

COMMONWEALTH OF VIRGINIA
SINGLE AUDIT REPORT

FOR THE YEAR ENDED
JUNE 30, 2004



EXECUTIVE SUMMARY

The results of our single audit of the Commonwealth of Virginia for the year ended June 30, 2004, are summarized below:

- We issued an unqualified opinion on the basic financial statements;
- We found certain matters that we consider reportable conditions, one of which we identified as a material weakness in internal control over financial reporting;
- We did not identify instances of noncompliance with selected provisions of applicable laws and regulations or other matters which could have a material effect on the basic financial statements;
- We did not identify material weaknesses in the internal control over major programs; however, we did find certain matters and instances of noncompliance with selected provisions of laws and regulations related to major programs required to be reported in accordance with OMB Circular A-133, Section .510(a); and
- We issued an unqualified opinion on the Commonwealth's compliance with requirements applicable to each major program.

Our audit findings are reported in the accompanying "Schedule of Findings and Questioned Costs."

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Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

March 21, 2005

The Honorable Mark R. Warner
Governor of Virginia
State Capitol
Richmond, Virginia

The Honorable Lacey E. Putney
Chairman, Joint Legislative Audit
and Review Commission
General Assembly Building
Richmond, Virginia

We are pleased to submit the statewide **Single Audit Report of the Commonwealth of Virginia**, for the fiscal year ended June 30, 2004.

The Single Audit Report for the Commonwealth of Virginia discloses the Commonwealth's compliance with requirements applicable to major federal financial assistance programs. The statewide Single Audit Report provides the General Assembly and agency management with a means to determine how internal controls affect federal funds and whether agencies are complying with federal laws and regulations.

I would like to express my appreciation to the many individuals whose efforts assisted in preparing this report. This report could not have been accomplished without the professionalism and dedication demonstrated by the staff within this Office. We would like to recognize the agency and institution management, and federal program and financial staffs for their cooperation and assistance in resolving single audit issues.

We believe this report represents a significant indication of the sound fiscal operations of federal funds in the Commonwealth. The report should greatly assist agency management in administering federal programs and enhance their dealings with federal agencies.

AUDITOR OF PUBLIC ACCOUNTS

NHW:whb
whb:190

INDEPENDENT AUDITOR'S REPORTS



Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON THE AUDIT OF THE BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited the basic financial statements of the Commonwealth of Virginia, as of and for the year ended June 30, 2004, and have issued our report thereon dated December 14, 2004. This report relates only to the Commonwealth and not to certain agencies and component units that were audited by other auditors discussed in Note 1-B of the "Notes to Financial Statements."

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commonwealth of Virginia's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Commonwealth's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. These reportable conditions are described in the accompanying "Schedule of Findings and Questioned Costs" as items 04-01 through 04-12.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 04-06 to be a material weakness.

We also noted other matters involving the internal control over financial reporting that we have reported to the management of the individual state agencies and institutions.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commonwealth of Virginia'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 one instance of noncompliance that is required to be reported under Government Auditing Standards described in the "Schedule of Findings and Questioned Costs" as item 04-10. While we found no other matters required to be reported, we noted certain immaterial instances of noncompliance that we have reported to the management of the individual state agencies and institutions.

This report is intended solely for the information and use of the Governor and General Assembly of Virginia, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS
December 14, 2004



Commonwealth of Virginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH

MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE

IN ACCORDANCE WITH OMB CIRCULAR A-133

Compliance

We have audited the compliance of the Commonwealth of Virginia with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The Commonwealth's major federal programs are identified in the "Summary of Auditor's Results" section of the accompanying "Schedule of Findings and Questioned Costs." Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Commonwealth's management. Our responsibility is to express an opinion on the Commonwealth's compliance based on our audit. This report relates only to the Commonwealth and not to the agencies and component units discussed in Note 1 of the "Notes to the Schedule of Expenditures of Federal Awards."

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 Commonwealth'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. Our audit does not provide a legal determination of the Commonwealth's compliance with those requirements.

In our opinion, the Commonwealth of Virginia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying "Schedule of Findings and Questioned Costs" as items 04-13 through 04-16.

Internal Control Over Compliance

The management of the Commonwealth is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commonwealth's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Commonwealth's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. These reportable conditions are described in the accompanying "Schedule of Findings and Questioned Costs" as items 04-13 through 04-16.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of the Governor and General Assembly of Virginia, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS
March 21, 2005

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

COMMONWEALTH OF VIRGINIA
SUMMARY OF AUDITOR'S RESULTS
FOR THE YEAR ENDED JUNE 30, 2004

Financial Statements

Type of auditor's report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
Material weakness identified?	<u>Yes</u>
Reportable conditions identified not considered to be material weaknesses?	<u>Yes</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

Internal Control over major programs:	
Material weakness identified?	<u>No</u>
Reportable conditions identified not considered to be material weaknesses?	<u>Yes</u>

Type of auditor's report issued on compliance for major programs:	<u>Unqualified</u>
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Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	<u>Yes</u>
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The Commonwealth's major programs are as follows:

CFDA Number(s)	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
14.228	Community Development Block Grants
16.007	State Domestic Preparedness Equipment Support Program
17.225	Unemployment Insurance
17.245	Trade Adjustment Assistance – Worker's
20.401	Port Security Grants
20.509	Formula Grants for Other Than Urbanized Areas
21.999	Jobs and Growth Tax Relief Reconciliation Act of 2002
83.544	Public Assistance Grants
84.367	Improving Teacher Quality State Grants

CFDA Number(s)	Name of Federal Program or Cluster
93.003	Public Health and Social Services Emergency Fund
93.283	Center for Disease Control and Prevention – Investigations and Technical Assistance
93.558	Temporary Assistance for Needy Families
93.917	HIV Care Formula Grants
97.050	Federal Assistance to Individuals and Households – Other Needs
10.551 10.561	Food Stamp Cluster
17.258 17.259 17.260	Workforce Investment Act (WIA) Cluster
20.205 23.003	Highway Planning and Construction Cluster
84.007 84.032 84.033 84.038 84.063 84.268 93.342 93.364 93.925	Student Financial Assistance Cluster
93.044 93.045 93.053	Aging Cluster
93.775 93.777 93.778	Medicaid Cluster
96.001	Social Security – Disability Insurance Cluster
(Footnote 2A)	Research and Development Cluster

Dollar threshold used to distinguish between

Type A programs: \$23,952,850

Type B programs: \$ 2,395,285

Commonwealth qualified as low-risk auditee? **No**

FINANCIAL STATEMENT FINDINGS

04-01 Improve Capital Asset Management and Reporting

Applicable to: Department of Transportation

General Information:

Transportation maintains and reports a majority of the Commonwealth's infrastructure, which consists of highways, bridges, tunnels, and right-of-way land, as well as a substantial portion of the Commonwealth's capital assets, including buildings and equipment. For fiscal year 2004, Transportation's infrastructure and other capital assets totaled \$12 billion, net of accumulated depreciation. Transportation reports financial information, including asset values and depreciation, related to all its capital assets for inclusion in the Commonwealth's Annual Financial Report (CAFR).

As a result of the recommendations in the fiscal year 2003 audit, Transportation began improving its capital asset internal controls and financial reporting processes. There has been a proactive attitude and an increase in accountability within Transportation to ensure accurate financial reporting of capital assets for fiscal year 2004.

Transportation has improved its capital asset and financial reporting processes; however, there are several areas that Transportation should continue to improve. Transportation should continue its establishment and definition of roles and responsibilities within the new Capital Asset and Inventory Control Division. This definition will help enhance communication between individuals, divisions, and districts, which still needs improvement specifically relating to the Asset Management Division. In addition, Transportation does not have a reconciliation process for reclassifying assets from one category to another. Transportation did not monitor asset acquisitions to ensure proper capitalization during fiscal year 2004. Although the Asset Management Division performed fuel and equipment inventories, the Capital Asset and Inventory Control Division did not include the Asset Management Division in its asset inventory efforts because Transportation has not yet defined the relationship between the two divisions.

Overall the adjustments made during this audit were minimal in comparison to the prior years. The net effect of all capital asset audit adjustments totaled \$1.7 million. This was a major improvement from the prior year.

Changes from the prior year:

Transportation hired a Financial Reporting Unit Manager within the Controller's Office to be responsible for the capital asset reporting function. In addition, Transportation is creating a Capital Asset and Inventory Control Division, which will exist directly under the Chief Financial Officer and hired district inventory managers to aid in implementing and executing the new policies and procedures. This Division became effective December 2004 with an Acting Division Administrator. Within this Division there will be three distinct areas: inventory, capital assets, and compliance. Due to its recent creation, the Division has established responsibility for some, but not all, statewide policies, methodologies, controls, and reporting of assets, but the Division is in the process of defining these functions.

We recommend the Capital Asset and Inventory Division have central oversight for each asset area, district, and central office with authoritative control. This oversight should include

monitoring, coordinating, and managing the inventory of Transportation's assets during the year as well as compiling financial reporting information at year end. Transportation should continue to define the responsibilities and functions of the Capital Asset and Inventory Division.

Issues:

During the fiscal year 2003 audit, we noted the Asset Management Division did not properly capitalize fuel terminals. In response to this finding in fiscal year 2004, Transportation determined that it had improperly recorded its fuel facilities on the Fixed Asset Accounting and Control System (FAACS) by including the building and the fuel equipment all in one asset. In order to separate the costs between the building and the equipment, the Capital Outlay Division deleted these assets from FAACS and added the fuel canopies as "new assets" to FAACS. Transportation also added the equipment portion of the fuel facilities, including terminals, dispensers, underground storage tanks, and automatic gauging systems to the major equipment database. The assets involved in this process totaled approximately \$24 million.

The process the Capital Outlay and Asset Management Divisions used to record these assets did not provide an adequate audit trail. Although the Asset Management Division instructed the district on how to make these changes, the Districts did not use consistent salvage values for similar assets. The differences, resulting from the inconsistent data, are immaterial for financial reporting purposes. However, Transportation should review these assets, determine the appropriate useful lives, and adjust the database as needed.

As a result of a complete inventory of buildings and improvements, Capital Outlay deleted and added "new assets" for older buildings as well as those that had renovations or improvements. Transportation improperly included these changes as new acquisitions rather than prior period adjustments for financial reporting purposes. This error and the errors from the reclassification of the fuel terminals above resulted in a \$2.6 million audit adjustment.

The Commonwealth Accounting Policies and Procedures (CAPP) manual directs agencies not to delete assets from FAACS because it eliminates the audit trail. Transportation should complete a full reconciliation of all differences within FAACS for fiscal year 2003 and 2004 to determine the most appropriate way to report the assets.

Capital Acquisitions

Transportation did not monitor asset acquisitions to ensure proper capitalization prior to June 2004. We found that Transportation did not capitalize 14 percent of asset purchases tested. This is due to the divisions not knowing into "which asset system" they should record the assets. Transportation also does not have documented policies and procedures for purchasing and capitalizing electronic or data processing equipment to distinguish between Transportation and Virginia Information Technology Agency owned assets. Transportation began monitoring potential asset purchases in June 2004; however, we were unable to determine the effectiveness of this procedure given the short time it was in effect during the fiscal year under audit. The new Capital Asset and Inventory Control Division should continue monitoring asset acquisitions and develop policies for electronic and data processing equipment.

The fiscal year 2003 audit noted that Transportation needed to develop a method to capture and capitalize the cost of improvements other than buildings for existing assets so that they can capitalize this information by 2006 to comply with Governmental Accounting Standards Board Statement No. 34. Transportation began developing a process to capitalize these costs; however, as

of the end of our audit, this methodology was not available for review. Transportation should finalize this methodology so that it is available for audit and review before for fiscal year 2006 financial reporting.

Equipment Management System (EMS)

Transportation records and tracks the different categories of capital assets using several different systems and an Access database. Transportation's use of multiple systems and schedules makes tracking capital assets difficult. One of these multiple systems is the Equipment Management System (EMS) used by the Asset Management Division. Transportation originally developed EMS as an equipment asset maintenance and management system. EMS is an old system and Transportation cannot easily query information out of the system. As reported during the fiscal year 2003 audit, Transportation experienced difficulty implementing financial reporting changes due to the system constraints.

During fiscal year 2004, the Financial Reporting Unit Manager reviewed EMS to improve the quality of the information maintained in the system for financial reporting purposes. As a result, Transportation was able to evaluate and modify EMS so that it could calculate depreciation for the assets and provide the users with a more efficient method of obtaining capital asset information from the system. However, we recommend Transportation should continue to evaluate EMS and consider implementing a new asset management system. Transportation should consider incorporating all of its other capital asset systems into a new system.

Asset Inventory Counts

Transportation completed a comprehensive inventory of all asset categories during fiscal year 2004. During this process, Transportation emphasized the importance of performing and certifying asset inventories. Central Office coordinated and developed an inventory certification process for major equipment, buildings, infrastructure, and data processing equipment. However, the Capital Asset and Inventory Control Division did not include the Asset Management Division in its asset inventory efforts because Transportation has not yet defined the relationship between the two divisions. Not coordinating the scheduling of asset inventory counts among these asset areas can result in inefficiencies in the districts.

We recommend the Capital Asset and Inventory Division coordinate the asset inventory efforts for all asset categories to meet the Commonwealth's accounting policy requirement of having inventory counts every two years.

Other Adjustments

Transportation's internal audit performed a review of infrastructure and found that Transportation had not adjusted for highway and road abandonments and discontinuances when capitalizing infrastructure each year. Abandonments and discontinuances represent roadways removed from state service or turned over to the locality. Since the abandoned and discontinued highways and roads are old roads and fully depreciated, there is no effect on the Commonwealth's financial statements. Transportation has identified all discontinuances associated with the primary roadway system but still needs to adjust the infrastructure amounts for 2006.

Management Plan for Corrective Action:

Our corrective action plan includes the following actions:

- 1. Define roles and responsibilities of the Capital Assets and Inventory Control Division.*
- 2. Develop an action plan to include assets currently controlled by the Asset Management Division under the oversight and direction of the Capital Assets and Inventory Control Division.*
- 3. Review the equipment portion of fuel facilities and their appropriate useful lives and salvage values.*
- 4. Perform reconciliation of differences within FAACS for FY 2003 and 2004.*
- 5. Review and refine as necessary the methodology for monitoring asset acquisitions.*
- 6. Document and refine procedures for capitalizing electronic or data processing equipment to distinguish between VDOT and VITA owned assets.*

Responsible Position: Director of Capital Assets and Inventory Control Division

Estimated Completion Date: June 1, 2005

- 7. Finalize the methodology for capturing and capitalizing the cost of improvements other than buildings for existing assets.*
- 8. Evaluate current systems for reporting assets, including EMS, and consider incorporating all capital assets into a new system.*

Responsible Position: Director of Capital Assets and Inventory Control Division

Estimated Completion Date: June 15, 2005

- 9. Adjust infrastructure amounts, starting with FY2005, for primary roadway discontinuances and abandonments.*

Responsible Position: Controller

Estimated Completion Date: July 31, 2005

Financial Reporting

04-02 Strengthen Internal Controls in the Budgeting and Accounting Support Functions

Applicable to: Department of Rail and Public Transportation

In order to meet the increasing demands for service, react to budget reductions, and minimize administrative costs, management must consider the nature and design of support services. The Department of Rail and Public Transportation (DRPT) is a relatively small agency with 44 authorized positions; however, these individuals had responsibility over appropriations of \$154 million in fiscal year 2004, and their budgeted appropriations will increase by fiscal year 2006 to \$260 million, a 68 percent increase.

Our review of DRPT's processes identified internal control weaknesses in the budgeting and accounting support functions. Over the past year, DRPT lost several key support personnel, including the Controller. Management is in the process of filling these positions and determining the level of staffing needed to support agency operations.

We recommend DRPT management consider partnering with another larger or several smaller agencies to obtain support services. Maintaining internal controls and knowledgeable and experienced staff, and ensuring the continuation of operation is difficult when staffing levels are low. Additionally, having in-house staff is not always cost ineffective, but represents a burden on management to continuously train and oversee these functions. This diverts resources from the agency's primary service delivery functions, grants management, and budgeting.

Over the past several years, a number of agencies similar in size to DRPT, including the Governor's Office, have moved to sharing administrative support functions. These functions include accounting, payroll, purchasing, and some personnel functions, which allows the agency to concentrate on its primary mission.

In our opinion, DRPT management should pursue the option of sharing support functions with another agency or agencies rather than incurring the cost of hiring, training, and internally managing all of these functions. Not following this option, we believe, will require management to conduct an extensive review of its internal control systems and overall support activities. We do not believe that solely replacing the Controller will provide the appropriate level of expertise and knowledge to assist an agency of this complexity. Rather, sharing support resources will give management greater flexibility and allow the agency to focus on grants management and budgeting.

Management Plan for Corrective Action:

The Department of Rail and Public Transportation (DRPT) values the efforts of the APA and welcomes its comments concerning the operations of the agency. We share the same goals with respect to the agency's finances, and look forward to working with you into the future.

Your review finding matches to the preliminary findings of our internal review of the processes in the accounting and budgeting areas. Since our review uncovered some controls that needed to be strengthened, we have begun an in-depth evaluation of the control environment in the accounting and budgeting areas. As this process must be performed in conjunction with the day-to-day financial operations and due to the uncertainty of the nature and extent of the possible findings, the estimated completion dates extend through the first quarter of fiscal year 2006.

