria:
Part 4 of the OMB A-133 Circular Compliance Supplement for the Homeland Security Grant Program, Section III(N) indicates that states must obligate funds for subgrants within 45 days after the date of the grant award (6 USC 605 (c)(1)). "Obligate" has the same meaning as in Federal appropriations law, i.e.,

there must be an action by the State to establish a firm commitment; the commitment must be unconditional on the part of the State; there must be documentary evidence of the commitment; and the award terms must be communicated to the subgrantee and, if applicable, accepted by the grantee.

Cause:
Policies and procedures were developed but not implemented during the audit period.

Effect:
Noncompliance with federal regulations.

Recommendation:
We recommend the North Dakota Adjutant General implement controls to ensure funds are obligated to sub-grantees within forty-five days after the date of the grant award.

Office of the Adjutant General Response/Corrective Action Plan:
The agency concurs, however, policies were changed during the audit period but due to the grant cycle, were not evidenced until four months after the audit period when the 2014 Homeland Security Grants were issued.

Finding 2014-043
U.S. DEPARTMENT OF DEFENSE
National Guard Bureau
CFDA # CFDA 12.401
National Guard Military Operations and Maintenance (O&M) Projects
Questioned Cost: $14,578

Condition:
The ND National Guard Internal Review Division reported that Distributed Learning Program (DLP) expenditures of the National Guard Military Operations and Maintenance Projects were used for General Services Administration (GSA) vehicles which did not support distance learning sites. In federal fiscal year (FFY) 2013 this resulted in unallowable charges of $14,578.

Criteria:
Army National Guard DLP allows for charges for activities used to support distance learning activities.

Cause:
Client oversight.

Effect:
Unallowable costs paid under the Army National Guard DLP.

Recommendation:
We recommend the North Dakota Adjutant General ensure the Distributed Learning Program of the National Guard Military Operations and Maintenance Projects is only charged for GSA vehicles used to support Distance Learning Activities.

Office of the Adjutant General Response/Corrective Action Plan:
The agency concurs, however, this error was corrected during the audit period.

OFFICE OF THE ATTORNEY GENERAL

Finding 2014-044
U.S. DEPARTMENT OF JUSTICE
CFDA # Various
All Grants with Subrecipients
Questioned Cost: $0

Condition:
The Office of Attorney General does not have adequate controls in place to properly monitor subrecipients A-133 audit requirements.

Criteria:
OMB Circular A-133 requires pass-through entities to ensure subrecipients receive A-133 audits as required and take corrective action on all audit findings.

Cause:
The client was unaware of the monitoring requirements.

Effect:
The Office of Attorney General may not have adequately monitored subrecipients audit reports. Possible misuse of funds by subrecipients could go undetected by the Office of Attorney General.

Recommendation:
We recommend the Office of Attorney General implement controls to ensure they review all subrecipients A-133 audit reports.

Office of the Attorney General Response/Corrective Action Plan:
The office has implemented a certification form for subrecipients receiving $20,000 or more in federal sub-grants from this office to return with their award paperwork asking them to confirm in writing that an A-133 audit is or is not required for the award period. The next time the office will send out this paperwork is March 1, 2015.

OFFICE OF THE STATE TREASURER

Finding 2014-045
U.S. DEPARTMENT OF THE INTERIOR
CFDA # 15.433, 15.437
Flood Control Act Lands and Minerals Leasing Act

Questioned Cost: $0

Condition:
The Office of the State Treasurer (OST) does not have adequate procedures to ensure that subrecipients spending $500,000 in federal awards have met the OMB Circular A-133 audit requirements and to ensure that timely corrective action is taken on any findings. The OST also did not notify subrecipients of the CFDA number and title under which they received funding, nor did they perform any subrecipient monitoring.

Criteria:
OMB Circular A-133, section 400(d) lists the responsibilities of pass through entities.

Cause:
The Office of the State Treasurer was unaware OMB Circular A-133 was applicable to some of the funds they had received from the federal government.

Effect:
Subrecipients may be unaware of the award information and requirements pertaining to the funding they received. Also, the Office of the State Treasurer may not have been aware of any audit findings regarding funding they passed through to subrecipients.

Recommendation:
We recommend the Office of the State Treasure implement adequate subrecipient monitoring procedures.

Office of the State Treasurer Response/Corrective Action Plan:
The Office of State Treasurer (OST) agrees that the office was not meeting the sub recipient monitoring requirements. The OST was only recently made aware that the federal funds it receives and distributes to multiple political subdivisions make the office subject to the Single Audit requirements under OMB Circular A-133. Over the course of all of previous federal fund distributions, the office was never informed that these receipts and payments created such a requirement. As soon as the OST was informed that it was subject to the monitoring requirements in A-133, it implemented a tracking system to satisfy these requirements. As part of the tracking system, the OST now informs each political subdivision the amounts it is receiving under each federal program number and also informs them of the requirements and limitations of uses for those specific funds. It also tracks whether or not the receiving political subdivisions are filing an Annual Single Audit if they exceed the statutory thresholds.