Our corrective action plan includes the following actions:

- 1. Perform an in-depth evaluation of the internal control structure in the accounting and budgeting section within DRPT. Document any deficiencies.*
- 2. Implement corrective action for identified internal control deficiencies.*

Responsible Position: Chief Financial Officer

Estimated Completion Date: May 15, 2005

- 3. Document the controls through updated policies and procedures.*

Responsible Position: Chief Financial Officer

Estimated Completion Date: September 30, 2005

- 4. Ensure that the staff understand the agency's objectives and how the internal controls assist management in meeting those objectives.*

Responsible Position: Chief Financial Officer

Estimated Completion Date: ongoing

04-03 Improve Voucher Documentation and Follow Department Policies and Procedures

Applicable to: Department of Social Services

The Department's Division of Finance had inadequate supporting documentation or did not follow established policies for 6 out of 25 selected payment vouchers and five out of ten selected contracts. We found the following:

- A missing requisition from a payment voucher;
- A payment voucher had a missing receiving report and two others had incomplete receiving reports. In addition, the same individual both ordered and received the goods for a purchase;
- Two payment vouchers had missing or inadequate supporting information;
- The Department ordered goods from a vendor before preparing a purchase order; and
- Two miscoded entries in FAAS.

Furthermore, the Department could not provide a copy of the contract administration letter for five out of ten selected contracts. Without proper identification of the contract administrator and

applicable responsibilities, the Department may not be adequately monitoring contracts and could make payment for services outside the scope of the contract.

The Department should maintain adequate supporting documentation to accompany vouchers and adhere to all applicable regulations. The Department should use the receiving function on the FAAS system to avoid missing receiving reports. The Department should also adhere to all contract and procurement guidelines including designating a contract administrator and maintaining a copy designation letter.

Management Plan for Corrective Action:

Despite all efforts to the contrary, documentation (i.e., human) errors do occur in an environment where approximately 24,000 vouchers are processed annually. We do not, however, concur with the voucher error statistics cited by the auditor. For example, the allegedly missing requisition was not missing; it was in paper form; two receiving reports cited as incomplete contained all proper information for processing; and one unsupported voucher was attributable to vendor problems with the state procurement system (i.e., the one percent eVA fee). Valid errors were corrected during the audit to the extent possible. We believe our internal controls for processing payment vouchers are solid and adequate.

Regarding the unlocated contract administrator letters, we believe these letters were completed as required but were not retained. Effective July 2004, a copy of the letter sent to the assigned contract manager is maintained in the applicable contract file and in a centralized electronic file, both in the Office of General Services.

Responsible Position: David Mitchell, Chief Financial Officer

Estimated Completion Date: Completed July 2004.

DATA PROCESSING CONTROLS

Access Controls

04-04 Remove Unnecessary RIMS User Access Timely

Applicable to: Virginia Retirement System

We found fourteen users who have inappropriate access to the Retirement Information Management System (RIMS). Two of these users should have no access to RIMS while the other twelve users have inappropriate access to critical functions such as changing social security numbers and bank routing numbers.

Inappropriate access has resulted from supervisors granting temporary elevated access to employees to help meet staff shortfalls and then not downgrading access when the problem is resolved. Additionally this occurs when an employee changes duties or function within an area, but they are allowed to keep their old access levels. As a result, users have access to functions that are not essential or may be incompatible to their job responsibilities, compromising internal controls.

We recommend that the Virginia Retirement System change their policy to require supervisors to tell the RIMS Security Manager if the change in access is temporary or permanent. The Security Manager should track all temporary change requests, and supervisors should tell the Security Manager of changes. The Security Manager should periodically review job duties or other assignment to determine if access is appropriate.

Management Plan for Corrective Action:

We have reviewed each of the situations cited above. We noted that 6 of the instances noted had been corrected during the VRS semi-annual security review but which should have been corrected earlier, 1 instance where access appeared to be inappropriate but which was for inquiry only, 2 instances where the access appeared to be unnecessary but which were in place to provide a back-up for the primary user, and 5 instances where the security was inappropriate but which were corrected by VRS after being identified during the auditor's review.

The above recommendation is addressed in existing policies and procedures for the agency as set forth in the VRS Information Technology Security Policy, Section 2.5 – Changes in Job Functions and Sections 2.5.1 – Job Function Change Procedures. In this policy, both staff and their applicable VRS management are responsible for timely changes in access due to job function changes. In addition, as part of the agency's active security awareness program, all staff and management are sent an e-mail reminder each month that access changes must occur timely as job functions change. Given this, VRS management will address this recommendation individually with the staff and management involved.

Responsible Position: Timothy Bass, Chief Technology Officer

Estimated Completion Date: November 12, 2004

04-05 Create Policy regarding Separated Employee Access to Critical Systems

Applicable to: Department of Health

The Department of Health (VDH) has failed to remove separated employee access from its critical systems. This is in direct violation of VDH's Computer Access Security policy that states, "Each Departmental Unit is responsible for notifying the appropriate SSO when an employee who has computer access (logon) is terminating." Through testwork, it was determined that 20 separated employees still have access to one or more of VDH's critical systems. Below is a description of the separated employee access findings:

- 15 separated employees with WICNet access
- 3 out of the 15 above also have WebVision access
- 3 additional separated employee with WebVision access
- 1 additional separated employee with F&A access
- 1 additional separated employee with CARS access

Per policy, the departmental directors/supervisors have failed to notify the SSOs when an employee has separated from the agency or the employees' access was not removed in a timely manner. The failure to remove a user's access could compromise the system's or data's integrity.

We recommend that VDH update its Computer Access Security policy to detail the process of removing separated employee access. The policy should include detailed procedures for the Districts' Supervisors/Managers, Human Resources personnel, and the agency SSO(s) to follow. The policy should list responsibilities and procedures for each party to follow to ensure that access is terminated immediately. In addition, VDH should implement a monitoring and verification strategy that confirms the policy's compliance.

Management Plan for Correction Action:

We do not concur that the failure to remove access as noted by the APA compromises the systems or the data integrity:

We acknowledge that because of the number and disparate types of systems that VDH system users have access to and the number of business units that control access to applications, ensuring that separating employees are removed from all systems promptly proves to be an extremely challenging task.

Therefore VDH has put in place policies (ITRM- Computer Access Security section) and mechanisms (HR-14 Separating Employee Action Form) that require supervisory personnel to notify the appropriate areas including IT when employees leave the agency. In spite of these policies, procedures and mechanisms, exceptions can be found where this information is not always promptly communicated to the correct areas or personnel. For example, 18 of the 20 instances that the APA notes in its report represent instances where Health District supervisor personnel failed to remember applications where user access and removal is granted locally, and failed to notify their own local site security officers.

As we continue to improve our security stance in this area, VDH believes that we have nullified the above mentioned vulnerability by adhering to the National Institute of Standards and Technology (NIST), International Information Systems Security Certification Consortium (ISC) 2 and others recommended "Best Practices" strategy of "Defense in Depth."

VDH has for years employed this strategy which practices a "layered defense" in its security stance. In practical application as it applies to separating employees, this means that as soon as central office IS security is informed of a separating employee their remote access to the VDH network whether via PPP dialup or VPN is removed. (Layer 1). At this point a former employee has no more access to the VDH network than anyone visiting a VDH office who might want to do harm to the network.

Per VDH security policy (ITRM – Computer Access Security and Data Security sections) VDH PCs that have network access are not readily accessible to the public. (Layer 2)

In addition they are required to be protected from unauthorized access by being logged off when not in use or password screensaver protected when they are on the network and not occupied. (Layer 3.) To date VDH has not suffered any instances where these layers of defense have been breached.

Additional measures we plan to take to improve our separating employee notification process include:

- 1. A reminder from the Commissioner's Office to all District Directors and Office managers emphasizing the importance of promptly notifying their local Site Security Officers when employees separate.*

2. *An update to Separating Employee Action form to include the same reminder to the supervising employee, a requirement for the listing of applications for which the separating employee has access and a listing of the appropriate areas or personnel to which the form is to be sent depending on the listed applications.*

Responsible Position: Jim Burns, M.D., Chief Information Officer

Estimated Completion Date: March 1, 2005

04-06 Properly Manage and Maintain Access to Information Systems

Applicable to: Department of Social Services

The Department provides central statewide oversight for policies and procedures to the 120 locally-operated social service agencies. In support of the locally-operated social service agencies, the Department has a number of central systems for determining and providing benefits. These central systems operate in diverse environments and include everything from mainframe applications to web-enabled systems.

Both the Department's oversight of the local social service agencies and the fragmented approach to system development has created some significant security issues over access to the systems and their data. Currently, the Department controls access to its systems at two levels. The Department's Information Security Unit creates, changes, and deletes access for some of the Department's systems, and other individual divisions have their own security officers. Management of each local social service agency determines what systems and level of access individual employees should have to the Department's systems. This level of access determines what functions an individual can perform when they get into the system. Controlling access is the equivalent of determining who has access to the cash drawer or the safe.

The Department has no automated centralized records of who has access to systems and at what level. This lack of information hinders their ability to safeguard the Department's assets, as was the case with the investigation regarding employees who had improperly applied for emergency food stamps.

Additionally, the Department does not have adequate policies regarding computer system accesses with local social service agencies. Many of these agencies also had individuals who improperly applied for emergency food stamps and had access to the Department's systems. Until receiving notification of system access concerns from the local agency, the Central Office staff does not involve itself with these matters.

We recognize that the cost of addressing these issues could be cost prohibitive and that an ideal solution should come from the Department's overall strategy to replace its systems. However, there are clearly some actions that the Department could undertake in the interim to strengthen controls and provide the groundwork for the long term solution.

We believe that the Department could begin developing a personal computer based database of employees and their access. The essential information for this database could come from the data provided us in conducting our review. The Security Unit could use the access form as a data entry

tool to update the database. Over time, the Security Unit could also use the database to review and verify access.

Management Plan for Corrective Action:

System security is one of the Department's top priorities and is always, without exception, treated as such. While we agree that there is no consolidated record of system access by employee, there are records of employee access by system and these records are used to adjust system access when employees terminate or change responsibilities. In addition, the user access for every state and local employee is reviewed semiannually for propriety of access and level of access. The propriety of access authority is then certified in writing by the applicable security officer and every certification is accounted for by location. The Department uses open standard authentication for all web-developed applications and this provides the ability to see a user's access privileges across the various systems they access.

Although the Department has and will continue to consider the centralized personal computer database recommended by the auditor, we have significant concerns with timeliness and accuracy issues (i.e., access changes made in the field [by security officers in 150 locations for DSS' 13 systems] would not be recorded simultaneously in the database). The Department will explore other approaches as necessary to enhance our security in this area.

The conditions which allowed a part-time employee to create vendors and recipients and authorize payments was detected internally and corrected in October 2004. The auditor's statement that the absence of centralized access records by employee hindered the Department's ability to safeguard assets in the Food Stamp Disaster is misleading. The challenges in the Food Stamp Disaster were not attributable to the lack of centralized system access records but to USDA's relaxed policies for eligibility verification which was, in turn, aggravated by the nature and magnitude of the disaster.

The auditor's statement that "the Department does not receive notice when a local employee, P-14 or contract employee terminates, resigns or dies" is inaccurate. Although the Department does not, as the auditor indicates, receive this information from local agencies, it does receive, and act on, notifications for contract and P-14 employees. Regarding the ten terminated employees whose access was not terminated timely, the agency believes, and provided evidence to the auditors, that the access of these employees was fully eliminated within two days of termination in accordance with agency policy. Had these employees been leaving under undesirable circumstances, the access would have been terminated immediately.

The Department acknowledges that improvements in local agency computer system access would be beneficial. As such, the 2005 Information Security Memorandum of Agreement (between DSS and the local social service agencies) will be accompanied by a letter from the DSS Commissioner which emphasizes: (a) that the roles and responsibilities of the local security officers are critical to the overall security of DSS' Information Systems; (b) that security officers are responsible and accountable for promptly reporting security policy violations to the DSS security manager; and (c) that security officers have the authority to implement and act on security policies in their respective offices. The Department will also reinforce these issues in its mandated annual security officer training and recommend that the local CPAs review access terminations during the annual audits of the localities.

The Department would also point out that both the DSS Security Unit and Audit Services are involved in all system development activities at DSS to ensure inclusion of security, integrity and availability.

Responsible Position: Harry Sutton, Information Systems Director

Auditor's Response: The agency's response does not address the issues.

Information System Policies and Procedures

04-07 Modify and Adhere to Existing UNIX Policies

Applicable to: Department of Taxation

Taxation has not applied security patches to any of their servers for quite some time because of the development of the Advantage Revenue System. Taxation's UNIX security policies and procedures require operators to document deviations in set up and maintenance requirements; however, we could not locate any written exceptions related to the installation of patches. Failure to follow established policies and procedures increases the risk of loss of critical and confidential data and system failure. Taxation should document deviations from established policies and procedures.

Additionally, Taxation has removed from their policies and procedures a requirement to periodically review world writable files and directories on all UNIX systems. World writable files allow anyone with access to the system to alter the files. At the time of the audit, Taxation had not reviewed these database files and directories. Without a review of these files and directories, the security risk to Taxation's system and data cannot be determined. Taxation should add back a removed procedure from a prior version of their UNIX security policies and procedures that called for an automated periodic review of world writable files and directories on all UNIX systems.

Management Plan for Corrective Action:

TAX agrees that the UNIX policies and procedures were not being fully adhered to regarding security patches being current and that written exceptions were not developed for discrepancies with the UNIX policies and procedures at the time of APA's review. It should be noted that security patches have been applied since that time and continue to be applied on a regular basis. TAX has drafted a detailed patch management strategy for all TAX systems going forward.

TAX agrees that a periodic review of world writable files and directories on all UNIX systems, shown in a prior version of TAX's UNIX policies and procedures, should be added to the current version and that this is a necessary control in order to prevent system compromise. With the reestablishment of these policies and procedures, TAX has already begun performing quarterly reviews of world writeable files and directories on all UNIX systems. While not in APA's comment, it should be noted that while the frequency of the review was not in accordance with the referenced policies and procedures, UNIX Security Administrators were performing periodic reviews of world writable files as part of their normal systems monitoring role.

Responsible Person: Craig Drain, Manager, IT Risk Management

Estimated Completion Date: ongoing

04-08 Ensure Compliance with COV ITRM Standard SEC 2001-01.1

Applicable to: Department of Transportation

The Virginia Department of Transportation (Transportation) has not reviewed and updated the agency's risk assessment and business impact analysis in accordance with the Commonwealth of Virginia's Information Technology Policy SEC 2001-01.1. This policy states that agencies should review and update the business impact analysis and risk assessment as needed, but at minimum, the agency must do a review and update every three years or when they have a significant change in critical systems. The agency has not performed these actions since March 2001.

During the past year, Transportation transitioned their information systems to the Virginia Information Technologies Agency (VITA). Transportation has encountered common misunderstandings as to who has responsibilities for their information systems and security during and after the transition. Agency management for both VITA and Transportation still have areas of uncertainty about their comprehensive responsibilities. Transportation must work with VITA to establish written policies that define the detailed duties and responsibilities of each party. The two agencies should develop a comprehensive best practice model and establish an agreement that addresses each one of those practices.

Currently, Transportation has the responsibility to maintain and update the risk assessment and business impact analysis. However, the agency has shifted a large number of their knowledgeable personnel to VITA during the transition process. Transportation has produced a Continuity of Operations Plan (COOP), which provides some coverage in the area of risk assessment, but this does not address the business impact analysis.

Transportation must review and update the agency's risk assessment and business impact analysis to identify all aspects of the business that are confidential and critical to the agency and help identify and evaluate the potential security threats and risks that are associated to resources new to the business since March 2001. Performing these procedures will help determine if current safeguards are relevant and adequate, and then update them accordingly.

Management Plan for Corrective Action:

VDOT Security Officer will work with VDOT IT Applications Director and VITA to ensure that the requirements of SEC 2001-01.1 are incorporated into the VDOT Continuity of Operations Plan.

Responsible Position: Steve Mondul, Director of Security and Emergency Management Division

Estimated Completion Date: October 1, 2005

04-09 Improve Policies and Procedures for Security Controls on the PeopleSoft/FMSII and UNIX Systems

Applicable to: Department of Transportation

Transportation has general written policies and procedures for maintaining security controls on the various systems in use at Transportation; however, the policy does not specifically address the PeopleSoft/FMSII and UNIX systems.

A review of general IT controls revealed that there are several administrative functions, both performed and unperformed, that are not documented in the current IT policy. Transportation should develop a policy that includes specifications for maintaining security controls for these systems.

These documented policies and procedures would allow Transportation to maintain proper administration of their systems. Specific policies and procedures provide direction on establishing what controls management deems necessary and therefore, what restrictions to impose for the system. Failure to implement proper policies and procedures could lead to improper controls placed on the system and allow for unauthorized access, placing the integrity and completeness of the data stored on the system at risk.

We recommend that Transportation implement specific policies for the proper administration of these systems as soon as possible and follow these procedures for maintaining security of the systems. This is especially important at Transportation, given the enormous amount of activity dependent on these systems.

Management Plan for Corrective Action:

Review existing written policies and procedures related to FMS II and UNIX systems to ensure adequate controls are in place and responsibilities are clearly defined.