BISMARCK STATE COLLEGE (BSC)
DAKOTA COLLEGE AT BOTTINEAU (DCB)
DICKINSON STATE UNIVERSITY (DSU)
MINOT STATE UNIVERSITY (MISU)
NORTH DAKOTA STATE SCHOOL OF SCIENCE (NDSCS)
NORTH DAKOTA STATE UNIVERSITY (NDSU)
VALLEY CITY STATE UNIVERSITY (VCSU)
WILLISTON STATE COLLEGE (WSC)

Finding 2014-046
U.S. DEPARTMENT OF EDUCATION
CFDA # 93.342, 93.364, 93.264, 84.268, 84.038
Student Financial Aid Cluster

Questioned Cost: $0

Condition:
The Loan Note disclosure submitted to the state Office of Management and Budget for 2013 and 2014 included several areas where amounts submitted were not supported by the general ledger or where required amounts were not included. Differences were noted for 2013 at BSC, DCB, DSU, MISU, NDSCS, NDSU, VCSU and WSC and for 2014 at BSC, DCB, DSU, LRSC, MASU, MISU, NDSCS, NDSU and WSC.

Criteria:
OMB Circular A-133 section 310(b)(6) states that the Schedule of Expenditures of Federal Awards will include, either in the schedule or a note to the schedule, the value of loans or loan guarantees outstanding at year end.

Cause:
Due professional care was not used when preparing the SEFA information.

Effect:
There is a potential for misleading amounts to be included in the notes to the SEFA.

Recommendation:
We recommend the colleges and universities use due professional care when preparing notes to the SEFA in compliance with federal regulations.

University System Response/Corrective Action Plan:
BSC: Agree. BSC's Loan Note disclosure for FY13 was found improper and corrections were made. BSC used due professional care when completing the FY14 Loan Note disclosure and will continue this in future years. BSC's Grants Accountant and Financial Aid Director will work together more closely when preparing reports and notes for future SEFA reporting.

DCB, DSU, LRSC, MaSU, MiSU, NDSCS, NDSU, WSC: Agree. Starting in FY15, greater care will be taken when preparing reports to insure the correct amounts are used going forward.

VCSU: Agree. VCSU made the proper corrections after FY 2013 and submitted the Loan Note supported by the general ledger in FY 2014. In FY2015, VCSU has included corrected instructions in its procedure manual to ensure corrections will not be needed in the future.

BISMARCK STATE COLLEGE (BSC)
DICKINSON STATE UNIVERSITY (DSU)
NORTH DAKOTA STATE SCHOOL OF SCIENCE (NDSCS)
UNIVERSITY OF NORTH DAKOTA (UND)
WILLISTON STATE COLLEGE (WSC)

Finding 2014-047
U.S. DEPARTMENT OF EDUCATION
CFDA # 84.007, 84.033, 84.038
Student Financial Aid Cluster

Questioned Cost: $0

Condition:
BSC, DSU, NDSCS, NDSU, UND and WSC did not include ConnectND fees in the tuition and fee amount reported on the Fiscal Operations Report and Application to Participate (FISAP).

Criteria:
Instructions for the FISAP require these types of fees to be included in the tuition and fee amount reported.

Cause:
ConnectND fees are not recorded as tuition and fees when received by the institution, they are recorded as a deposit. The fees are remitted to Core Technology Services (CTS) who records them as tuition and fees.

Effect:
Tuition and fees on the FISAP are understated.

Recommendation:
We recommend that BSC, DSU, NDSCS, NDSU, UND and WSC include the ConnectND fees that are coded as deposits to the tuition and fee amount reported on the FISAP for each applicable year.

University System Response/Corrective Action Plan:
BSC, DSU, NDSCS, NDSU, UND, WSC: Agree. Beginning in FY2015, ConnectND fees that are coded as deposits will be included in the tuition and fee amount in the future FISAP reports.

DAKOTA COLLEGE AT BOTTINEAU (DCB)
WILLISTON STATE COLLEGE (WSC)

Finding 2014-048
U.S. DEPARTMENT OF EDUCATION
CFDA # Various
Student Financial Aid Cluster

Questioned Cost: $0

Condition:
DCB and WSC both failed to complete timely, accurate reconciliations between the Education's Central Automated Processing System (EDCAPS) Grant Management System (G5) report and the final Common Origination and Disbursement (COD) reports. Additionally, these amounts did not reconcile completely to the FA801 or Fund Roster, as well as the general ledger (Pell). Finally, both schools submitted information very late in the audit, after we had performed our own reconciliations.

Criteria:
Reconciliations are one of the most basic and key internal control procedures. They ensure the entity's records can be compared with outside information or information from multiple sources.

Cause:
This is likely due to high employee turnover in key positions (Controller and Financial Aid Administrator) at both schools.

Effect:
Reconciliations are a key control and without them errors or misappropriations may occur and not be detected in a timely manner.

Recommendation:
We recommend that DCB and WSC perform timely reconciliations between the general ledger and reports from the federal government including the EDCAPS G5 report, as well as the final COD report and FA801 or Fund Roster. Any differences should be properly investigated and explained or corrected.

University System Response/Corrective Action Plan:
DCB: Agree. We are working closely with the financial aid office to develop a reconciliation process, by June 30, 2015.

WSC: Agree. WSC current staff has obtained training on how to conduct the reconciliations and understands the need to perform reconciliations timely. Timely recommendations are now being performed.

NORTH DAKOTA STATE COLLEGE OF SCIENCE (NDSCS)

Finding 2014-049
U.S. DEPARTMENT OF EDUCATION
CFDA # Various
Student Financial Aid Cluster

Questioned Cost: $16,059

Condition:
NDSCS' return/repayment of Title IV is being calculated incorrectly. We tested three refunds for each year and five out of the six were calculated incorrectly due to bookstore charges being included in institutional charges twice and one out of the six had the percentage of Title IV aid earned calculated incorrectly.

Criteria:
The Federal Student Aid Handbook (2013-14), Volume 5, Chapter 1 states:

- "Institutional charges are used to determine the portion of unearned Title IV aid that the school is responsible for returning. Schools must ensure that all appropriate fees, as well as applicable charges for books, supplies, materials, and equipment, are included in Step 5, Part G of the Return calculation."
- "The institutional charges used in the calculation usually are the charges that were initially assessed the student for the entire payment period or period of enrollment as applicable."
- "The withdrawal date is used to determine the point in time that the student is considered to have withdrawn so the percentage of the payment period or period of enrollment completed by the student can be determined. The percentage of Title IV aid earned is equal to the percentage of the payment period or period of enrollment completed."

Cause:
The cause of the bookstore charges being included twice were due to the computer program being set up wrong so that it includes bookstore charges twice in the total institutional charges. The cause of the wrong percentage of Title IV aid earned was due to an incorrect calculation.

Effect:
The overstatement of total institutional charges and the incorrect calculation of percentage of Title IV Aid earned effects the amount that the school must return.

Recommendation:
We recommend that North Dakota State College of Science:

- Not include bookstore charges in institutional charges twice;
- Use the correct percentages of Title IV aid earned;
- Fix the programming error; and
- Re-perform the calculations each semester to ensure the numbers used in Campus Solutions are correct.

University System Response/Corrective Action Plan:
Agree. NDSCS has investigated and corrected the NDSCS programming error within campus solutions. NDSCS Financial Aid Office will perform manual calculations to review and monitor these refunds. This will be implemented.

WILLISTON STATE COLLEGE (WSC)

Finding 2014-050
U.S. DEPARTMENT OF EDUCATION
CFDA # 84.007, 84.033, 84.063
Student Financial Aid Cluster

Questioned Cost: $0

Condition:
The 2013 Fiscal Operations Report and Application to Participate (FISAP) at WSC was not supported by the institution's general ledger, resulting in incorrect amounts being reported in several different sections and fields in the report.

Criteria:
34 CFR 674.19(d), 34 CFR 675.19(b)(2)(iv), and 34 CFR 676.19(b)(2) states that an institution shall establish and maintain program and fiscal records that are reconciled at least monthly. Each year an institution shall submit a Fiscal Operations Report plus other information the Secretary requires. The institution shall insure that the information reported is accurate and shall submit it on the form and at the time specified by the Secretary.

Per the FISAP instructions, the Department uses the information provided in the report to determine the amount of funds received for each campus-based program. Accurate data must be provided and accurate and verifiable records must be retained for program review and audit purposes.

Cause:
Turnover of financial and financial aid personnel.

Effect:
Incorrect amounts reported on the FISAP.

Recommendation:
No recommendation will be made as the 2014 FISAP and corresponding general ledger entries are materially correct.

NORTH DAKOTA STATE UNIVERSITY (NDSU)

Finding 2014-051
U.S. DEPARTMENT OF AGRICULTURE
CFDA # 10.XXX (Award # 12-JV-11242307-101), 10.001
Research and Development Cluster

Questioned Cost: Unknown

Condition:
NDSU only reviews the vendor list for debarred and suspended parties annually.

Criteria:
2 CFR 180.300 states that a nonfederal entity must verify, when entering into a covered transaction, that the entity with which they intend to do business is not debarred or suspended.

Cause:
There is a failure to establish and follow proper policies related to debarred and suspended vendors.

Effect:
Using the current process, expenditures may be made with suspended or debarred parties and the university won't know about them until after the event.

Recommendation:
We recommend that NDSU develop procedures that will provide for a review of vendors for debarred and suspended status prior to the expenditure being paid.

University System Response/Corrective Action Plan:
Agree. In the fall of 2014, CORE Technology Services (CTS) discovered a capability in PeopleSoft to review debarred and suspended parties before payments are made to vendors. Plans are for CTS to turn on this function by June 30, 2015 after their work on the PeopleSoft 9.2 upgrade this spring. We agree this automated PeopleSoft solution is preferable over the existing annual review process. In past audits the annual review process was considered acceptable until an automated solution could be found.

NORTH DAKOTA STATE UNIVERSITY (NDSU)

Finding 2014-052
VARIOUS FEDERAL AGENCIES
CFDA # VARIOUS
Research and Development Cluster

Questioned Cost: Unknown

Condition:
The NDSU Grants and Contracts Office did not review or approve three interdepartmental billings out of 27 tested (11% error rate).

Criteria:
COSO Internal Control - Integrated Framework states in part: Control activities are the policies and procedures that help ensure management directives are carried out. Control activities occur throughout the organization, at all levels and in all functions. They include a range of activities including approvals.

Cause:
The procedures for processing interdepartmental billings using federal funds did not include a review by the Grants and Contracts Office.

Effect:
This results in an internal control weakness which increases the risk of error occurring and not being detected.

Recommendation:
No recommendation will be issued as the approval process was implemented in May 2014.