*Responsible Positions: Murali Rao, Director of Information Technology Applications Division
Stacy McCracken, Controller*

Estimated Completion Date: July 1, 2005

04-10 Update COOP Plan

Applicable to: Department of Health

The Virginia Department of Health lacks an updated and complete version of its Continuity of Operations Plan (COOP). An incomplete COOP plan does not comply with the COV ITRM Standard SEC2001-01.1. While reviewing the plan, it was noted that portions of the agency's Disaster Recovery and Risk Assessment plans were incomplete, resulting in violation of the first attribute (Business Analysis and Risk Assessment) of the COV ITRM Standard SEC2001-01.1. Some of the following sections of the Disaster Recovery Plan were incomplete: Application Descriptions & Procedures, Disaster Notification List, Vendor Contact Information, and Backup-procedures. An incomplete COOP plan could result in the inability to recover critical systems or data in the event of a disaster. Without an updated Disaster Recovery Plan, the incorrect procedures could be followed by the agency during a critical response time.

We recommend that the Office of Information Management (OIM) update and fully document its COOP Plan. In addition to the sections listed above, OIM should include all Information Systems components into their Contingency and Business Impact Analysis and Risk Assessment plans. Critical servers, firewalls, routers, and applications should be included in the Contingency, Business Impact Analysis, and Risk Assessment plans. This inclusion will ensure that all critical components and information systems are accounted for and assessed within the agency's operations and recovery plans.

Management Plan for Corrective Action:

We concur with this finding and agree to draft an OIM section for the COOP.

Responsible Position: Kenny White, OIM/VITA Engineering Manager

Estimated Completion Date: March 1, 2005

04-11 Improve and Implement Security Standards for Client Agencies

Applicable to: Virginia Information Technologies Agency

The Commonwealth has implemented and maintained decentralized information system security for the past 15 years. Before the creation of VITA, each agency had to follow general standards created by the Department of Technology Planning (now part of VITA). Effective December 7, 2001, the current security standard (SEC-2001) replaced an older version of the standard, which had been a modification of past standards such as Council of Information Management's standard (CIM-95-1).

The current standard has 13 attributes that clarify agencies' responsibilities towards securing their information systems. This standard is general and non-technology or vendor specific, so that agencies have leeway to determine what works best in their environment. While this approach leaves room for judgment, it equally leaves open an opportunity to ignore detailed security features. Most technologies at the application level, operating system level, database level, and network component level now have security standards and guidelines based on "best practices" from the federal government and industry. These best practices are common for vendor specific equipment such as Cisco routers. The National Security Agency Router Security Configuration Guideline describes effective ways to secure Cisco routers. The same types of configuration standards and guidelines exist for UNIX, Oracle, Firewalls and more.

A lack of detailed guidelines and standards for configurations within the Commonwealth has led to a patchwork approach to security. Some agencies are extremely security conscious, while others are not. In the past, the Secretary of Technology as the Chief Information Officer of the Commonwealth had the authority to "direct the formulation and promulgation of policies, standards, specifications and guidelines for information technology in the Commonwealth." This authority per legislation has now passed this responsibility onto the newly hired Chief Information Officer who heads VITA. This authority encompasses not only in-scope agencies that transition to VITA but other agencies and universities as well.

Historically, each agency head has had responsibility for the security over their agency systems. As VITA absorbs the agency information system professionals and their knowledge, it is incumbent upon VITA to make sure that they increase their share of the security responsibility. As

the centralized technology agency for the Commonwealth, it is now time for VITA to address the lack of detailed security guidance and coordinate who implements and maintains security.

During our audit, we found improper security configurations, such as risky services enabled and improper file permissions on a Department of Tax (Tax) server managed by VITA. Tax gave VITA a UNIX Standard to follow for managing their UNIX servers; however, VITA is not following this standard.

The above is symptomatic of a much larger issue as VITA absorbs more responsibility for the Commonwealth's computing architecture. VITA has developed generic Memorandum of Agreements (MOAs) for servicing their client agencies. These agreements do not specifically address information security concerns other than to state that VITA, as custodian of client's data, will ensure that the data is not available to unauthorized users.

The lack of detailed security information in the MOAs requires VITA to take steps to avoid miscommunication of roles and responsibilities of each party. We recommend VITA take the following actions to ensure the security over the Commonwealth's systems.

- VITA create and distribute to the client agencies a detailed checklist that defines the roles and responsibilities for information security.
- VITA create or define the "Industry Best Practices" for detailed security configuration standards in our computing environment to include configurations at the operating system level, database level, and network component level.
- VITA use the configuration standards to manage client agencies systems and in cases of potential disagreement, miscommunication, or other questions, take actions to protect the data pending resolution of the matter with the client agency.
- VITA review and correct the Department of Tax server configuration issues.

Management Plan for Corrective Action:

We are pleased that only one exception was noted in relation to a server owned by the Department of Taxation and managed at VITA. The following are the four APA recommendations associated with that exception and the corrective actions VITA will take to address them.

APA Recommendation 1: *VITA create and distribute to the client agencies a detailed checklist that defines the roles and responsibilities for information security.*

VITA Response: *VITA's Security Director has created a checklist to explain the roles and responsibilities for VITA and those of customer agencies in information security. VITA's Enterprise Service Directors are currently in the process of providing this document to responsible agency staff for comment and acceptance. VITA's Security Director will finalize the document and ensure acceptance and understanding by agency management by October 1, 2004.*

APA Recommendation 2: VITA create or define the “Industry Best Practices” for detailed security configuration standards in our computing environment to include configurations at the operating system level, database level, and network component level.

VITA Response: VITA Security will develop an action plan to address this recommendation by October 1, 2004. The timeframe for implementation is dependent upon resources and funding. Initial start up funding has been approved for Risk Assessment and Security Incident Management for FY05.

APA Recommendation 3: VITA use the configuration standards to manage client agencies systems and in cases of potential disagreement, miscommunication or other questions, takes actions to protect the data pending resolution of the matter with the client agency.

VITA Response: VITA will adopt the configuration standards and in cases of potential disagreement, miscommunication or other questions, take appropriate action to protect the data pending resolution of the matter with the customer agency. Such immediate actions will be determined based on a case specific risk assessment. VITA will mitigate the risk of adverse impact to agency business services or operations by working closely with each customer agency. VITA Security will develop a policy and procedure to govern this process and put it in place by October 1, 2004.

APA Recommendation 4: VITA review and correct the Department of Taxation server configuration issues.

VITA Response: The standard that applies to management of this server is based on “Industry Best Practices” and was finalized in December 2003. It was developed jointly by VITA and Taxation. At the time the standard was finalized Taxation elected not to make changes as a result of weighing limited security exposure against business process risk should a failure occur. Taxation’s infrastructure has not yet been consolidated into VITA. Steps are underway to completely resolve issues with configuration of the server belonging to the Department of Taxation. Actions have been completed to remove world writable files that would not impact applications and to disable unused network services and other candidate services identified by Taxation. File permissions will be documented and provided to VITA by the Department of Taxation by August 2, 2004. The server will be managed by VITA in accord with best practice standards and procedures. A joint change management process will be established monthly for ongoing assurance.

We appreciate the valuable work done by APA staff on this audit and look forward to the opportunity for continuing dialogue and guidance from APA as VITA completes the transition of agency infrastructure and moves into the transformational stage of the IT reform initiative.

Responsible Position: Security Director

Estimated Completion Date: October 1, 2004

Information System Development

04-12 Properly Plan Systems Development Projects

Applicable to: Department of Social Services

The Department has been planning an Integrated Social Service Delivery System (ISSDS) and recently received a Public-Private Education Facilities and Infrastructure Act (PPEA) proposal. Although the Department has both a business plan and information technology strategy plan, it is not linking these processes together with this system effort. Considering that the Department estimates that the ISSDS will cost at least \$128 million, this lack of planning draws into question how the Department will evaluate this PPEA and any other proposals.

While we understand that the Department's systems are old and probably require replacement, having a common vision and understanding of the needs is essential for project management of an undertaking this size. We understand that several local government social service agencies have expressed concerns about the scope of the project, and have concerns about the Department's history of unsuccessful system implementation. Considering the local social service agencies constitute the largest users of any system, we believe that they should participate in this process and help with the planning.

The delivery of social service programs has changed in the Commonwealth over the last decade and these changes have shifted some responsibilities between the Central Office and the local agencies. These changes have placed different needs and approaches to having information to effectively monitor the programs. The plan submitted to Virginia Information Technologies Agency does not indicate that these changes were given adequate consideration.

Effective system implementation requires a clear vision of where the Department is going and how it will get there. Beginning a major project that does not involve all parties limits the chance of success. Considering the Department's history of system implementation, we recommend that they complete and link both its business plan and information technology strategy plan and involve as many stakeholders as reasonably possible.

Management Plan for Corrective Action:

The Department does not agree that there is no linkage between DSS' Strategic Business Plan, DSS' Information Technology (IT) Strategic Plan and the Integrated Social Service Delivery System (ISSDS). Although the reporting format used by the Virginia Information Technologies Agency (VITA) for IT Strategic Plans does not reflect linkages to agency-specific business plans, DSS' business and IT strategic processes for ISSDS are, in reality, strongly, actively and formally linked. In fact, Goal 3 of DSS' Strategic Business Plan requires us to "improve business productivity through effective automation." Not only is the Goal 3 Steering Committee jointly chaired by DSS and local agency management but ISSDS business direction is one of the priority goals of this committee. The committee meets monthly and continuously provides direction to DSS on the ISSDS project. Besides DSS and local agency personnel, the Goal 3 Steering Committee includes staff from VITA, the Department of Medical Assistance Services, the Virginia League of Social Services and the Virginia Community Action Partnership.

Contrary to the auditor's comments, the plan submitted to VITA did include and reflect consideration of the ongoing changes in the delivery of social service programs. Business Process Re-engineering (BPR), begun in early 2004 and also jointly chaired by state and local personnel, is a

major ISSDS-related initiative which involves a comprehensive examination of all social services processes at both the state and local level. BPR is, in fact, the largest social services business review in the history of Virginia. Local agency staff is driving this effort and local agency needs have been the priority.

The Department believes that the level of local agency involvement, as well as the active participation of other state and community entities, demonstrates a strong link between DSS' business and strategic plans and the ISSDS project and inclusion of a broad spectrum of stakeholders.

Responsible Position: Harry Sutton, Information Systems Director

Auditor's Response: The agency's response does not address the issues.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**U.S. DEPARTMENT OF EDUCATION****Special Tests and Provisions****04-13 Properly Administer Return of Title IV Funds**Financial Aid
Cluster

Applicable to: Danville Community College
Lord Fairfax Community College
Rappahannock Community College
Tidewater Community College

Control and Compliance Findings: Tidewater Community College failed to properly calculate Title IV refund amounts. Danville Community College and Lord Fairfax Community College performed Title IV refunds accurately. However, Lord Fairfax did not return federal funds to the Department of Education timely and Danville did not return any federal funds to the federal Department of Education in the 2003-2004 academic year; however Danville has since returned all identified funds to the federal Department of Education. Lord Fairfax Community College did not notify students of grant overpayments promptly. Danville Community College did not notify the federal Department of Education of students who had not repaid any overpayments within the required time period. Additionally, Tidewater Community College and Rappahannock Community College do not have adequate procedures to identify students who withdraw or cease attendance without notifying college staff.

There are no questioned costs reported because at three of the four institutions, the known or likely questioned costs are less than \$10,000, and the fourth institution subsequently returned all identified funds.

Requirement: 34 CFR Part 668.22 (c), requires that colleges have mechanism in place to identify students who have withdrawn or ceased attendance, in order to promptly and properly calculate any return of Title IV funds. Part 668.22 (e) sets forth the manner to properly calculate the amounts due to be refunded to the Title IV programs. Part 668.22 (j) requires that colleges return unearned Title IV funds as soon as possible to the federal Department of Education, but no later than 30 days after the college determined the student withdrew. Part 668.22 (h) requires that within 30 days of the date that the college determines that the student withdrew, the college must send a notice to the student notifying them of any over-award amounts owed. This part also requires that any over-award amounts owed by the student are required to be turned over to the Department of Education for collection if the student has not responded within 45 days after notification.

Recommendation: Colleges should follow the return of Title IV fund procedures prescribed by the federal government to ensure that they

properly identify students who withdraw, calculate refunds, notify students of over-award amounts owed, and return the funds to the federal Department of Education promptly.

Management Corrective Action Plan

Response: Danville Community College

Action: *Danville Community College will ensure that Title IV funds owed to the U.S. Department of Education are returned within 30 days of the date the College becomes aware of the student withdrawals. The College will ensure that student repayment obligations are reported to the Department of Education if students fail to repay within 45 days.*

Implementation: *March 2005*

Responsible: *Financial Aid Coordinator*

Response: Lord Fairfax Community College

Action: *The College has implemented the process of contacting professors at the sixty percent point in the semester for attendance verification instead of waiting for grades to be posted after the semester has ended. This allows the College to notify the students of grant overpayments and return Title IV funds to the Department of Education on a timely basis.*

Implementation: *July 2004*

Responsible: *Director of Enrollment Services*

Response: Rappahannock Community College

Action: *The Rappahannock Community College Handbook has been updated to require instructors to report the last date of attendance on the grade roster for all students who receive a grade of failing or unsatisfactory. In order to properly calculate a return of Title IV funds, the Financial Aid Office utilizes the last date of attendance on the instructor's grade roster to identify financial aid students who withdrew or ceased attendance prior to the sixty percentile point of the semester without notifying college staff. In addition, the Financial Aid Officer has reinstated the class attendance verification notifications. In the past, the Financial*

Aid Office sent email reminders to any faculty member whose students have all failing, withdrawal or unsatisfactory grades that had not notified the Admissions and Records or Financial Aid Office. If no response was received, it was assumed attendance was not a problem. Follow-up notices are now sent to all faculty that do not respond to the first reminder to ensure accurate information is recorded on the student's record for processing return of Title IV funds.

Implemented: July 2004

Responsible: Vice President of Academic and Student Affairs and Dean for Student Development

Response: Tidewater Community College

Action: Tidewater Community College converted to the PeopleSoft Student Information System (SIS) during summer semester 2003 and began using the return of Title IV calculations in PeopleSoft for fall 2003. Several system problems were encountered in the student records and financial aid modules. The College actively sought solutions working with other colleges and with the VCCS. As a result of these problems, return to Title IV calculations were done manually. Staff turnover contributed to the calculation errors.

The SIS problems have since been corrected. The College has established a new procedure that requires faculty to verify student attendance at specific intervals. The administration will complete withdrawals for students that have ceased attendance.

Implementation: March 2005

*Responsible: Director, Central Financial Aid
Deans, Academic and Student Services*

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Allowable Costs/Cost Principles

04-14 Ensure Timely Credit to Medicaid program

Medicaid
Cluster

Applicable to: Department of Medical Assistance Services

Control and Compliance Finding: The Department failed to return the Federal Financial Participation (FFP) for un-cashed checks for the first three quarters of fiscal year 2004. The new MMIS system was not operating as intended; however, there were no interim procedures in place to ensure compliance. The Department is currently in the process of finalizing policies and procedures to ensure timely return of FFP for uncashed checks.

Requirement: 42 CFR Part 433.40 of the Code of Federal Regulations requires refunds of Federal Financial Participation (FFP) for checks remaining un-cashed beyond a period of 180 days from the date it was issued. The State Medicaid agency must refund all FFP received for un-cashed checks by adjusting the applicable Quarterly Statement of Expenditures.

Recommendation: The Department should finalize policies and procedures to ensure timely return of FFP for uncashed checks.

Management Corrective Action Plan:

The 180-Day Check Void Process was implemented and successfully run in September 2004. The Program Support Division forwarded an excerpt from the 180-Day Outstanding Six Month Report (Report Number FN-0-034) dated July 20, 2004 to the Fiscal Division. All of the checks (some dating back to 2003) were reviewed by Program Support to determine whether each check was cashed or remained outstanding. After this research effort, appropriate checks were voided as of September 1, 2004. Program Support provided Fiscal with a copy of the voided check report, dated September 8, 2004.

The process improvement effort continues at DMAS and First Health under the guidance of Information Management. The Program Support Division provided the Fiscal Division with current working copies of the following:

- Issue Add Pay/Manual Checks*
- Stop/Reissue Manual Checks*
- Process Provider/Vendor Checks (Category 1 * undelivered program checks to be voided).*

*Responsible Position(s): Alan MacDonald, Information Management
Division Director
Paul Kirtz, Acting Controller*

Estimated Completion Date: May 1, 2005

Activities Allowed or Unallowed

04-15 Strengthen Case File Documentation

Medicaid
Cluster

Applicable to: Department of Medical Assistance Services

Control and Compliance Finding: The Department's Consumer-Directed Personnel Attendant Services (CDPAS) Provider Manual states that the consumer-directed services facilitator must make in-home visits to CDPAS recipients to observe, evaluate, and document the adequacy and appropriateness of the personal attendant services. In the cases reviewed, evidence did not support determination of adequacy and appropriateness of personal attendant services. In addition, there was no evidence to indicate that the Department enforced the requirements before making payments to the provider.

In June 2004, the Internal Audit Department conducted and released a Control Self Assessment Report on this program in which the foregoing finding was addressed. This finding is under review, and the Department is working to determine the best solution to the internal control issues.

Requirement: OMB Circular A-133 Compliance Supplement Part 4, 93.778, requires adequate documentation for case management services. This typically includes: date of service; name of recipient; name of provider agency and person providing the service; nature, extent, or units of service; and, place of service.