BISMARCK STATE COLLEGE (BSC)
WILLISTON STATE COLLEGE (WSC)
NORTH DAKOTA STATE UNIVERSITY (NDSU)
DICKINSON STATE UNIVERSITY (DSU)
NORTH DAKOTA STATE UNIVERSITY OFFICE (NDSUO)
VALLEY CITY STATE UNIVERSITY (VCSU)
UNIVERSITY OF NORTH DAKOTA (UND)
NORTH DAKOTA STATE SCHOOL OF SCIENCE (NDSCS)
LAKE REGION STATE COLLEGE (LRSC)
MINOT STATE UNIVERSITY (MISU)
DAKOTA COLLEGE AT BOTTINEAU (DCB)
MAYVILLE STATE UNIVERSITY (MASU)

Finding 2014-053
VARIOUS FEDERAL AGENCIES
CFDA # Various
Various Federal Agencies

Questioned Cost: $0

Condition:
Several errors were identified in both the 2013 and 2014 Schedules of Expenditures of Federal Awards (SEFA) provided to the state Office of Management and Budget by the colleges and universities, such as incorrect amounts, incorrect CFDA numbers, missing identifying numbers, omitted programs, non-cash assistance not identified separately, etc.

Criteria:
OMB Circular A-133 section 310(b)(1-6) states that the grantee is responsible for the accurate preparation of the SEFA.

Cause:
There is failure by the institution to properly record all aspects of the SEFA.

Effect:
The misstatement of expenditures on the SEFA results in improper reporting to the federal government.

Recommendation:
We recommend that all institutions ensure that all federal programs are included in the SEFA with proper titles, CFDA numbers, program names, pass-through identification and amounts.

University System Response/Corrective Action Plan:
BSC: Agree, BSC made the recommended correction from FY13 in FY14 concerning FWS transfers to SEOG by reporting the expenses in SEOG on the SEFA. BSC will continue this in future years.

LRSC: Agree. Loan cancellation charges were not includable SEFA expenditures for Perkins, per past instructions, and we were not aware of the change. We will certainly include on the SEFA all loan cancellation charges and any Title IV administrative allowances charged to the Perkins Loan fund beginning with the report for FY15.

DCB, DSU, MaSU, MiSU, NDSCS, NDSU, NDUSO, UND, VCSU, WSC: Agree. Additional care will be taken in preparing the SEFA to ensure that all future federal programs are included in the SEFA with proper titles, CFDA numbers, program names, pass-through identification and amounts, so that an accurate and complete report is submitted.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

DEPARTMENT OF COMMERCE

Finding 12-1	Page 86
CFDA # 14.228, 14.255:	U.S. DEPARTMENT HOUSING AND URBAN DEVELOPMENT CDBG – State-Administered Small Cities Program Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Commerce complete the "Section 3 Summary Report, Economic Opportunities for Low- and Very Low-Income Persons" as required.
Status:	The finding was implemented in accordance with the corrective action plan.

DEPARTMENT OF HEALTH

Finding 12-2	Page 87
CFDA # 10.557:	U.S. DEPARTMENT OF AGRICULTURE Food and Nutrition Service Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
Questioned Cost:	$0
Recommendation:	We recommend the Department of Health comply with 7 CFR 246.12(k)(1) by implementing procedures to detect if a vendor has deposited food instruments or cash-value vouchers more than 60 days after the first date of use.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

DEPARTMENT OF HUMAN SERVICES

Finding 12-3	Page 88
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services ensure the SURS Unit develops a sampling plan that is properly designed and has adequate resources to execute the plan.
Status:	Finding was partially implemented. See current year finding #2014-002.

Finding 12-4	Page 89
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services ensure preliminary investigations are properly documented and performed on all cases of fraud and abuse referred to the unit, determine whether there is a sufficient basis to warrant a full investigation, and refer those cases to the proper authorities as required.
Status:	Finding was not implemented. See current year finding #2014-003.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-5	Page 91
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services sufficiently organize the SURS unit outside the control of other Medicaid operations so the SURS unit can objectively perform their function.
Status:	Finding was not implemented. See current year finding #2014-004.

Finding 12-6	Page 93
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services update the SURS manual to ensure all requirements that SURS reviews and schedules have prior approval by the Medicaid Director before execution be removed and that it includes guidance about: • Quarterly sample sizes; • Expanding sample sizes when errors are identified; and • How to document and track sampling activity.
Status:	Finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-7	Page 94
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services apply for a new Federal waiver or work to create a Medicaid Fraud Control Unit that is separate and distinct from the Department of Human Services.
Status:	Finding was not implemented. The Department continues to wait for guidance from CMS. See current year finding #2014-006.

Finding 12-8	Page 95
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop policies and procedures to ensure the system security review is properly designed to include reviewing and updating access rights for all counties.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-9	Page 96
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services conduct a risk analysis of the Medicaid system and include all elements as required by the OMB Circular A-133 Compliance Supplement.
Status:	Finding was partially implemented. See current year finding #2014-013.

Finding 12-10	Page 97
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services submit drug rebate utilization data to CMS within 60 days after the end of the quarter.
Status:	Finding was partially implemented. See current year finding #2014-014.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-11	Page 98
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services implement procedures to ensure nursing homes and hospitals meet the prescribed health and safety standards and maintain documentation that the provider has met the standards.
Status:	Finding was partially implemented. See current year finding #2014-012.

Finding 12-12	Page 99
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services establish policies and procedures to ensure the control activities at outside services organizations are properly monitored on a timely basis.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-13	Page 100
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop procedures to ensure access rights to the Medicaid fee schedule are reviewed on a recurring basis to ensure access is properly limited.
Status:	Finding was not implemented. See current year finding #2014-010.

Finding 12-14	Page 101
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop procedures to ensure access rights to the Vision eligibility system are reviewed on a recurring basis to ensure access is properly limited.
Status:	Finding was not implemented. See current year finding #2014-011.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-15	Page 102
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services continue updating Medicaid provider eligibility files to ensure current license information, eligibility checklists, and provider agreements are maintained within the provider eligibility files.
Status:	Finding was partially implemented. See current year finding #2014-009.

Finding 12-16	Page 103
CFDA # 93.720, 93.777, 93.778:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services credit the Medicaid program for overpayments made to providers of medical services within 1 year of identification of the overpayment.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-17	Page 104
CFDA # 93.575, 93.596, 93.713:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services properly implement system controls to prevent duplicate and other improper payments from being made from the Child Care Assistance System.
Status:	The finding was not implemented during the audit period. A work request was completed and the finding was implemented starting in September of 2014. See current year finding #2014-016.

Finding 12-18	Page 105
CFDA # 93.575, 93.596, 93.713:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$270
Recommendation:	We recommend the Department of Human Services develop and implement controls to ensure that benefit payments are being issued for appropriate amounts using applicable supporting documents for necessary calculations.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-19	Page 106
CFDA # 93.575, 93.596, 93.713:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop written policies and procedures for identifying and recovering potential provider fraud within the Child Care Assistance Program.
Status:	Finding was partially implemented. See current year finding #2014-021.

Finding 12-20	Page 107
CFDA # 93.575, 93.596, 93.713:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services assign responsibility for monitoring intentional program violations ensuring that all identified fraudulent payment amounts are properly entered onto the Child Care Assistance System for recoupment.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-21	Page 108
CFDA # 93.575, 93.596, 93.713:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop and implement compliance inspections to ensure that all self-declared providers meet applicable health and safety requirements.
Status:	The finding was implemented in 2014 in accordance with the corrective action plan.

Finding 12-22	Page 109
CFDA # 93.575, 93.596, 93.713:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services adjust the sampling procedures used by the Quality Assurance Division to gain assurance that Child Care Assistance case files from all counties have been reviewed over a specified period of time.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-23	Page 110
CFDA # 93.575, 93.596, 93.713:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services properly assign responsibility for verifying receipt of all applicable federal program payroll certifications.
Status:	The finding was implemented in accordance with the corrective action plan.

Finding 12-24	Page 111
CFDA # 93.575, 93.596, 93.713:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop and implement controls to ensure that all individual eligibility workers are collecting and maintaining all applicable information for Child Care Assistance eligibility determinations.
Status:	The finding was not implemented however the Department continues to work with and train the counties. See current year finding #2014-017.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-25	Page 112
CFDA # 93.558, 93.714:	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families TANF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services implement the use of an electronic spreadsheet for tracking all of the completed TANF Quality Control monitoring reviews along with any findings and responses that resulted from these reviews. This spreadsheet could then be utilized to ensure that all counties are subject to review over a reasonable period of time.
Status:	The finding was implemented in accordance with the corrective action plan.

Finding 12-26	Page 113
CFDA # Various:	VARIOUS FEDERAL AGENCIES Various Federal Programs
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services ensure high risk accounting entries that adjust expenditures for Federal programs are properly reviewed and approved by a program manager.
Status:	The finding was implemented in accordance with the corrective action plan.

Finding 12-27	Page 114
CFDA # Various:	VARIOUS FEDERAL AGENCIES Various Federal Programs
Questioned Cost:	$0
Recommendation:	We recommend that the Department of Human Services comply with OMB Circular A-133 when preparing the Schedule of Expenditures of Federal Awards and conduct adequate reviews of information being reported to ensure all of the information included is proper.
Status:	The finding was implemented in accordance with the corrective action plan.

DEPARTMENT OF PUBLIC INSTRUCTION

Finding 12-28	Page 116
CFDA # Various:	U.S. DEPARTMENT OF AGRICULTURE (USDA) Child Nutrition Cluster Child and Adult Care Food Program
Questioned Cost:	$0
Recommendation:	We recommend the Department of Public Instruction maintain accurate and complete records with respect to the receipt, distribution, and inventory of donated foods.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-29	Page 117
CFDA # Various:	VARIOUS FEDERAL AGENCIES All Grants with Subrecipients
Questioned Cost:	$0
Recommendation:	We recommend the Department of Public Instruction implement controls to ensure they review all subrecipients A-133 audit report.
Status:	The Department has partially implemented the recommendation made by the State Auditor's Office. The process was new for the last audit period. The Department has continued to work towards strengthening the process of ensuring each of the federal funding recipients are reviewed for A-133 audit purposes. See current year finding #2014-030.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