Recommendation: The Department needs to make sure that all individuals responsible for case management understand the need and document information in the case file. This requirement is especially important if the caseworkers grant exceptions or allow recipients some flexibility in benefits received. Further, if regulation or manual policies and procedures are outdated, management should change the manual and requirement rather than caseworkers not documenting their work.

Management Plan for Corrective Action:

The Department will ensure that personal attendant services provided are adequate and appropriate and that performance of required services is adequately documented prior to provider payment being made. In addition, the CDPAS Provider Manual will be revised to reflect Federal policy regarding service provision.

Responsible Position: Diana Thorpe, LTC and Quality Assurance Division Director

Estimated Completion Date: March 1, 2005

Special Tests and Provisions

04-16 Improve Documentation of Certain Temporary Assistance to Needy Families

93.558 Applicable to: Department of Social Services

Control and Compliance Finding: Federal regulations require the Department to reduce or eliminate a recipient's benefits if the recipient fails to cooperate with the Division of Child Support Enforcement Agency (DCSE). In 2 out of 14 TANF cases tested, we found no documentation of benefits reductions because the custodial parent failed to cooperate with DCSE. In addition, for 1 of the 14 selected cases, the case file did not contain documentation showing that DCSE referred a non-cooperating case to the local social services office.

Federal regulations state that the Department may not reduce or terminate benefits if the recipient refuses to work because of a demonstrated inability to obtain necessary childcare for a child under the age of six. In four out of five TANF cases selected, the case file did not contain adequate documentation to show that the eligibility worker took good cause (unavailable childcare) into consideration before suspending a recipient's TANF benefits for refusing to work. The Department's TANF policies require that when a client does not comply with the VIEW requirements, the caseworker will send an "advanced notice of proposed action" to the client and retain it in the case file. This advanced notice of proposed action documents that the eligibility worker has considered good cause.

Requirement: 45 CFR section 264.30 requires the Child Support Enforcement Agency to notify the TANF Agency when a custodial parent is not cooperating in establishing paternity or modifying/enforcing a support order. 45 CFR section 261.15 states that a parent cannot be penalized for refusing to work when child care is not available.

Recommendation: The Department should ensure that TANF case files contain adequate supporting documentation to show compliance with federal regulations.

Management Plan for Corrective Action:

Although the Department questions the adequacy of the sample sizes in the auditor's tests, the following action will be/has been taken:

(1) To reduce errors in non-cooperation documentation, the Department will, by March 2005: (a) provide training to local agencies; and (b) incorporate the non-cooperating factor into our ongoing monitoring procedures. In July 2005, the Department will automate the notification of non-cooperation.

(2) To improve documentation of good cause consideration, the Department took these steps in December 2004: (a) conducted training; (b) implemented a checklist requiring supervisory sign-off prior to sanction; and (c) established procedures requiring personal contact with the client before ceasing benefits. In addition, review of this process will become part of our ongoing monitoring procedures in March 2005.

We would point out that none of the cited errors violated federal regulations.

Responsible Position: S. Duke Storen, Director of Benefit Programs

*Estimated Completion Date: (1) July 2005
(2) March 2005*

**RESOLUTION OF PRIOR
YEAR AUDIT FINDINGS**

COMMONWEALTH OF VIRGINIA							
Comments on Resolution of Prior Year Audit Findings							
For the Year Ended June 30, 2004							
Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	State Agency	Questioned Costs	Current Status

FINANCIAL STATEMENT FINDINGS

Department of Transportation

2003	9	03-01	Improve Capital Asset Management and Reporting	N/A	VDOT	-	See Audit Control No. 04-01
2003	10	03-02	Improve Controls Over Major Equipment Inventory	N/A	VDOT	-	See Audit Control No. 04-01
2003	11	03-03	Improve Internal Controls Over Capital Assets	N/A	VDOT	-	See Audit Control No. 04-01
2002	9	02-01					
2003	12	03-04	Evaluate and Improve the Equipment Management System	N/A	VDOT	-	See Audit Control No. 04-01
2003	14	03-05	Improve Controls Over Computer Equipment	N/A	VDOT	-	Corrective Action implemented.

FINANCIAL REPORTING FINDINGS

Department of Accounts

2003	15	03-06	Improve Controls Over Financial Reporting Process	N/A	DOA	-	Resolution is ongoing.
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Department of Transportation

2003	17	03-07	Properly Record and Update Contracts in the Financial Management System	N/A	VDOT	-	Partially resolved.
2002	14	02-04					
2003	18	03-08	Properly Track and Record Leases	N/A	VDOT	-	Partially resolved.
2002	13	02-03					

Department of Treasury

2003	19	03-09	Improve Financial Reporting	N/A	TD	-	Partially resolved. 3 of 4 items are complete; the 4th is on schedule for 6/30/2005.
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DATA PROCESSING CONTROLS

Department of Taxation

2003	23	03-10	Improve Application Access Management	N/A	TAX	-	Corrective action implemented.
2003	24	03-11	Strengthen Controls Over Program Change Control Procedures	N/A	TAX	-	Corrective action implemented.
2002	18	02-07					

COMMONWEALTH OF VIRGINIA							
Comments on Resolution of Prior Year Audit Findings							
For the Year Ended June 30, 2004							
Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	State Agency	Questioned Costs	Current Status

Department of Motor Vehicles

2003	27	03-12	Assess Needs and Develop Policies and Procedures	N/A	DMV	-	Partially resolved.
2002	24	02-13	Over the Fuels Tax Program.				

INTERNAL SERVICE OPERATIONS

Virginia Information Technologies Agency - Service Bureau (formerly Department of Information Technology)

2003	30	03-13	Install an Emergency Alternative Power Source for the Data Center	HHS/OARCP	VITA	-	Corrective action implemented.
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FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

U.S. Department of Agriculture

2003	33	03-14	Improve WIC Policies and Procedures	10.557	VDH	-	Corrective action implemented.
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U.S. Department of Transportation

2003	34	03-15	Comply With the Davis-Bacon Act	20.401	VPA	-	Corrective action implemented. Questioned costs resolved.
2003	35	03-16	Perform Subrecipient Monitoring of Localities	Highway Planning and Construction Cluster	VDOT	-	Partially resolved.
2002	33	02-19					

U.S. Department of Health and Human Services

2003	38	03-17	Comply With Eligibility Requirements	93.917	VDH	-	Corrective action implemented. Questioned costs resolved.
2003	39	03-18	Properly Administer Return of Title IV Funds	Financial Aid Cluster	VCCS - CVCC, MECC, NVCC PDCCC	-	Corrective action implemented.
2002	44	02-25					
2003	41	03-19	Improve Controls Over the ADAP Program	93.917	VDH	-	Corrective action implemented.
2003	42	03-20	Develop Formal Medicaid Eligibility Quality Control (MEQC) Review Policies and Procedures	Medicaid Cluster	DMAS	-	Corrective action implemented.
2003	44	03-21	Timely Submit Final Results and Corrective Action Plans of Medicaid Eligibility Quality Control Pilot Reviews	Medicaid Cluster	DSS	-	Corrective action implemented.

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

INDEPENDENT AUDITOR'S REPORT ON THE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the basic financial statements of the Commonwealth of Virginia as of and for the year ended June 30, 2004, and have issued our report thereon dated December 14, 2004. These financial statements are the responsibility of the Commonwealth's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit federal assistance programs for the agencies and component units discussed in Note 1 of the "Notes to the Schedule of Expenditures of Federal Awards."

We conducted our audit 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 Office of Management and Budget (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 the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying "Schedule of Expenditures of Federal Awards" is presented for the purpose of additional analysis, as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Governor and General Assembly of Virginia, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS
December 14, 2004

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
U.S. DEPARTMENT OF AGRICULTURE				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 720,149		
Marketing Agreements and Orders	10.155	26,998		
Federal-State Marketing Improvement Program	10.156	29,469		
Market Protection and Promotion	10.163	30,394		
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.210	76,918		
Sustainable Agriculture Research and Education	10.215	8,900		
Higher Education Challenge Grants	10.217	102,887	\$ 20,253	Montana State University
Higher Education Multicultural Scholars Program	10.220	50,500		
Fund for Rural America: Research, Education, and Extension Activities	10.224		9,545	University of Georgia
Agricultural and Rural Economic Research	10.250	432,742		
Integrated Programs	10.303	1,700	14,246	University of Maryland
Homeland Security Agricultural	10.304		40,169	University of Florida
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443	132,977		
Crop Insurance	10.450	323,321		
Cooperative Agreements with States for Intrastate				
Meat and Poultry Inspection	10.475	1,272,603		
Cooperative Extension Service	10.500	9,731,355	120,280	Auburn University
Cooperative Extension Service	10.500		1,821	North Carolina State University
Cooperative Extension Service	10.500		11,928	National 4-H Council
Cooperative Extension Service	10.500		3,681	Texas A&M University
Cooperative Extension Service	10.500		103,104	University of Arizona
Cooperative Extension Service	10.500		2,523	University of Georgia Research Foundation
Cooperative Extension Service	10.500		32,974	University of Wisconsin Madison
Cooperative Extension Service	10.500		7,765	University of Wyoming
Food Donation	10.550	938,552		
Special Supplemental Nutrition Program for Women,				
Infants, and Children(WIC)	10.557	75,272,500		
Child and Adult Care Food Program	10.558	17,556		
State Administrative Expenses for Child Nutrition	10.560	1,589,729		
WIC Farmer's Market Nutrition Program (FMNP)	10.572	39,213		
Senior Farmer's Market Nutrition Program	10.576	398,757		
Forestry Research	10.652	23,406		
Cooperative Forestry Assistance	10.664	6,124,087		
Rural Development, Forestry, and Communities	10.672	75,156		
Forest Legacy Program	10.676	413,571		
Technical Assistance and Training Grants	10.761	58,511	7,196	New River Valley Development Corp
Rural Business Enterprise Grants	10.769	21,706		
Empowerment Zones Program	10.772	35,510		
Rural Business Opportunity Grants	10.773	28,741	32,960	New River Valley Econ. Dev. Alliance
Distance Learning and Telemedicine Loans and Grants	10.855	279,578		
Resource Conservation and Development	10.901	26,215		
Environmental Quality Incentives Program	10.912	479,591		
Wildlife Habitat Incentive Program	10.914	62,655		
International Training - Foreign Participant	10.962	204		
Other Assistance:				
Other	10.000	121,172	4,210	City Of Charlottesville
Other	10.000		74,365	Goodrich Corporation
Other	10.000		95,077	Luna Innovations
Other	10.000		18,471	Samueli Institute for Informational Biology
Other	10.000		1,726	University Of Maryland
Other	10.000		14,591	University Of Pennsylvania
Other	10.000		48,616	Zyvex Corporation
Total Excluding Clusters Identified Below		101,487,695	665,501	
Food Stamp Cluster:				
Food Stamps	10.551	471,044,507		
State Administrative Matching Grants for Food Stamp Program	10.561	77,490,710		
Total Food Stamp Cluster		545,994,845		

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Child Nutrition Cluster:				
School Breakfast Program	10.553	30,055,627		
National School Lunch Program (NSLP)	10.555	142,874,439		
Special Milk Program for Children	10.556	52,211		
Summer Food Service Program for Children	10.559	369,192		
Total Child Nutrition Cluster		173,351,469		
Emergency Food Assistance Cluster:				
Emergency Food Assistance Program (Administrative Costs)	10.568	1,066,098		
Emergency Food Assistance Program (Food Commodities)	10.569	10,754,521		
Total Emergency Food Assistance Cluster		11,820,619		
Schools and Roads Cluster:				
Schools and Roads - Grants to States	10.665	974,726		
Research and Development Cluster:				
Agricultural Research - Basic and Applied Research	10.001	1,599,102	2,565	University of Florida
Agricultural Research - Basic and Applied Research	10.001		15,757	Ohio State University
				Louisiana State University Agricultural
			33,583	Center
Plant and Animal Disease, Pest Control, and Animal Care	10.025	103,562		
Wildlife Services	10.028	44,085		
Marketing Agreements and Orders	10.155	28,824		
Inspection Grading and Standardization	10.162	48,598		
Grants for Agricultural Research, Special Research Grants	10.200	1,548,410	37,160	Cornell University
Grants for Agricultural Research, Special Research Grants	10.200		3,019	North Carolina State University
Grants for Agricultural Research, Special Research Grants	10.200		30,154	Oregon State University
Grants for Agricultural Research, Special Research Grants	10.200		33,250	University of Florida
Grants for Agricultural Research, Special Research Grants	10.200		10,890	University of Georgia
Grants for Agricultural Research, Special Research Grants	10.200		9,040	University of Maine
Grants for Agricultural Research, Special Research Grants	10.200		19,902	Southern Illinois University
Grants for Agricultural Research, Special Research Grants	10.200		549	Langston University
Grants for Agricultural Research, Special Research Grants	10.200		1,078	Mississippi State University
Cooperative Forestry Research	10.202	593,957		
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	3,146,824		
Payments to 1890 Land - Grant Colleges and Tuskegee University	10.205	2,514,565		
Grants for Agricultural Research - Competitive Research Grants	10.206	2,885,571	8,486	North Carolina State University
Grants for Agricultural Research - Competitive Research Grants	10.206		6,410	University of North Carolina Greensboro
Grants for Agricultural Research - Competitive Research Grants	10.206		6,229	University of South Florida
Grants for Agricultural Research - Competitive Research Grants	10.206		2,513	University of South Florida
Grants for Agricultural Research - Competitive Research Grants	10.206		30,085	Washington State University
Animal Health and Disease Research	10.207	67,592		
Small Business Innovation Research	10.212	57,944	58,913	H&T Alternative Controls LLC
Sustainable Agriculture Research and Education	10.215		(1,950)	University of Georgia
1890 Institution Capacity Building Grants	10.216	375,039		
Agricultural and Rural Economic Research	10.250	22,892	9,696	Mississippi State University
Initiative for Future Agriculture and Food Systems	10.302	265,430	26,171	Michigan State University
Initiative for Future Agriculture and Food Systems	10.302		18,580	University of Pennsylvania
Initiative for Future Agriculture and Food Systems	10.302		22,205	Kentucky State University
Integrated Programs	10.303	449,529	976	North Carolina State University
Integrated Programs	10.303		111,349	University of Florida
Cooperative Extension Service	10.500	163,591	15,099	Kansas State University
Cooperative Extension Service	10.500		31,989	University of Arizona
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	(200)		
				Ohio State University Research
Forestry Research	10.652	1,154,123	6,294	Foundation
Forestry Research	10.652		17,540	University of Tennessee
Cooperative Forestry Assistance	10.664	800,585	(6)	Limestone Bluffs RC&D Inc
				New River-Highlands Resource
Cooperative Forestry Assistance	10.664		690	Conservation and Development Area
Cooperative Forestry Assistance	10.664		7,500	University of Minnesota Twin Cities

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Rural Development, Forestry, and Communities	10.672	3		
National Sheep Industry Improvement Center	10.774	4,072		
Distance Learning and Telemedicine Loans and Grants	10.855	53,741		
Great Plains Conservation	10.900	23,686		
Resource Conservation and Development	10.901	17,569		
Soil and Water Conservation	10.902	37,380		
Wildlife Habitat Incentive Program	10.914		21,000	Tennessee Wildlife Resources Agency Association Liaison Office for University Cooperation in Development
Scientific Cooperation and Research Other Assistance:	10.961	11,197	27,032	
Other	10.000	1,040,774	180,973	University of Kentucky Research Foundation
Other	10.000		166,295	Boeing
Other	10.000		20,201	Colorado State University
Other	10.000		11,516	Computing Research Association (CRA) Engineering Research & Development
Other	10.000		2,269	Center
Other	10.000		58,473	ITN Energy Systems, Inc.
Other	10.000		8,607	NCI-Frederick
Other	10.000		32,116	Science Applications Intrnl Corp Southeastern University Research Association, Inc.
Other	10.000		125,075	
Other	10.000		18,707	Uniformed Ser. Univ. Of Health Sciences
Other	10.000		106,994	University Of Alabama
Other	10.000		8,018	University Of Maryland
Other	10.000		89,409	Vanderbilt University
Other	10.000		145,556	Veridian Systems Division, Inc.
Other	10.000		13,056	Catalyst Communications Technologies
Other	10.000		7,183	Mississippi State University
Other	10.000		39,373	North Carolina State University
Other	10.000		15,607	EXDS
Total Research and Development Cluster		17,058,445	1,673,176	
Total U.S. Department of Agriculture		850,687,799	2,338,677	

U.S. DEPARTMENT OF COMMERCE

Economic Development - Technical Assistance	11.303	91,081		
Interjurisdictional Fisheries Act of 1986	11.407	148,074		
Sea Grant Support	11.417	(10,659)		
Coastal Zone Management Administration Awards	11.419	2,323,827	9,365	Middle Peninsula Planning District Commission
Integrated Flood Observing and Warning System (IFLOWS)	11.450	15,181		
Unallied Industry Projects	11.452	1,209,579		
Chesapeake Bay Studies	11.457	4,865	790,283	Virginia Oyster Reef Heritage Foundation
Chesapeake Bay Studies	11.457		24,635	Virginia Oyster Reef Foundation
Habitat Conservation	11.463		6,835	The Nature Conservancy
Coastal Services Center	11.473	480,536		
Atlantic Coastal Fisheries Cooperative Management Act	11.474	219,370		
Public Telecommunications Facilities Planning and Construction	11.550	6,043		
Measurement and Engineering Research and Standards	11.609	(28,886)		
Manufacturing Extension Partnership	11.611	3,495,634		
Congressionally - Identified Projects	11.617	940,000		
Other Assistance	11.000	1,373,822		
Total Excluding Clusters Identified Below		10,268,467	831,118	