DEPARTMENT OF TRANSPORTATION

Finding 12-30	Page 118
CFDA # 20.205:	U.S. DEPARTMENT OF TRANSPORTATION Highway Planning and Construction
Questioned Cost:	$0
Recommendation:	We recommend the DOT obtain written approval of qualification-based selection procedures from FHWA in accordance with 23 CFR section 172.9. We recommend the DOT require subrecipients to develop written procedures in accordance with 23 USC 112(b)(2) and 23 CFR section 172 including required procedures of 23 USC section 172.9 and, subsequently approve the subrecipient procedures. We also recommend the Department of Transportation develop and perform subrecipient monitoring procedures to ensure compliance with the required qualification-based selection procedures of the Brooks Act pursuant to 23 CFR section 172.9.
Status:	Not Implemented - The NDDOT Environmental and Transportation Services (ETS) Division is in the process of rewriting its Consultant Administration Services (CAS) manual. This manual contains the procedures to comply with 23 CFR section 172.9 and the Brooks Act. NDDOT has submitted the procedures to FHWA, they have indicated the format is acceptable. The manual rewrite is near completion, currently waiting for final comments and approval. This manual is being developed and applied to contracts with local public agencies (LPA) and transit providers. Upon its completion, NDDOT will require LPAs to comply with the NDDOT CAS manual. See current year finding #2014-033.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-31	Page 119
CFDA # 20.205:	U.S. DEPARTMENT OF TRANSPORTATION Highway Planning and Construction
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation ensure documented evidence for approval or rejection of all value engineering recommendations and verification that approved value engineering recommendations are included in the project plans, specifications, and estimates in accordance with 23 CFR part 627.
Status:	Not Implemented - The NDDOT ETS Division will develop a value engineering (VE) manual upon completion of the CAS manual. Per discussion with FHWA, the CAS manual should be completed prior to developing the VE manual. This manual will prescribe the proper policies and procedures for administration of the value engineering program and will also prescribe the maintenance of adequate documentation for the program.
Auditor Statement:	Projects of FY2013 and FY2014 identified in the 2013-2016 Statewide Transportation Improvement Program did not meet the threshold to require a value engineering analysis during the audit period.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-32	Page 120
CFDA # 20.205:	U.S. DEPARTMENT OF TRANSPORTATION Highway Planning and Construction
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation develop properly documented policies and procedures for the value engineering program in accordance with 23 CFR 627.
Status:	Not Implemented - The NDDOT ETS Division will develop a value engineering (VE) manual upon completion of the CAS manual. Per discussion with FHWA, the CAS manual should be completed prior to developing the VE manual. This manual will prescribe the proper policies and procedures for administration of the value engineering program and will also prescribe the maintenance of adequate documentation for the program. See current year finding #2014-032.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-33	Page 121
CFDA # 20.205, 20.509:	U.S. DEPARTMENT OF TRANSPORTATION Highway Planning and Construction Formula Grants for Other than Urbanized Areas (Nonurbanized Area Formula Program)
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation ensure evidence is obtained to identity whether local matching contributions are from an allowable source.
Status:	Partially Implemented - The Local Government Division has identified all contract templates used with their providers. The Legal Division has worked with Local Government to develop a certification; this was added to the contract templates as a permanent change. The certification will be for the LPA or transit providers to certify that the local match is from an allowable source. In addition to this, the Transit Section of the Local Government Division has added a section in the transit funding grant application where the transit providers need to identify their sources of match. If a provider has a source match from an entity that is greater than $10,000, the provider must submit a letter to NDDOT from that entity as proof of the match. See current year finding #2014-031.

Finding 12-35	Page 123
CFDA # 20.509:	U.S. DEPARTMENT OF TRANSPORTATION Formula Grants for Other Than Urbanized Areas (Nonurbanized Area Formula Program)
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation comply with Federal Funding Accountability and Transparency Act reporting requirements.
Status:	Partially Implemented - The Department of Transportation continues to evaluate compliance with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. See current year finding #2014-036.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-36	Page 124
CFDA # Various:	VARIOUS FEDERAL AGENCIES All Grants with Subrecipients
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation develop proper procedures to: • Identify annually, based on the subrecipient's fiscal year, subrecipients that spend $500,000 or more in Federal awards from all sources; • Develop a tracking system for monitoring subrecipients that require an audit to ensure audit requirements are met; • Ensure subrecipients that met the A-133 audit threshold have an audit completed within 9 months of the subrecipient's fiscal year end; • Review subrecipient audit reports and issue management decisions within 6 months of receiving the audit report; and • Perform monitoring procedures to ensure subrecipients take timely and appropriate corrective action on all findings.
Status:	Partially Implemented - The Local Government Division has included A-133 audit questions on its subrecipient checklist and also includes a statement requiring entities to comply with OMB Cir. A-133 on its contracts. They worked with the Audit Services Division and the Legal Division to develop an audit certification that will be sent out to all entities annually. In November 2014, the certification was sent to all entities to determine if they met the threshold for an A-133 audit, that an audit was completed, and that the audit was submitted to NDDOT. The Local Government Division also developed a tracking spreadsheet to annually monitor their certification responses, the audit results, and any follow-up that is needed. See current year finding #2014-038.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

GAME AND FISH DEPARTMENT

Finding 12-37	Page 125
CFDA # 15.605, 15.611:	U.S. DEPARTMENT OF THE INTERIOR Sport Fish Restoration Program/Wildlife Restoration and Basic Hunter Education
Questioned Cost:	$0
Recommendation:	We recommend the North Dakota Game and Fish Department develop a tracking system to ensure that all subrecipients spending $500,000 or more in Federal awards have met the audit requirements of OMB Circular A-133.
Status:	The finding was implemented in accordance with the corrective action plan.

Finding 12-38	Page 127
CFDA # Various:	VARIOUS FEDERAL AGENCIES Various Federal Programs
Questioned Cost:	$0
Recommendation:	We recommend that the North Dakota Game and Fish Department strengthen controls to comply with OMB Circular A-133 when preparing the Schedule of Expenditure of Federal Awards to ensure all the information included is accurate.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

HIGHWAY PATROL

Finding 12-39	Page 128
CFDA # 20.218:	U.S. DEPARTMENT OF TRANSPORTATION National Motor Carrier Safety Assistance Program
Questioned Cost:	$23,897
Recommendation:	We recommend the North Dakota Highway Patrol ensure that proper procedures are in place to prevent the billing of costs that are not eligible.
Status:	As of June 30, 2014 the finding was partially implemented in accordance with the corrective action plan. The one portion of the finding referring to the $200 monthly unvouchered expense payments which had not been implemented as of June 30, 2014 was implemented after June 30, 2014 in accordance with the corrective action plan. See current year finding #2014-040.

Finding 12-40	Page 129
CFDA # 20.218:	U.S. DEPARTMENT OF TRANSPORTATION National Motor Carrier Safety Assistance Program
Questioned Cost:	Unknown
Recommendation:	We recommend that the North Dakota Highway Patrol establish internal controls over Federal programs to ensure that transactions are properly recorded and accounted for, which includes effectively utilizing the state's accounting system to track Federal grant activity and ensuring correcting entries are done timely.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

OFFICE OF THE ADJUTANT GENERAL

Finding 12-41	Page 130
CFDA # 97.039:	U.S. DEPARTMENT OF HOMELAND SECURITY Hazard Mitigation Grant Program
Questioned Cost:	$0
Recommendation:	We recommend the Office of the Adjutant General ensure Federal award identification information and applicable compliance requirements are identified to subrecipients.
Status:	The finding was implemented in accordance with the corrective action plan.

Finding 12-42	Page 131
CFDA # 97.039:	U.S. DEPARTMENT OF HOMELAND SECURITY Hazard Mitigation Grant Program
Questioned Cost:	$0
Recommendation:	We recommend the Office of the Adjutant General properly comply with Federal Funding Accountability and Transparency Act reporting requirements. We also recommend the Office of the Adjutant General obtain subrecipient Dun and Bradstreet DUNS numbers.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

Finding 12-43	Page 132
CFDA # 97.067:	U.S. DEPARTMENT OF HOMELAND SECURITY Homeland Security Grant Program
Questioned Cost:	$0
Recommendation:	We recommend the North Dakota Adjutant General identify the obligation date of Homeland Security Grant Program funds given to sub-grantees to be the same as defined in the OMB Circular A-133 Compliance Supplement and implement controls to ensure funds are obligated to sub-grantees within forty-five days after the date of the grant award and that the date of obligation be documented.
Status:	The finding was partially implemented but due to the timing of the next grant period was not able to fully implement until September 2014. See current year finding #2014-042.

Finding 12-44	Page 133
CFDA # Various:	VARIOUS FEDERAL AGENCIES All Grants with Subrecipients
Questioned Cost:	$0
Recommendation:	We recommend the Office of the Adjutant General develop proper procedures to ensure: • Certifications as to whether the $500,000 threshold for an A-133 audit was met are required for all subrecipients; • The tracking system for monitoring subrecipients identifies all subrecipients that received federal funding; and • Tracking methods performed include determining A-133 audits are completed within 9 months of the subrecipient's fiscal year end and management decisions are made within 6 months of receiving the audit report.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

OFFICE OF MANAGEMENT AND BUDGET

Finding 12-45	Page 135
CFDA # Various:	VARIOUS FEDERAL AGENCIES Various Federal Programs
Questioned Cost:	$0
Recommendation:	We recommend the Office of Management and Budget work with individual state agencies in determining the time frame to be used and what a representative sample is when developing clearance patterns to ensure clearance patterns accurately represent the flow of Federal funds under each Federal assistance program to which it is applied.
Status:	The finding was implemented in accordance with the corrective action plan.

VETERANS HOME

Finding 12-46	Page 136
CFDA # 64.005:	U.S. DEPARTMENT OF VETERANS AFFAIRS Grants to States for Construction of State Home Facilities
Questioned Cost:	$0
Recommendation:	We recommend that the Veterans Home implement controls to comply with OMB Circular A-133 when preparing the Schedule of Federal Expenditures to ensure all of the information included is complete, up-to-date, and reliable.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

UNIVERSITY OF NORTH DAKOTA (UND)

Finding 12-47	Page 137
CFDA # Various:	U.S. DEPARTMENT OF EDUCATION Student Financial Aid Cluster
Questioned Cost:	Unknown
Recommendation:	We recommend that UND use multiple enrollment categories of full-time, three-quarter-time, half-time and less-than-half-time for its Cost of Attendance budgets, and discontinue budgeting everyone as full-time.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

BISMARCK STATE COLLEGE (BSC)

Finding 12-48	Page 138
CFDA # Various:	U.S. DEPARTMENT OF EDUCATION Student Financial Aid Cluster
Questioned Cost:	$59,582
Recommendation:	We recommend that BSC: 1. Update its SAP policy to ensure the application of SAP standards to all students within all of the categories of students (full-time, part-time, undergraduate, or other educational programs), 2. Provide in its SAP policy the basis for which a student may file an appeal, which includes insufficient GPA, insufficient pace, and/or exceeded maximum credit limit. This should also identify what circumstances would be allowable, which include (but is not limited to) a medical condition, death of a family member, divorce/separation, military service, and/or other extenuating circumstances, 3. Clarify the documentation required for specific situations and only approve those appeals where sufficient documentation has been obtained and retained, and only approve those appeals for students who have successfully demonstrated satisfactory academic progress at the next evaluation. 4. Consider forming an Appeal Committee. Grievances on denied appeals could then be brought to the SFA administrator (or a designee) for further consideration. Additionally, BSC should not approve appeals that do not have the required supporting documentation or when the student has not lived up to the Plan of Study outlined in the Appeal.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