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Public Works and Economic Development Cluster:				
Grants for Public Works and Economic Development Facilities	11.300	422,962		
Economic Adjustment Assistance	11.307	14,964,206		
Total Public Works and Economic Development Facilities Cluster		15,387,168		
Research and Development Cluster:				
Census Geography	11.003	29,498		
Anadromous Fish Conservation Act Program	11.405	39,046		
Sea Grant Support	11.417	2,226,892		
Coastal Zone Management Administration Awards	11.419	1,000,864	53,421	University of New Hampshire
Coastal Zone Management Estuarine Research Reserves	11.420	677,375		
Development Grants and Cooperative Agreements Program	11.427	147,402		
Intergovernmental Climate Program (NESDIS)	11.428	4,084		
Undersea Research	11.430	17,424	30,517	University North Carolina At Wilmington
Undersea Research	11.430		3,991	Columbia University
Climate and Atmospheric Research	11.431	158,114	2,992	University Of Arizona
Environmental Sciences, Applications, Data and Education	11.440	44,674		
Regional Fishery Management Councils	11.441	14,002		
Unallied Management Projects	11.454	493,017		
Cooperative Science and Education Program	11.455	278,855		
Chesapeake Bay Studies	11.457	1,507,264		
Special Oceanic and Atmospheric Projects	11.460	12,315		
Habitat Conservation	11.463	13,080		
Unallied Science Program	11.472	796,249		
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	278,810		
Public Telecommunications Facilities - Planning and Construction	11.550	13,750	78,073	Blacksburg Electronic Village, Inc.
Measurement and Engineering Research and Standards	11.609	5,273,731	247,918	Clemson University
Other Assistance:				
Other	11.000	36,910	36,910	Ohio State University
Other	11.000	32,137	739	Nanosonic Inc
Other	11.000		103,092	UCI
Total Research and Development Cluster		13,095,493	557,653	
Total U.S. Department of Commerce		38,751,128	1,388,771	

U.S. DEPARTMENT OF DEFENSE

Procurement Technical Assistance For Business Firms	12.002	232,010		
Payments to States in Lieu of Real Estate Taxes	12.112	81,119		
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	678,588		
Basic and Applied Scientific Research	12.300	108,849		
National Guard Military Operations and Maintenance (O&M) Projects	12.401	19,654,032		
National Guard Civilian Youth Opportunities	12.404	1,411,624		
Basic Scientific Research	12.431	66,283		
International Education - U.S. Colleges and Universities	12.550	33,807		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	22,053		
Air Force Defense Research Sciences Program	12.800	400		
Mathematical Sciences Grants Program	12.901	7,300		
Information Security Grant Program	12.902	363,299		
Research and Technology Development	12.910	27,126	13,736	Aaron B. Floyd Enterprises
Other Assistance:				
Other	12.000	128,988	174	NEXCOM
Other	12.000		(10,594)	Innolog
Other	12.000		160,318	TRW
Other	12.000		13,063	Unified
Other	12.000		2,640	Northrup Grumman
Other	12.000		47,372	Booz Allen
Other	12.000		1,795	Calibre
Other	12.000		91,420	Mirum

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name
				(Indirect Only)
Other	12.000		2,200	KEI Pearson
Other	12.000		59,611	HJ Ford
Other	12.000		1,650	SAIC
Other	12.000		24,382	TITAN
Other	12.000		12,890	FS Busn SYS
Other	12.000		31,639	KEI Pearson
Other	12.000		16,500	AT&T
Other	12.000		15,249	Northrup Grumman
Total Excluding Cluster Identified Below		22,815,478	484,045	
Research and Development Cluster:				
Aquatic Plant Control	12.100	1,575,173		
Flood Control Projects	12.106	92,717	886	Southern Sierra Research Station
Navigation Projects	12.107	71,554		
Collaborative Research and Development	12.114	204,566	9,132	Luna Innovations Inc
Collaborative Research and Development	12.114		60,000	Honeywell International/Labs.
Basic and Applied Scientific Research	12.300	19,961,575	7,636	Applied Research Associates, Inc.
Basic and Applied Scientific Research	12.300		264,629	University of California, Santa Barbara
Basic and Applied Scientific Research	12.300		32,155	University Of Colorado
Basic and Applied Scientific Research	12.300		201,076	University Of Illinois
Basic and Applied Scientific Research	12.300		39,190	University Of Michigan
Basic and Applied Scientific Research	12.300		37,692	University Of New Hampshire
Basic and Applied Scientific Research	12.300		59,568	Washington University
Basic and Applied Scientific Research	12.300		(217,341)	Cambridge Hydrodynamics Inc.
Basic and Applied Scientific Research	12.300			Northrop Grumman Newport News
Basic and Applied Scientific Research	12.300		32,485	(Shipbuilding)
Basic and Applied Scientific Research	12.300		(737)	ADOPTTECH Inc
Basic and Applied Scientific Research	12.300		1,005	Adaptive Technologies Inc
Basic and Applied Scientific Research	12.300		56,467	American Competitiveness Institute
Basic and Applied Scientific Research	12.300		18,748	Astron Wireless Technologies Inc
Basic and Applied Scientific Research	12.300		33,015	Hydrosize Technologies Inc
Basic and Applied Scientific Research	12.300		6,667	Innovative Concepts in Engineering
Basic and Applied Scientific Research	12.300		11,698	Nanosonic Inc
Basic and Applied Scientific Research	12.300		30,630	South Carolina Research Authority
Basic and Applied Scientific Research	12.300		115,804	University of Maryland
Basic and Applied Scientific Research	12.300		199,307	University of Michigan - Ann Arbor
Basic and Applied Scientific Research	12.300		44,410	Wake Forest University School of Medicine
Basic and Applied Scientific Research	12.300		345,203	Carnegie Mellon University
Military Medical Research and Development	12.420	3,446,602	89,964	University Of Nebraska at Omaha
Military Medical Research and Development	12.420		270,608	UT-Battelle LLC.
Military Medical Research and Development	12.420		123,907	Emory University
Military Medical Research and Development	12.420		15,699	Cougaar Software Inc
Basic Scientific Research	12.431	2,412,434	117,107	University Of Texas
Basic Scientific Research	12.431		122,749	Case Western Reserve University
Basic Scientific Research	12.431		1,224	Adaptive Technologies Inc
Basic Scientific Research	12.431		(767)	Luna Innovations Inc
Basic Scientific Research	12.431		80,470	Nanosonic Inc
Basic Scientific Research	12.431		54	University of Michigan - Ann Arbor
Basic Scientific Research	12.431		932	Sentor Technologies
Basic, Applied, and Advanced Research in Science and Engineering	12.630	2,421,696	15,000	Hicks & Associates
Basic, Applied, and Advanced Research in Science and Engineering	12.630		55,536	Pennsylvania State University
Basic, Applied, and Advanced Research in Science and Engineering	12.630		318	BAE Systems Information & Electronic
Basic, Applied, and Advanced Research in Science and Engineering	12.630		24,390	Lambda Instruments Inc
Basic, Applied, and Advanced Research in Science and Engineering	12.630		8,746	Triton Systems Inc
Basic, Applied, and Advanced Research in Science and Engineering	12.630		30,591	University of Michigan
Integrated Helicopter Design Tools	12.640		104,083	University Of Illinois
Air Force Defense Research Sciences Program	12.800	2,683,367	15,689	University of Cincinnati
Air Force Defense Research Sciences Program	12.800		851,562	Boeing
Air Force Defense Research Sciences Program	12.800		77,133	AdTech Systems Research Inc
Air Force Defense Research Sciences Program	12.800		6,904	Adaptive Technologies Inc
Air Force Defense Research Sciences Program	12.800		28,085	AeroSoft Inc

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Air Force Defense Research Sciences Program	12.800		35,188	Battelle
Air Force Defense Research Sciences Program	12.800		2,061	ERC Inc
Air Force Defense Research Sciences Program	12.800		117,138	ESI US R&D Inc
Air Force Defense Research Sciences Program	12.800		32,297	Extreme Diagnostics Inc
Air Force Defense Research Sciences Program	12.800		89,756	Georgia Institute of Technology
Air Force Defense Research Sciences Program	12.800		28,319	Global Contour Inc
Air Force Defense Research Sciences Program	12.800		29,994	Knowledge Analysis Technologies LLC
Air Force Defense Research Sciences Program	12.800		143,280	Luna Innovations Inc
Air Force Defense Research Sciences Program	12.800		190,059	Nanosonic Inc
Air Force Defense Research Sciences Program	12.800		59,891	Sparta Inc
Air Force Defense Research Sciences Program	12.800		29,499	TYBRIN Corporation
Air Force Defense Research Sciences Program	12.800		10,325	Technology in Blacksburg Inc
Air Force Defense Research Sciences Program	12.800		5,042	The Mitre Corporation
Air Force Defense Research Sciences Program	12.800		47,344	Yale University
Air Force Defense Research Sciences Program	12.800		29,286	Cermet, Inc.
Air Force Defense Research Sciences Program	12.800		59,264	City College of New York
Air Force Defense Research Sciences Program	12.800		28,140	Sentor Technologies
Mathematical Sciences Grants Program	12.901	26,192		
Research and Technology Development	12.910	2,541,070	255,784	University Of Colorado
Research and Technology Development	12.910		15,000	Hicks & Associates
Research and Technology Development	12.910		39,133	ITN Energy Systems, Inc.
Research and Technology Development	12.910		32,980	MIT
Research and Technology Development	12.910		4,056	AdTech Systems Research Inc
Research and Technology Development	12.910		20,162	Luna Innovations Inc
Research and Technology Development	12.910		12,848	Nanosonic Inc
Research and Technology Development	12.910		61,711	Raytheon Company
Other Assistance:				
Other	12.000	10,444,995	94,817	Cermet, Inc.
Other	12.000		180,507	Luna Innovations Inc
Other	12.000		24,694	Anteon Inc
Other	12.000		3,795	Astron Wireless Technologies Inc
Other	12.000		18,167	BAE Systems Information & Electronic
Other	12.000		24,139	Battelle
Other	12.000		100,703	Concurrent Technologies Corporation
Other	12.000		12,618	J F Taylor Inc
Other	12.000		256,771	Luna Innovations Inc
Other	12.000		66,699	Nanosonic Inc
Other	12.000		70,000	Rosettex Technology & Ventures Group
Other	12.000		33,197	Tech Explore, LLC
Other	12.000		(9)	CRC
Other	12.000		24,042	John Hopkins Applied Physics
Other	12.000		201,970	SAIC
Other	12.000		(18,481)	USURF
Other	12.000		(8,198)	ABS
Other	12.000		122,453	Johns Hopkins University
Other	12.000		(15,797)	SAIC
Other	12.000		(17)	TRW
Other	12.000		11,145	BBN Tech
Other	12.000		5	University of Connecticut
Other	12.000		80,904	Veridian
Other	12.000		1,062,832	CTC
Other	12.000		71,742	Berkeley National Labs
Other	12.000		82,010	NIITEK
Other	12.000		31,856	NJ Institute of Technology
Other	12.000		12,705	Lockheed Martin
Other	12.000		57,184	Verizon
Other	12.000		27,442	Microwave Tech
Other	12.000		30,184	BAE

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Other	12.000		43,225	Mirum
Other	12.000		88,137	Lockheed Martin
Total Research and Development Cluster		45,881,942	7,598,307	
Total U.S. Department of Defense		68,697,420	8,082,352	

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Block Grants/State's Program	14.228	25,672,755		
Emergency Shelter Grants Program	14.231	1,385,690		
Supportive Housing Program	14.235	210,004		
Shelter Plus Care	14.238	119,588		
HOME Investment Partnerships Program	14.239	15,108,243		
Housing Opportunities for Persons with AIDS	14.241	744,874	15,826	City of Richmond
Opportunities for Youth Youthbuild Program	14.243	296,292		
Fair Housing Assistance Program - State and Local	14.401	343,931		
Community Outreach Partnership Center Program	14.511	287,629		
Community Development Work-Study Program	14.512	41,999		
Historically Black Colleges and Universities Program	14.520	179,850	37,433	Norfolk Redevelopment & Housing Authority
Public and Indian Housing	14.850	79,029		
Demolition and Revitalization of Severely Distressed Public Housing	14.866	31,713	42,089	Norfolk Redevelopment & Housing Authority
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	236,119		
Total Excluding Clusters Identified Below		44,737,716	95,348	
CDBG Entitlement and Small Cities Cluster:				
Community Development Block Grants/Small Cities Program	14.219	47,844		
Research and Development Cluster:				
Supportive Housing for the Elderly	14.157	9,056		
Manufactured Home Construction and Safety Standards	14.171	(27)		
General Research and Technology Activity	14.506		35,698	Radiation Monitoring Devices Inc.
Community Outreach Partnership Center Program	14.511	155,135		
Doctoral Dissertation Research Grants	14.516	7,776		
Other Assistance:				
Other	14.000	111,447	90,558	Newport Partners LLC
Other	14.000		64,892	University Consortium for Geographic Information Science
Other	14.000		22,359	City of Richmond
Total Research and Development Cluster		283,387	213,507	
Total U.S. Department of Housing and Urban Development		45,068,947	308,855	

U.S. DEPARTMENT OF THE INTERIOR

Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250	3,241,245		
Abandoned Mine Land Reclamation (AMLR) Program	15.252	6,242,683		
Coastal Wetlands Planning, Protection and Restoration Act	15.614	42,294		
Cooperative Endangered Species Conservation Fund	15.615	207,774		
Clean Vessel Act	15.616	180,702		
North American Wetlands Conservation Fund	15.623	257,463		
Wildlife Conservation and Restoration	15.625	179,341		
Landowner Incentive	15.633	21,625		
State Wildlife Grants	15.634	450,014		
Assistance to State Water Resources Research Institutes	15.805	2,500		
U.S. Geological Survey - Research and Data Collection	15.808	129,148		
Historic Preservation Fund Grants-In-Aid	15.904	653,788		
National Historic Landmark	15.912	3,763		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Outdoor Recreation - Acquisition, Development and Planning	15.916	1,109,568		
Rivers, Trails and Conservation Assistance	15.921	45,519		
Other Assistance	15.000	26,270		
Total Excluding Clusters Identified Below		12,793,697		
Fish and Wildlife Cluster:				
Sport Fish Restoration	15.605	3,862,488	61,836	Recreational Boating & Fishing Foundation
Wildlife Restoration	15.611	3,930,875		
Total Fish and Wildlife Cluster		7,793,363	61,836	
Research and Development Cluster:				
Cultural Resource Management	15.224	1,498		
Water Reclamation and Reuse Program	15.504	45,548		
Fish and Wildlife Management Assistance	15.608	22,246		
Multi State Conservation Grants	15.628	50,131		
Partners for Fish and Wildlife	15.631	22,059		
Assistance to State Water Resources Research Institutes	15.805	182,544	17,187	University of Maryland
Earthquake Hazards Reduction Program	15.807	43,143		
U.S. Geological Survey - Research and Data Acquisition	15.808	1,544,960		
National Spacial Data Infrastructure Cooperative Agreements Program	15.809	6,223		
National Cooperative Geologic Mapping Program	15.810	395		
Gap Analysis Program	15.811	851		
Disposal of Surplus Wildlife	15.900	177,337		
Historic Preservation Fund Grants-In-Aid	15.904	38,610		
National Historic Landmark	15.912	78,370		
Technical Preservation Services	15.915	191,613		
Outdoor Recreation - Acquisition, Development, and Planning	15.916	53,797		
Rivers, Trails and Conservation Assistance	15.921	227,130	16,735	Florida International University
National Center for Preservation Technology and Training	15.923	26,968		
American Battlefield Protection	15.926	35,614		
Other Assistance	15.000	326,576		
Total Research and Development Cluster		3,075,613	33,922	
Total U.S. Department of the Interior		23,662,673	95,758	

U.S. DEPARTMENT OF JUSTICE

Law Enforcement Assistance - Narcotics and Dangerous Drugs Training	16.004	226,379		
State Domestic Preparedness Equipment Support Program	16.007	73,981		
Juvenile Accountability Incentive Block Grants	16.523	3,478,415		
Grants to Reduce Violent Crimes Against Women on Campus	16.525	233,389		
Training Grants to Stop Abuse and Sexual Assault of Older Individuals or	16.528	41,988		
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2,169,244		
Developing, Testing and Demonstrating Promising New Programs	16.541	34,098		
Part D - Research, Evaluation, Technical Assistance and Training	16.542	96,330		
Victims of Child Abuse	16.547		53,080	Virginia CASA Association
Part E - State Challenge Activities	16.549	90,645		
State Justice Statistics Program for Statistical Analysis Centers	16.550	1,273,685		
National Criminal History Improvement Program (NCHIP)	16.554	898,984		
National Institute of Justice Research, Evaluation, and				
Development Project Grants	16.560	658,817		
Crime Laboratory Improvement Combined Offender DNA Index System				
Backlog Reduction	16.564	271,079		
Crime Victim Assistance	16.575	8,915,707		
Crime Victim Compensation	16.576	706,965		
Byrne Formula Grant Program	16.579	11,994,138		
Edward Byrne Memorial State and Local Law Enforcement				
Assistance Discretionary Grants Program	16.580	4,035,526		
Drug Court Discretionary Grant Program	16.585	78,528	10,000	City of Portsmouth