NORTH DAKOTA STATE UNIVERISITY (NDSU)
UNIVERSITY OF NORTH DAKOTA (UND)

Finding 12-49	Page 140
CFDA # 12.xxx, 47.049:	U.S. DEPARTMENT OF DEFENSE Nation Science Foundation Research and Development Cluster DOD Award Number: W9132T-08-2-0014
Questioned Cost:	$0
Recommendation:	We recommend UND and NDSU establish and implement a system to enable the grant officers access to adequate supporting documentation to review purchase card purchases charged to federal programs.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

DAKOTA COLLEGE AT BOTTINEAU (DCB)
LAKE REGION STATE COLLEGE (LRSC)
MAYVILLE STATE UNIVERSITY (MASU)
NORTH DAKOTA STATE COLLEGE OF SCIENCE (NDSCS)
VALLEY CITY STATE UNIVERSITY (VCSU)
WILLISTON STATE COLLEGE (WSC)

Finding 12-50	Page 141
CFDA # Various:	VARIOUS FEDERAL AGENCIES Various Federal Programs
Questioned Cost:	$0
Recommendation:	We recommend: 1. The financial staffs at the noted institutions obtain appropriate general ledger classification training and implement that training as soon as possible. 2. Information to comply with federal regulations be recorded in the general ledger and CFDA numbers be required when setting up federal award funds and projects. 3. Program income be recorded in the appropriate federal fund and reported to funding sponsor.
Status:	The finding was not implemented. See current year finding #2014-050.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

WILLISTON STATE COLLEGE (WSC)

Finding 12-51	Page 144
CFDA # 84.063,	U.S. DEPARTMENT OF EDUCATION
84.007,	Federal Pell Grant Program
84.033,	Federal Supplemental Education Opportunity Grants
84.038:	Federal Workstudy
	Federal Perkins Loan Program
Questioned Cost:	$0
Recommendation:	We recommend that WSC: 1. Reconcile program and fiscal records on a monthly basis and 2. Properly report balances on the FISAP.
Status:	The finding was implemented in 2014 in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

NORTH DAKOTA STATE UNIVERSITY (NDSU)

Finding 12-52	Page 146
CFDA # 81.112:	U.S. DEPARTMENT OF ENERGY Research and Development Cluster
Questioned Cost:	Unknown
Recommendation:	We recommend, rather than billing in advance based on estimated costs, a fee schedule be used to bill based on actual costs after the services have been provided. If an internal service fund must bill in advance for services to be provided, a periodic reconciliation should be performed comparing actual costs to what was billed to the federal program. Any charges that exceed the actual expenses should be refunded to the federal program.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2014 and 2013

By State Agency

DICKINSON STATE UNIVERSITY (DSU)

Finding 12-53	Page 147
CFDA # Various:	U. S. DEPARTMENT OF EDUCATION Student Financial Aid Cluster
Questioned Cost:	$32,227
Recommendation:	We recommend that DSU: 1. Update its SAP policy to include the application of SAP standards to all students within all of the categories of students (full-time, part-time, undergraduate, or other educational programs); 2. Provide in its SAP policy (not just on the appeal form) the basis for which a student may file an appeal, which includes insufficient GPA, insufficient pace, and/or exceeded maximum credit limit. This should also identify what circumstances would be allowable, which include (but is not limited to) a medical condition, death of a family member, divorce/separation, military service, and/or other extenuating circumstances; 3. Identify in its SAP policy the information a student must submit when he/she has a deficiency, and what the student can do to not be deficient in the next SAP evaluation; 4. Define in its SAP policy the maximum credit limit for students who are working towards dual degrees; 5. Consider using the credits for the major that takes the longest (most credits) to complete, in regards to students who have dual degrees, to calculate the 150% for the maximum credit limit; 6. Define in its SAP policy how the standards apply to a student who has changed his/her major; 7. Consider forming an Appeal Committee. Grievances on denied appeals could then be brought to the SFA administrator (or a designee) for further consideration. Further, DSU should not approve appeals that do not have the required supporting documentation or when the student has not lived up to the Plan of Study outlined in the Appeal.
Status:	The finding was implemented in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
NORTH DAKOTA STATE AGENCIES
(With Acronyms)

For the Fiscal Years Ended June 30, 2014 and 2013

Acronym	Agency
10100	Governor's Office
10800	Secretary of State
11000	Management and Budget
11200	Information Technology Department
11700	Auditor
12500	Attorney General
18000	State Courts
20100	Public Instruction
25000	Library
25300	School for the Blind
27000	Career and Technical Education
30100	Health Department
31300	Veterans' Home
32500	Human Services
36000	Protection and Advocacy
40100	Insurance Department
40500	Industrial Commission
40600	Labor Department
40800	Public Service Commission
41200	Aeronautics
50400	Highway Patrol
53000	Corrections and Rehabilitation
54000	Adjutant General
60100	Commerce
60200	Agriculture
70100	Historical Society
70900	Arts Council
72000	Game and Fish

75000	Parks and Recreation
77000	Water Commission
80100	Transportation
BSC	Bismarck State College
DCB	Dakota College at Bottineau
DSU	Dickinson State University
LRSC	Lake Region State College
MASU	Mayville State University
MISU	Minot State University
NDSCS	North Dakota State College of Science
NDSU	North Dakota State University
NDUS	University System
UND	University of North Dakota
VCSU	Valley City State University
WSC	Williston State College