COMMONWEALTH OF VIRGINIA
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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Violent Offender Incarceration and Truth in Sentencing Incentive Grants	16.586	10,607,217		
Violence Against Women Formula Grants	16.588	2,662,043		
Rural Domestic Violence and Child Victimization Enforcement Grant Program	16.589	4,230		
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	244,716		
Local Law Enforcement Block Grants Program	16.592	139,120		
Residential Substance Abuse Treatment for State Prisoners	16.593	1,016,152		
Community Prosecution and Project Safe Neighborhoods	16.609	66,789		
Closed - Circuit Televising of Child Victims of Abuse	16.611	35,769		
Public Safety Partnership and Community Policing Grants	16.710	2,953,533		
Police Corps	16.712	298,119		
Juvenile Mentoring Program	16.726	59,772		
Enforcing Underage Drinking Laws Program	16.727	286,179		
Total Excluding Cluster Identified Below		53,651,537	63,080	
Research and Development Cluster:				
Law Enforcement Assistance - Narcotics and Dangerous Drugs				
Laboratory Analysis	16.001	194,119		
Law Enforcement Assistance - FBI Advanced Police Training	16.300		44,648	Harris Corporation
Law Enforcement Assistance - FBI Crime Laboratory Support	16.301	311,423		
Byrne Formula Grant Program	16.560	306,601		
Byrne Formula Grant Program	16.579	12,348		
Violence Against Women Formula Grants	16.588	25,863		
Regional Information Sharing Systems	16.610	32,409		
Drug-Free Communities Support Program Grants	16.729	139,827		
Other Assistance	16.000	536,511		
Total Research and Development Cluster		1,559,101	44,648	
Total U.S. Department of Justice		55,210,638	107,728	
U.S. DEPARTMENT OF LABOR				
Labor Force Statistics	17.002	1,912,180		
Compensation and Working Conditions	17.005	107,101		
Registered Apprenticeship and Other Training	17.201	31,168		
				Shenandoah Valley Workforce Investment Board
Certification of Foreign Workers for Temporary Agricultural Employment	17.202	16,975	31,168	
Labor Certification for Alien Workers	17.203	1,393,972		
Unemployment Insurance	17.225	640,475,422		
Senior Community Service Employment Program	17.235	3,228,738		
Trade Adjustment Assistance - Workers	17.245	29,798,652		
Welfare-to-Work Grants to States and Localities	17.253	2,775,815	107,176	Welfare To Work Local Area
Welfare-to-Work Grants to States and Localities	17.253		67,803	City of Charlottesville
Welfare-to-Work Grants to States and Localities	17.253		48,892	Regional VA Workforce Investment Board
One-Stop Career Center Initiative	17.257	785,918	139,465	City of Richmond
Employment and Training Administration Pilots, Demonstrations, and Research Projects	17.261	3,486,681	81,954	Shenandoah Valley Workforce Investment Board
Employment and Training Administration Pilots, Demonstrations, and Research Projects	17.261		178,544	West Piedmont Welfare Investment Board
Work Incentives Grant	17.266		19,088	Henrico County
Work Incentives Grant	17.266		59,153	Capital Area Workforce Investment Board
Occupational Safety and Health - State Program	17.503	3,025,131		
Consultation Agreements	17.504	964,329		
Mine Health and Safety Grants	17.600	259,169		
Mine Health and Safety Counseling and Technical Assistance	17.601	24,593		
Employment Programs for People with Disabilities	17.720	696,369	30,057	Training and Development Corporation
Total Excluding Clusters Identified Below		688,982,213	763,300	

COMMONWEALTH OF VIRGINIA
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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Employment Services Cluster:				
Employment Service	17.207	17,951,062		
Disabled Veterans' Outreach Program (DVOP)	17.801	1,781,226		
Local Veterans' Employment Representative Program	17.804	1,252,708		
Total Employment Services Cluster		20,984,996		
WIA Cluster:				
WIA Adult Program	17.258	12,262,547	2,043,147	VEC One Stops
WIA Adult Program	17.258		110,569	Bay Consortium-Private Industry Council
				Greater Peninsula Workforce Investment
WIA Adult Program	17.258		512,211	Board
WIA Adult Program	17.258		62,638	Henry-Martinsville Social Services
WIA Adult Program	17.258		182,322	Thomas Jefferson Planning Commission
				West Piedmont Workforce Investment
WIA Adult Program	17.258		336,204	Board
				Bay Consortium-Workforce Investment
WIA Youth Activities	17.259	15,025,829	156,635	Board
WIA Youth Activities	17.259		16,146	People Inc. of SW VA
WIA Dislocated Workers	17.260	19,009,154	664,302	State of Maryland-Metrotek
WIA Dislocated Workers	17.260		1,912,897	VEC One Stops
				Bay Consortium-Workforce Investment
WIA Dislocated Workers	17.260		55,249	Board
WIA Dislocated Workers	17.260		70,053	City of Danville
				Greater Peninsula Workforce
WIA Dislocated Workers	17.260		390,998	Development Consortium
WIA Dislocated Workers	17.260		1,361,108	Opportunity, Inc.
WIA Dislocated Workers	17.260		289,519	Region 2000 Regional Commission
WIA Dislocated Workers	17.260		3,921	VA Workforce Council
				West Piedmont Workforce Investment
WIA Dislocated Workers	17.260		650,034	Board
Total WIA Cluster		46,297,530	8,817,953	
Research and Development Cluster:				
Other Assistance:				
				Shenandoah Valley Workforce
Other	17.000	4,914	4,302	Development
Other	17.000		6,952	PITI
Total Research and Development Cluster		4,914	11,254	
Total U.S. Department of Labor		756,269,653	9,592,507	
U.S. DEPARTMENT OF STATE				
Special Domestic Assignments	19.202	1,463,964		
Program for Study of Europe and the Independent States of the Former Soviet Union	19.300		28,859	NCEER
Educational Exchange - University Lecturers (Professors) and Research Scholars	19.401	7,177		
Educational Partnerships Program	19.405	92,840		
Professional Development-Teacher Training	19.419	67,570		
				NAFSA: Association of International
Cooperative Grants	19.420		4,516	Educators (COOP)
Other Assistance:				
Other	19.000	29,427	172,356	Logicon
Other	19.000	17,821	52,480	AED
Other	19.000	17,056	403	IREX
Total Excluding Cluster Identified Below		1,695,855	258,614	

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Research and Development Cluster:				
Educational Partnerships Program	19.424	82,410		
Other Assistance:				
Other	19.000	16,094	40,096	IREX
Other	19.000		20,245	CIES
Total Research and Development Cluster		98,504	60,340	
Total U.S. Department of State		1,794,359	318,954	

U.S. DEPARTMENT OF TRANSPORTATION

Boating Safety Financial Assistance	20.005	2,218		
Aviation Education	20.100		6,107	Booz Allen Hamilton, Inc.
Airport Improvement Program	20.106	90,570		
Highway Training and Education	20.215	43,875		
Motor Carrier Safety	20.217	20,000		
National Motor Carrier Safety	20.218	3,650,486		
Recreational Trails Program	20.219	927,221		
High Speed Ground Transportation: Next Generation High Speed Rail Program	20.312	12,252		
Railroad Research and Development	20.313	24,676		
Port Security Grants	20.401	4,454,345		
Port Security Grants	20.420	2,782,983		
Federal Transit - Metropolitan Planning Grants	20.505	1,620,542		
Formula Grants for Other Than Urbanized Areas	20.509	9,418,188		
Capital Assistance Program for the Elderly Persons and Persons with Disabilities	20.513	813,826		
State Planning and Research	20.515	209,250		
Job Access - Reverse Commute	20.516	905,373		
Alcohol Open Container Requirements Section 154	20.607	3,697,693		
Minimum Penalties for Repeat Offenders for Driving While Intoxicated Section 164	20.605	479,690		
Pipeline Safety	20.700	377,100		
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	282,749		
Minority Institutions	20.907	42,384		
Other Assistance	20.000	437,864	6,896	Bacchus & Gamma
Total Excluding Clusters Identified Below		30,293,285	13,003	
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	618,624,782		
Federal Transit Cluster:				
Federal Transit - Capital Investment Grants	20.500	561,867		
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2,945,000		
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	401,770		
Occupant Protection	20.602	525,248		
Federal Highway Safety Data Improvements Incentive Grants	20.603	145,095		
Safety Incentive Grants for Use of Seatbelts	20.604	1,055,563		
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	3,279,091		
Total Highway Safety Cluster		8,351,767		
Research and Development Cluster:				
Aviation Research Grants	20.108	638,150		
Air Transportation Centers for Excellence	20.109	176,190		
Highway Training and Education	20.215	169,261	4,717	University of Maryland
Motor Carrier Safety	20.217	1,005,833		
Railroad Safety	20.301	917,751		
Federal Transit Grants for University Research and Training	20.502	2,153		
State Planning and Research	20.515	6,490		

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
University Transportation Centers Program	20.701	1,056,155	112,745	Pennsylvania State University
Transportation - Consumer Affairs	20.900	46,647		
Other Assistance:				
Other	20.000	4,650,278	1,011	IBM Business Consulting Services
Other	20.000		111,850	Penn State University
				Rutgers, The State University of New
Other	20.000		(2,166)	Jersey
Other	20.000		24,455	The National Academies
Other	20.000		11,171	University of Iowa
Other	20.000		28,954	University of Michigan - Ann Arbor
Other	20.000		94,426	Ohio State University
Other	20.000		336,197	George Washington University
Other	20.000		45,606	Kittelson & Associates Inc.
Total Research and Development Cluster		8,668,908	768,966	
Total U.S. Department of Transportation		666,500,610	781,968	
UNITED STATES TREASURY				
Jobs and Growth Tax Relief Reconciliation Act of 2002	21.999	240,000,000		
Other Assistance	21.000	133,655		
Total for United States Treasury		240,133,655		
APPALACHIAN REGIONAL COMMISSION				
Appalachian Regional Development	23.001	245,898	1,009	East Tennessee State University
Appalachian Area Development	23.002	47,526		
Appalachian State Research, Technical Assistance, and Demonstration Projects	23.011		(2,406)	Appalachian Regional Commission
Appalachian State Research, Technical Assistance, and Demonstration Projects	23.011		891	Hazard Community College
Total Excluding Cluster Identified Below		293,424	(506)	
Highway Planning and Construction Cluster:				
Appalachian Development Highway System	23.003	65,282		
Research and Development Cluster:				
Appalachian Regional Development	23.001	(613)		
Appalachian Area Development	23.002	11,442		
Total Research and Development Cluster		10,829		
Total Appalachian Regional Commission		369,535	(506)	
OFFICE OF PERSONNEL MANAGEMENT				
Research and Development Cluster:				
Intergovernmental Personnel Act (IPA) Mobility Program	27.011	113,789		
FEDERAL TRADE COMMISSION				
Fair Competition Counseling and Investigation of Complaints	36.001	432		
GENERAL SERVICES ADMINISTRATION				
Donation of Federal Surplus Personal Property	39.003	2,416,769		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Research and Development Cluster:				
Other Assistance	39.000	727,161	29,916	Howard University
Total General Services Administration		3,143,930	29,916	
LIBRARY OF CONGRESS				
Books for the Blind and Visually Handicapped	42.001	5,000		
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION				
Aerospace Education Services Program	43.001	261,388		
Technology Transfer	43.002	86,107	1,870	Bay Mills Community College
Other Assistance:				Old Dominion University Research
Other	43.000	56,867	42,351	Foundation
Other	43.000		76,000	Technology Commercialization Center
Total Excluding Cluster Identified Below		404,362	120,221	
Research and Development Cluster:				
Aerospace Education Services Program	43.001	7,109,347	259	University Of Arizona
Aerospace Education Services Program	43.001		92,435	Virginia Space Grant Consortium
Aerospace Education Services Program	43.001		90,431	Ohio Research Institute
Aerospace Education Services Program	43.001		28,773	Institute of Atmospheric Science
Aerospace Education Services Program	43.001		41,812	Oklahoma State University
Aerospace Education Services Program	43.001		30,856	SpaceWorks Inc
Aerospace Education Services Program	43.001		86,010	California Inst. of Technology
Aerospace Education Services Program	43.001		24,135	Colorado State University
Technology Transfer	43.002	1,682,882	28,451	University of Massachusetts
Technology Transfer	43.002		14,172	University Of Michigan
Technology Transfer	43.002		17,396	Virginia Space Grant Consortium
Technology Transfer	43.002		44,015	Clark University
Technology Transfer	43.002		5,429	Pennsylvania State University
Technology Transfer	43.002		58,098	Luna Innovations Inc
Other Assistance:				
Other	43.000	13,981,057	160,717	Averett University
Other	43.000		102,711	Luna Innovations Inc
Other	43.000		150,197	Nanosonic Inc
Other	43.000		31,258	National Consortium for Aviation Mobility
Ohio State University Research				
Other	43.000		31,254	Foundation
Other	43.000		62,625	Star Technologies Corporation
Other	43.000		9,410	TRS Ceramics Inc
Other	43.000		58,773	University of Georgia
Other	43.000		34,167	University of New Orleans
Other	43.000		17,782	SRI
Other	43.000		51,250	ODURF
Other	43.000		30,399	AWP
Other	43.000		56,977	Northrup Grumman
Total Research and Development Cluster		22,773,286	1,359,791	
Total National Aeronautics and Space Administration		23,177,648	1,480,012	
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				
Promotion of the Arts - Grants to Organizations and Individuals	45.024	48,717	58,513	AWP
Promotion of the Arts - Partnership Agreements	45.025	556,438		
Promotion of the Humanities - Federal/State Partnership	45.129	345,792	7,779	University of North Florida
Promotion of the Humanities - Challenge Grants	45.130	4,091		
Promotion of the Humanities - Division of Preservation and Access	45.149	338,779		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Promotion of the Humanities - Fellowships and Stipends	45.160	29,549		
Promotion of the Humanities - Education Development and Demonstration	45.162	78,666		
Museum for America Grants	45.301	13,432		
Museum Assessment Program	45.302	27,331		
Conservation Project Support	45.303	54		
Conservation Assessment Program	45.304	2,610		
State Library Program	45.310	3,566,761		
National Leadership Grants	45.312	7,296		
Other Assistance	45.000	161,972		
Total Excluding Cluster Identified Below		5,181,488	66,293	
Research and Development Cluster:				
Promotion of the Arts - Grants to Organizations and Individuals	45.024	5,480		
Promotion of the Arts-Leadership Initiatives	45.026	18,324		
Promotion of the Humanities - Federal/State Partnership	45.129	217,860		
Promotion of the Humanities - Challenge Grants	45.130	64,055		
Promotion of the Humanities - Division of Preservation and Access	45.149	72,294		
Promotion of the Humanities - Fellowships and Stipends	45.160	49,198		
Promotion of the Humanities - Research	45.161	537,318		
Promotion of the Humanities - Teaching and Learning Resources and Curriculum Development	45.162	155,342		
Promotion of the Humanities - Professional Development	45.163	93,965		
Promotion of the Humanities - Public Programs	45.164	110,411		
Museum Assessment Program	45.302	15,980		
National Leadership Grants	45.312		53,644	University Of Nebraska at Omaha
Total Research and Development Cluster		1,340,227	53,644	
Total National Foundation on the Arts and the Humanities		6,521,715	119,936	

NATIONAL SCIENCE FOUNDATION

Engineering Grants	47.041	716,495		
Mathematical and Physical Sciences	47.049	269,444		
Geosciences	47.050	(10,577)	8,491	University of Minnesota
Computer and Information Science and Engineering	47.070	19,827		
Biological Sciences	47.074	383,061		
Social, Behavioral, and Economic Sciences	47.075	47,861		
Education and Human Resources	47.076	2,431,945	2,889	Space Tec
Education and Human Resources	47.076		26,101	Virginia Union University
Education and Human Resources	47.076		41,008	Howard University
Education and Human Resources	47.076		109,553	Howard University
Education and Human Resources	47.076		445	George Washington University
Total Excluding Cluster Identified Below		3,858,056	188,487	
Research and Development Cluster:				
Engineering Grants	47.041	10,880,166	259,878	Carnegie-Mellon University
Engineering Grants	47.041		49,520	Northwestern University
Engineering Grants	47.041		13,122	NRAO
Engineering Grants	47.041		99,721	American Council of Learned Societies
Engineering Grants	47.041		30,323	Duke University
Engineering Grants	47.041		20,296	Fibertek Inc
Engineering Grants	47.041		3,805	Luna Innovations Inc
Engineering Grants	47.041		55,612	North Carolina State University
Engineering Grants	47.041		7,510	Penn State University
				Rutgers, The State University of New
Engineering Grants	47.041		37,353	Jersey
Engineering Grants	47.041		41,396	University of Central Florida
Engineering Grants	47.041		10,713	University of Florida

COMMONWEALTH OF VIRGINIA
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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Engineering Grants	47.041		29,422	Drexel University
Engineering Grants	47.041		12,063	University of Connecticut
Mathematical and Physical Sciences	47.049	11,557,326	61,590	University Of Illinois
Mathematical and Physical Sciences	47.049		568	University of Massachusetts
Mathematical and Physical Sciences	47.049		21,832	University Of Texas
Mathematical and Physical Sciences	47.049		37,735	Arizona State University
Mathematical and Physical Sciences	47.049		17,546	Cornell University
Mathematical and Physical Sciences	47.049		1,309	Luna Innovations Inc
Mathematical and Physical Sciences	47.049		10,000	Nanosonic Inc
Mathematical and Physical Sciences	47.049		18,864	University of Georgia
Mathematical and Physical Sciences	47.049		3,877	Hampton University
Mathematical and Physical Sciences	47.049		3,982	Colorado State University
Geosciences	47.050	5,417,931	2,176	University of Alaska
Geosciences	47.050		12,063	The George Washington University
Geosciences	47.050		9,661	The Research Foundation of State Univ
Geosciences	47.050		11,499	UCAR
Computer and Information Science and Engineering	47.070	7,586,423	431,251	University Of California
Computer and Information Science and Engineering	47.070		18,003	University Of Connecticut
Computer and Information Science and Engineering	47.070		167,361	University Of Illinois
Computer and Information Science and Engineering	47.070		131,974	Carnegie-Mellon University
Computer and Information Science and Engineering	47.070		35,207	Case Western Reserve University
Computer and Information Science and Engineering	47.070		40,691	Clemson University
Computer and Information Science and Engineering	47.070		40,076	Penn State University
Computer and Information Science and Engineering	47.070		40,089	Purdue University
Computer and Information Science and Engineering	47.070		25,353	SRI International
Computer and Information Science and Engineering	47.070		10,624	University of California, Irvine
Computer and Information Science and Engineering	47.070		15,148	University of Illinois
Computer and Information Science and Engineering	47.070		84,654	University of Texas at Austin
Computer and Information Science and Engineering	47.070		75,838	Ohio State
Biological Sciences	47.074	10,160,227	25,293	Arizona State University
Biological Sciences	47.074		21,595	Indiana University
Biological Sciences	47.074		212,645	Oklahoma State University
Biological Sciences	47.074		511	SUNY at Cortland
Biological Sciences	47.074		133,979	University of Georgia
Biological Sciences	47.074		135,037	University of Nevada Reno
Biological Sciences	47.074		184,006	University of Tennessee
Biological Sciences	47.074		1,862	University of California
Biological Sciences	47.074		31,925	University of North Carolina
Social, Behavioral, and Economic Sciences	47.075	2,256,214	13,745	Penn State University
Social, Behavioral, and Economic Sciences	47.075		36,138	St Cloud State University
Social, Behavioral, and Economic Sciences	47.075		27,176	Association for Institution Research Civilian Research and Development
Social, Behavioral, and Economic Sciences	47.075		1,164	Foundation
Social, Behavioral, and Economic Sciences	47.075		5,080	NAS
Education and Human Resources	47.076	4,554,995	93,581	Harvard University
				Kentucky Science & Technology
Education and Human Resources	47.076		104,051	Corporation
Education and Human Resources	47.076		52,340	SRI International
Education and Human Resources	47.076		122,724	Penn State University
Education and Human Resources	47.076		38,006	University of Florida
Polar Programs	47.078	996,471	82,401	University of Alaska
Other Assistance:				Rutgers, The State University of New
Other	47.000	645,326	55,693	Jersey
Other	47.000		17,410	Research Foundation of State University
Other	47.000		15,150	University of Illinois
Other	47.000		767	ATCC
Other	47.000		28,244	Vanderbilt University
Other	47.000		8,671	TEES

COMMONWEALTH OF VIRGINIA
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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Other	47.000		6,459	Vanderbilt University
Other	47.000		36,367	Brigham Young University
Total Research and Development Cluster		54,055,079	3,491,725	
Total National Science Foundation		57,913,135	3,680,212	

SECURITIES AND EXCHANGE COMMISSION

Other Assistance	58.000	85,087	
Research and Development Cluster:			
Other Assistance	58.000	168,198	
Total for Securities and Exchange Commission		253,285	

SMALL BUSINESS ADMINISTRATION

Business Development Assistance to Small Business	59.005	193,803	
7 (i) Technical Assistance	59.007	1,240,858	
Small Business Development Center	59.037	1,808,813	
Other Assistance	59.000	456,024	
Total Small Business Administration		3,699,498	

SMITHSONIAN INSTITUTE

Authentication and/or Repair of Oriental Objects and Translation of Related Inscriptions	60.003		(9,934) Mayo Foundation
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TENNESSEE VALLEY AUTHORITY

Research and Development Cluster:			
TVA Energy Research and Technology Applications	62.001	100,000	
Other Assistance	62.000	61,474	
Total Tennessee Valley Authority		161,474	

U.S. DEPARTMENT OF VETERANS AFFAIRS

All-Volunteer Force Educational Assistance	64.124	197,425	
Other Assistance	64.000	42,180	
Total Excluding Cluster Identified Below		239,605	
Research and Development Cluster:			
Veterans State Hospital Care	64.016	53,562	
Other Assistance	64.000	1,530	
Total Research and Development Cluster		55,092	
Total U.S. Department of Veterans Affairs		294,697	

ENVIRONMENTAL PROTECTION AGENCY

Air Pollution Control Program Support	66.001	2,814,005	
State Indoor Radon Grants	66.032	90,680	
Water Pollution Control State and Interstate Program Support	66.419	1,400,568	
State Public Water System Supervision	66.432	2,587,439	
Water Quality Management Planning	66.454	304,277	

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Capitalization Grants for Clean Water State Revolving Funds	66.458	12,002,409		
Nonpoint Source Implementation Grants	66.460	3,043,958		
Wetland Program Grants	66.461	107,108		
Water Quality Cooperative Agreements	66.463	23,054		
Chesapeake Bay Program	66.466	2,564,441		
Wastewater Operator Training Grant Program (Technical Assistance)	66.467	37,163		
Capitalization Grants for Clean Water State Revolving Funds	66.468	19,239,653		
Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	66.471	190,269		
Beach Monitoring and Notification Program Implementation Grants	66.472	174,812		
Water Protection Grants to States	66.474	87,993		
Environmental Protection - Consolidated Research	66.500	123,823		
Office of Research and Development Consolidated Research	66.511	122,084		
Performance Partnership Grants	66.605	2,204,390		
Surveys, Studies, Investigations and Special Purpose Grants	66.606	815,949	7,572	Resolve, Inc
Environmental Information Exchange Network Grant Program	66.608	355,930		
Protection of Children and Adults (Elderly) from Environmental Health Risks	66.609	2,556		
TSCA Title IV State Lead Grants - Certification of Lead-Based Paint Professionals	66.707	377,990		
Pollution Prevention Grants Program	66.708	94,890		
Capacity Building Grants and Cooperative Agreements for States and Tribes	66.709	26,073		
Pesticide Environmental Stewardship - Regional Grants	66.714	2,396		
Surveys, Studies, Investigations, Training Demonstrations and Educational Outreach	66.716	8,798		
Source Reduction Assistance	66.717	2,470		
Hazardous Waste Management State Program Support	66.801	1,809,308		
Superfund State, Political Subdivision, and Indian Tribe Site - Specific Cooperative Agreements	66.802	769,720	4,926	Ecology & Economics
State and Tribal Underground Storage Tanks Program	66.804	166,651		
Leaking Underground Storage Tank Trust Fund Program	66.805	1,523,398		
Solid Waste Management Assistance	66.808	48,704		
Superfund State and Indian Tribe Core Program Cooperative Agreements	66.809	272,743		
Alternative or Innovative Treatment Technology Research, Demonstration,	66.813	15,427		
State and Tribal Response Program Grants	66.817	221,133		
Environmental Education Grants	66.951	(1)		
Total Excluding Cluster Identified Below		53,632,261	12,498	
Research and Development Cluster:				
Water Pollution Control - State and Interstate Program Support	66.419	374,363		
Surveys, Studies, Demonstrations and Special Purpose Grants - Section 1442 of the Safe Drinking Water Act	66.436	2,292		
Water Quality Management Planning	66.454	65,575		
Nonpoint Source Implementation Grants	66.460	541,200		
Wetlands Grants	66.461	368,333		
Chesapeake Bay Program	66.466	722,761		
Environmental Protection - Consolidated Research	66.500	606,429	(6,288)	North Carolina State University
Environmental Protection - Consolidated Research	66.500		153,721	Purdue University
Environmental Protection - Consolidated Research	66.500		4,132	QST Environmental Inc
Environmental Protection - Consolidated Grants - Program Support	66.600	49,772		
Surveys, Studies, Investigations and Special Purpose Grants	66.606	58,931	35,008	Maryland Department of the Environment
Surveys, Studies, Investigations and Special Purpose Grants	66.606		43,997	University of Maryland
Training and Fellowships for the Environmental Protection Agency	66.607	14,001		
Training and Fellowships for the Environmental Protection Agency	66.707	4,886		
Hazardous Waste Management State Program Support	66.801	38,424		
Environmental Education and Training Program	66.950	8,068		
Environmental Education Grants	66.951	1,597		
Other Assistance:				
Other	66.000	55,378	203	MACTEC Engineering & Consulting Inc

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Other	66.000		47,500	RVARC
Other	66.000		5,326	WPI
Total Research and Development Cluster		2,912,010	283,599	
Total Environmental Protection Agency		56,544,271	296,097	

U.S. DEPARTMENT OF ENERGY

State Energy Program	81.041	922,203		
Weatherization Assistance for Low - Income Persons	81.042	3,793,242		
Office of Science Financial Assistance Program	81.049	35,144		
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	36,307		
State Energy Program Special Projects	81.119	260,521		
Other Assistance:				
Other	81.000	36,973	543,938	Jefferson Labs
Other	81.000		4,756	Oak Ridge Institute for Science & Education
Total Excluding Cluster Identified Below		5,084,390	548,694	
Research and Development Cluster:				
National Energy Information Center	81.039		31,899	Oak Ridge National Laboratory
National Energy Information Center	81.039		352,281	UT Battelle LLC
State Energy Program	81.041	55,003		
Office of Science Financial Assistance Program	81.049	5,242,411	61,927	Penn State University
University Coal Research	81.057	323,025		
Office of Scientific and Technical Information	81.064	54,284	101,663	Stanford University
Office of Scientific and Technical Information	81.064		80,369	Altuda Energy Corporation
Office of Scientific and Technical Information	81.064		296,496	Clemson University
Office of Scientific and Technical Information	81.064		195,697	Sandia National Laboratories
Regional Biomass Energy Programs	81.079	87,244		
Conservation Research and Development	81.086	1,375,175	78,724	United States Automotive Materials
Conservation Research and Development	81.086		32,427	University of Illinois at Chicago
Renewable Energy Research and Development	81.087	335,880	30,701	Battelle Pacific Northwest National
Renewable Energy Research and Development	81.087		126,024	Clemson University
Renewable Energy Research and Development	81.087		24,610	Southeastern Universities Research
Renewable Energy Research and Development	81.087		635,462	URS Corporation
Renewable Energy Research and Development	81.087		14,750	UT Battelle LLC
Renewable Energy Research and Development	81.087		25,012	University of California, Berkeley
Fossil Energy Research and Development	81.089	1,125,467	20,150	Nanosonic Inc
Fossil Energy Research and Development	81.089		21	UT Battelle LLC
Office of Environmental Cleanup and Acceleration	81.104	150,637	44,896	Bechtel BxWT, Idaho LLC
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	4,769		
Training and Technical Analysis/Assistance	81.119	20,941		
Other Assistance:				
Other	81.000	1,427,142	436,318	SURA-TJNAF
Other	81.000		35,795	Engelhard Corporation
Other	81.000		33,923	Luna Innovations Inc
Other	81.000		3,381	Southern States Energy Board
Other	81.000		93,961	UTC Fuel Cells
Other	81.000		16,378	VPT, Inc.
Other	81.000		155,161	Wackenhut Services Inc
Other	81.000		50,005	West Virginia University
Other	81.000		82,999	Battelle

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Other	81.000		51,645	University of Kentucky Research Foundation
Other	81.000		20,581	University of Utah
Total Research and Development Cluster		10,201,977	3,133,256	
Total U.S. Department of Energy		15,286,367	3,681,950	

FEDERAL EMERGENCY MANAGEMENT AGENCY

Emergency Management-State and Local Assistance	83.534	5,387		
Flood Mitigation Assistance	83.536	83,676		
Public Assistance Grants	83.544	1,790,614		
Hazard Mitigation Grant	83.548	193,089		
Emergency Management Performance Grants	83.552	671,067		
Pre-Disaster Mitigation	83.557	65,370		
Federal Assistance to Individuals and Households-Other Needs	83.560	117,775		
State and Local All Hazards Emergency Operations Planning	83.562	157,243		
Citizen Corps	83.564	28,712		
Total Excluding Cluster Identified Below		3,112,933		
Research and Development Cluster:				
Other Assistance:				
Other	83.000	220,688	4,224	ACSB
Other	83.000		38,410	Fairfax County
Other	83.000		3,754	ACSB
Total Research and Development Cluster		220,688	46,388	
Total Federal Emergency Management Agency		3,333,621	46,388	

U.S. DEPARTMENT OF EDUCATION

Adult Education - State Grant Program	84.002	13,710,211	91,648	Pulaski County
Title I Grants to Local Educational Agencies	84.010	170,924,295		
Migrant Education - State Grant Program	84.011	916,326		
Title I Program for Neglected and Delinquent Children	84.013	649,321		
National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	84.015	344,878		
Undergraduate International Studies and Foreign Language Programs	84.016	188,173		
Overseas - Faculty Research Abroad	84.019	2,460		
Overseas: Group Projects Abroad	84.021	24,145		
Higher Education - Institutional Aid	84.031	6,774,035		
Vocational Education - Basic Grants to States	84.048	25,017,174		
Vocational Education - National Programs	84.051		116,881	League for Innovation in the Community College
Leveraging Educational Assistance Partnership	84.069	879,374		
Fund for the Improvement of Postsecondary Education	84.116	606,421	59,856	Virginia Community College System Ohio State University Research
Fund for the Improvement of Postsecondary Education	84.116		9,204	Foundation
Fund for the Improvement of Postsecondary Education	84.116		40,200	Florida Community College Jacksonville
Minority Science and Engineering Improvement	84.120	611	8,239	Concurrent Technologies Corp.
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	57,290,064	4,521	Howard University
Rehabilitation Long-Term Training	84.129	201,928		
National Institute on Disability and Rehabilitation Research	84.133	15,460	65,488	Temple University
College Housing and Academic Facilities Loans	84.142	10,816,403		
Business and International Education Projects	84.153	35,090	1,373	Montana State University
Rehabilitation Services - Client Assistance Program	84.161	134,812		
Independent Living-State Grants	84.169	389,607		
Javits Fellowships	84.170	139,295		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Rehabilitation Services-Independent Living Services for Older Individuals				
Who are Blind	84.177	530,592		
Special Education - Grants for Infants and Families with Disabilities	84.181	13,662,477		
Safe and Drug-Free Schools and Communities - National Programs	84.184	838,615	(93)	Shenandoah University
Byrd Honors Scholarships	84.185	920,120		
Safe and Drug-Free Schools and Communities - State Grants	84.186	8,547,234		
Supported Employment Services for Individuals with Severe Disabilities	84.187	847,404		
Bilingual Education-Professional Development	84.195	1,021,914		
Education for Homeless Children and Youth	84.196	1		
Javits Gifted and Talented Students Education Grant Program	84.206	178,394		
Even Start - State Educational Agencies	84.213	3,580,784	182,566	Halifax County Public Schools
Even Start - State Educational Agencies	84.213		178,637	Accomack County Public Schools
Fund for the Improvement of Education	84.215	493,081	242,500	Center for Civic Education
Fund for the Improvement of Education	84.215		31,944	Rockbridge County Schools
Fund for the Improvement of Education	84.215		12,097	Great Cities Universities Foundation
Fund for the Improvement of Education	84.215		482	University of New Orleans
Fund for the Improvement of Education	84.215		21,551	Fauquier Co Public Schools
Fund for the Improvement of Education	84.215		25,263	Alexandria Public Schools
Fund for the Improvement of Education	84.215		39,913	Portsmouth City Schools
Assistive Technology	84.224	3,892,011		
Projects with Industry	84.234		24,981	Opportunity, Inc.
Rehabilitation Services Demonstration and Training Programs	84.235	70,239		
Program of Protection and Advocacy of Individual Rights	84.240	301,722		
Tech-Prep Education	84.243	2,704,257	4,631	Goochland County Public Schools
Tech-Prep Education	84.243		16,976	Hanover County Public Schools
Tech-Prep Education	84.243		16,976	Richmond Public Schools
Tech-Prep Education	84.243		4,631	Powhatan County Public Schools
Tech-Prep Education	84.243		4,631	Louisa County Public Schools
Tech-Prep Education	84.243		16,975	Henrico County Public Schools
National Institute for Literacy	84.257	1,383		
Rehabilitation Training: State Vocational Unit In-Service Training	84.265	184,347		
Eisenhower Professional Development State Grants	84.281	4,252,121		
Charter Schools	84.282	978,072		
Twenty-First Century Community Learning Centers	84.287	2,584,465		
State Grants for Innovative Programs	84.298	8,227,848		
Regional Technology in Education Consortia	84.302		566,262	Future of Piedmont Foundation
Even Start-Statewide Family Literacy Program	84.314	132,803		
Education Technology State Grants	84.318	10,657,497	79,701	Harrisonburg High School
Educational Technology State Grants				
Children with Disabilities	84.319	(22,020)		
Special Education - State Program Improvement Grants for				
Children with Disabilities	84.323	1,290,247		
Special Education - Research and Innovation to Improve Services				
and Results for Children with Disabilities	84.324		1,354	Minot State University
Special Education - Research and Innovation to Improve Services				
and Results for Children with Disabilities	84.324		52,153	University of TN
Special Education - Personnel Preparation to Improve				
Services and Results for Children with Disabilities	84.325	760,011		
Special Education-Technical Assistance and Dissemination to Improve Services				
and Results for Children with Disabilities	84.326	255,325	6,504	University of South Florida
Special Education-Technical Assistance and Dissemination to Improve Services				
and Results for Children with Disabilities	84.326		41,463	University of Kentucky
Special Education-Technology and Media Services for Individuals with Disabilities	84.327	144,403		
Advanced Placement Program	84.330	2,800		
Grants to States for Incarcerated Youth Offenders	84.331	312,248		
Comprehensive School Reform Demonstration	84.332	4,828,361		
Demonstration Projects to Ensure Students with Disabilities Receive				
a Higher Education	84.333	257,805		
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	1,314,442	790	Richmond City Schools
Child Care Access Means Parents in School	84.335	186,521		
Teacher Quality Enhancement Grants	84.336	2,422,535	75,240	Western Kentucky University
Reading Excellence	84.338	3,714,593		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Class Size Reduction	84.340	879,159		
Community Technology Centers	84.341	74,302		
Preparing Tomorrow's Teachers to Use Technology	84.342	662,599		
Assistive Technology - State Grants for Protection and Advocacy	84.343	134,812		
Vocational Education-Occupational and Employment Information State Grants	84.346	136,352		
Title I Accountability Grants	84.348	3,039,786		
School Renovation Grants	84.352	7,165,993		
Reading First State Grants	84.357	9,833,739		
Rural Education	84.358	1,668,787		
English Language Acquisition Grants	84.365	4,358,431		
Mathematics and Science Partnerships	84.366	6,138		
Improving Teacher Quality State Grants	84.367	41,642,971		
Grants for State Assessments and Related Activities	84.369	4,029,726		
Other Assistance:				
Other	84.000	2,237,242	44,178	University of California
Other	84.000		37,649	Fairfax County Public Schools
Other	84.000		60,181	PREL
Total Excluding Clusters Identified Below		445,004,772	2,187,546	
Student Financial Assistance Programs Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	8,784,442		
Federal Family Education Loans	84.032	144,791,241		
Federal Work-Study Program	84.033	11,229,225		
Federal Perkins Loan Program: Federal Capital Contributions	84.038	77,593,631		
Federal Pell Grant Program	84.063	154,839,610		
Federal Direct Student Loans	84.268	410,261,176		
Total Student Financial Assistance Programs Cluster		807,499,325		
Special Education Cluster:				
Special Education - Grants to States	84.027	189,001,781		
Special Education - Preschool Grants	84.173	9,313,479		
Total Special Education Cluster		198,315,260		
TRIO Cluster:				
TRIO - Student Support Services	84.042	4,625,821		
TRIO - Talent Search	84.044	3,055,790	10	University of Oregon
TRIO - Upward Bound	84.047	4,071,094		
TRIO - Educational Opportunity Centers	84.066	447,934		
TRIO: McNair Post-Baccalaureate Achievement	84.217	217,360		
Total TRIO Cluster		12,417,999	10	
Research and Development Cluster:				
National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	84.015	211,553		
International Research and Studies	84.017	110,102		
Overseas - Faculty Research Abroad	84.019	106,684		
Overseas - Doctoral Dissertation	84.022	123,575		
Special Education-Personnel Development and Parent Training	84.029	(202)		
Higher Education - Institutional Aid	84.031	1,593,701		
Vocational Education - Basic Grants to States	84.048	208,703		
Fund for the Improvement of Postsecondary Education	84.116	1,155,732	49,771	San Diego State University Foundation
Fund for the Improvement of Postsecondary Education	84.116		39	Research Foundation of State University
Minority Science and Engineering Improvement	84.120	38		
National Institute on Disability and Rehabilitation Research	84.133	1,827,284	215,261	University Of N.C. At Chapel Hill
National Institute on Disability and Rehabilitation Research	84.133		19,888	University Of Pittsburgh
National Institute on Disability and Rehabilitation Research	84.133		59,110	University of Hawaii
Safe and Drug-Free Schools and Communities - National Programs	84.184	43,478	(1,795)	Marshall University
Education for Homeless Children and Youth	84.196	856,449		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Graduate Assistance in Areas of National Need	84.200	382,115		
Javits Gifted and Talented Students Education Grant Program	84.206	1,484,382		
Fund for the Improvement of Education	84.215	57,927	94,264	Russell County Schools
Centers for International Business Education	84.220	153,936		
Assistive Technology	84.224	69,159		
Rehabilitation Services Demonstration and Training Programs	84.235	303,072		
Eisenhower Professional Development State Grants	84.281	106,254		
Education Research, Development and Dissemination	84.305	537,351	27,291	Northwestern University
Educational Technology State Grants	84.319	(32,382)		
Special Education-State Program Improvement Grants for Children with Disabilities	84.323	232,051		
Special Education - Research and Innovation to Improve Services and Results for Children with Disabilities	84.324	675,222		
Special Education - Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325	704,361	89,692	Ohio State University Research Foundation
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	33,150		
Special Education - Technology and Media Services for Individuals with Disabilities	84.327	107,987		
Special Education - Technology and Media Services for Individuals with Disabilities	84.337	199,888		
Preparing Tomorrow's Teachers to Use Technology	84.342	591,654		
Assistive Technology - State Grants for Protection and Advocacy	84.343	9,765		
Reading First State Grants	84.357	556,512		
Mathematics and Science Partnerships	84.366	2,279		
Improving Teacher Quality State Grants	84.367	121,402		
Other Assistance:				
Other	84.000	79,469	25,663	National Writing Project Corp.
Other	84.000		3,489	University of Nebraska
Total Research and Development Cluster		12,612,651	582,673	
Total U.S. Department of Education		1,475,850,007	2,770,229	
SCHOLARSHIP AND FELLOWSHIP FOUNDATIONS				
Other Assistance	85.000	32,328		
Total Scholarship and Fellowship Foundations		32,328		
U.S. NATIONAL ARCHIVES AND RECORDS ADMINISTRATION				
National Historical Publications and Records Grants	89.003	286,773		
Total Excluding Clusters Identified Below		286,773		
Research and Development Cluster:				
National Historical Publications and Records Grants	89.003	119,331		
Total Research and Development Cluster		119,331		
Total U.S. National Archives and Records Administration		406,104		
U.S. INSTITUTE OF PEACE				
Unsolicited Grant Program	91.001	33,516		
Total Excluding Cluster Identified Below		33,516		

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Research and Development Cluster:				
Unsolicited Grant Program	91.001	12,010		
Solicited Grant Program	91.002	33,015		
Total Research and Development Cluster		45,025		
Total U.S. Institute of Peace		78,541		

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Public Health and Social Services Emergency Fund	93.003	3,947,010		
Medical Reserve Corps Small Grant Program	93.008	49,362		
Special Programs for the Aging-Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	112,362		
Special Programs for the Aging-Title VII, Chapter 2-Long Term Care Ombudsman Services for Older Individuals	93.042	372,667		
Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	93.043	499,404	(1,003)	Barron Associates, Inc.
Special Programs for the Aging-Title IV and Title II-Discretionary Projects	93.048	187,530		
Alzheimer's Disease Demonstration Grants to States	93.051	306,554		
National Family Caregiver Support	93.052	3,342,563		
Model State-Supported Area Health Education Centers	93.107	905,104		
Maternal and Child Health Federal Consolidated Programs	93.110	256,458		
Biometry and Risk Estimation-Health Risks from Environmental Exposures	93.115		76,228	Science Applications Intrnl Corp.
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1,124,515		
Grants for Technical Assistance Activities Related to the Block Grant for Community Mental Health Services- Technical Assistance Centers for Evaluation	93.119	25,356		
Nurse Anesthetist Traineeships	93.124	23,577		
Emergency Medical Services for Children	93.127	121,565	22,804	Dartmouth College
Primary Care Services - Resource Coordination and Development	93.130	142,659		
Injury Prevention and Control Research and State and Community Based Programs	93.136	1,750,502		
Protection and Advocacy for Individuals with Mental Illness	93.138	729,620		
AIDS Education and Training Centers	93.145		348,497	University of Pittsburgh
Projects for Assistance in Transition from Homelessness (PATH)	93.150	848,260		
Centers for Excellence	93.157		5,999	Howard University
Grants for State Loan Repayment	93.165	47,768		
Research Related to Deafness and Communication Disorders	93.173	36,171	19,002	Gallaudet University
Disabilities Prevention	93.184	78,784		
National Research Services Awards	93.186	269,648		
Allied Health Special Projects	93.191	8,762	5,680	Western Michigan University
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	506,783		
Telehealth Network Grants	93.211	85,791		
Research and Training in Complementary and Alternative Medicine	93.213	328		
Family Planning - Services	93.217	4,554,430		
Consolidated Knowledge Development and Application (KD&A) Program	93.230	2,674,351		
Traumatic Brain Injury - State Demonstration Grant Program	93.234	259,938		
Abstinence Education	93.235	780,122		
Cooperative Agreements for State Treatment Outcomes and Performance				
Pilot Studies Enhancement	93.238	134,835		
State Rural Hospital Flexibility Program	93.241	237,819		
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243	79,022	13,145	Chesterfield County
Advanced Education Nursing Grant Program	93.247	315,613		
Universal Newborn Hearing Screening	93.251	226,572		
Healthy Community Access Program	93.252	783,402		
Poison Control Stabilization and Enhancement Grants	93.253	142,761		
State Planning Grant-Health Care Access for the Uninsured	93.256	36,129		
Rural Access to Emergency Devices Grant	93.259	75,666		
Immunization Grants	93.268	17,228,704		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through	
				Entity Name (Indirect Only)	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	26,014,918	58,448	Bon Secours	
Small Rural Hospital Improvement Grants	93.301	136,077			
Advanced Education Nursing Traineeships	93.358	276,594			
Nurse Education, Practice and Retention Grants	93.359	307,534			
Cancer Treatment Research	93.395	(293,135)	99,900	American College Of Radiology Imaging Network	
Promoting Safe and Stable Families	93.556	7,625,688			
Temporary Assistance for Needy Families	93.558	142,427,076	59,969	City of Charlottesville	
Temporary Assistance for Needy Families	93.558		1,807	City of Norfolk	
Child Support Enforcement	93.563	54,448,959			
Child Support Enforcement Research	93.564	255,807			
Refugee and Entrant Assistance - State Administered Programs	93.566	5,771,702			
Low-Income Home Energy Assistance (LIHEAP)	93.568	37,402,439			
Community Services Block Grant	93.569	10,640,338			
Community Services Block Grant - Discretionary Awards	93.570	80,643	133,811	National Youth Sports Corporation	
Community Services Block Grant Discretionary Awards - Community Food and Nutrition	93.571	23,872			
Refugee and Entrant Assistance - Discretionary Grants	93.576	870,428			
Early Learning Fund	93.577		87,118	United Way	
Refugee and Entrant Assistance - Targeted Assistance Grants	93.584	999,104			
Empowerment Zones Program	93.585	490,000			
State Court Improvement Program	93.586	221,454			
Community-Based Family Resource and Support Grants	93.590	195,464			
Family Violence Prevention and Services/Grants for Battered Women's Shelters-Discretionary Grants	93.592	16,318			
Welfare Reform Research, Evaluations and National Studies	93.595	(59,974)			
Grants to States for Access and Visitation Programs	93.597	188,002			
Chafee Education and Training Vouchers Program (ETV)	93.599	185,683			
Head Start	93.600	225,550	1,192,966	Richmond Public Schools	
Adoption Incentive Payments	93.603	150,940			
Voting Access for Individuals with Disabilities-Grants to States	93.617	539,069			
Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	93.618	10,849			
Developmental Disabilities Basic Support and Advocacy Grants	93.630	2,639,335			
Developmental Disabilities Projects of National Significance	93.631	158,171			
University Centers for Excellence in Developmental Disabilities Education, Research and Service	93.632	394,877			
Children's Justice Grants to States	93.643	315,508			
Child Welfare Services State Grants	93.645	4,694,122			
Child Welfare Services Training Grants	93.648	21,605			
Adoption Opportunities	93.652	81,314			
Foster Care - Title IV-E	93.658	90,357,778			
Adoption Assistance	93.659	14,620,649			
Social Services Block Grant (SSBG)	93.667	62,596,879			
Child Abuse and Neglect State Grants	93.669	541,541			
Family Violence Prevention and Services/Grants for Battered Women's Shelters-Grants to States and Indian Tribes	93.671	1,863,083			
Chafee Foster Care Independent Living	93.674	1,461,204			
State Children's Insurance Program (SCHIP)	93.767	60,026,452			
Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	93.768	742,901			
Medical Assistance Program	93.778	51,747,591			
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	1,001,713			
Health Careers Opportunity Program	93.822	555,661			
Basic/Core Area Health Education Centers	93.824		2,000	Southwest VA Health Education Center	
Heart and Vascular Diseases Research	93.837	532			
Blood Diseases and Resources Research	93.839	175,010			
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		98	University of Pittsburgh	
Microbiology and Infectious Diseases Research	93.856	1,523	44,505	Federal University Of Bahia, Brazil	
Pharmacology, Physiology, and Biological Chemistry Research	93.859	215,145	2,713	Hampton University	

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Child Health and Human Development Extramural Research	93.865	212,571		
Medical Library Assistance	93.879	26,570	18,037	University of Maryland
Grants for Residency Training in General Internal Medicine and/or General Pediatrics	93.884	737,307		
Project Grants for Non-Acute Care Intermediate and Long-Term Care	93.887	811,580		
Facilities for Patients with AIDS				
Rural Health Outreach and Rural Network Development Program	93.912	515,479		
Grants to States for Operation of Offices of Rural Health	93.913	141,873		
HIV Care Formula Grants	93.917	24,046,997		
Grants to Provide Outpatient Early Prevention Services with Respect to HIV Disease	93.918	590,808		
Healthy Start Initiative	93.926	921,561		
Fogarty International Research Collaboration Award	93.934	18,403		
Cooperative Agreements to Support School Health Education to Prevent the Spread of Acquired Immunodeficiency Syndrome	93.938	228,958		
HIV Prevention Activities - Health Department Based	93.940	4,837,765		
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	497,502		
Assistance Program for Chronic Disease Prevention and Control	93.945	1,355,370		
Improving EMS/Trauma Care in Rural Areas	93.952	47,546		
Block Grants for Community Mental Health Services	93.958	12,354,609		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	43,051,342		
Health Administration Graduate Traineeships	93.962	56,638		
Geriatric Education Centers	93.969	276,231		
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	2,224,957		
Mental Health Disaster Assistance and Emergency Mental Health	93.982	2,455,270		
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	319,068		
International Research and Research Training	93.989	(23,475)	24,792	University of Memphis
Preventive Health and Health Services Block Grant	93.991	2,474,632		
Maternal and Child Health Services Block Grant to the States	93.994	12,393,423		
Bioterrorism Training and Curriculum Development Program	93.996	799,825		
Other Assistance	93.000	639,807		
Total Excluding Clusters Identified Below		738,685,077	2,216,516	
Aging Cluster:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	10,663,058		
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	9,275,217		
Nutrition Services Incentive Program	93.053	2,419,628		
Total Aging Cluster		22,357,903		
Student Financial Assistance Programs Cluster:				
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	8,283,923		
Nursing Student Loans	93.364	1,594,811		
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925	217,868		
Total Student Financial Assistance Programs Cluster		10,096,602		
Child Care Cluster:				
Child Care and Development Block Grant (CCDF)	93.575	76,818,114		
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	50,551,730		
Total Child Care Cluster		127,369,844		

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Medicaid Cluster:				
State Medicaid Fraud Control Units	93.775	1,638,347		
State Survey and Certification of Health Care Providers and Suppliers	93.777	4,506,740		
Medical Assistance Program	93.778	2,155,011,558		
Total Medicaid Cluster		2,161,156,645		
Research and Development Cluster:				
Medical Reserve Corps Small Grant Program	93.008	9,900		
Food and Drug Administration - Research	93.103	27,275	85,755	Iowa State University
Food and Drug Administration - Research	93.103		783	Johns Hopkins University
Minority International Research Training Grant in the Biomedical and Behavioral Sciences	93.106	126,115		
Maternal and Child Health Federal Consolidated Programs	93.110	601,864	41,626	University Of Pennsylvania
Biological Response to Environmental Health Hazards	93.113	805,714	48,385	Michigan State University
Applied Toxicological Research and Testing	93.114	27,606		
Biometry and Risk Estimation-Health Risks from Environmental Exposures	93.115		49,277	Georgia Institute Of Technology
Acquired Immunodeficiency Syndrome (AIDS) Activity	93.118	68,672		
Oral Diseases and Disorders Research	93.121	4,050,000	45,479	University Of Texas
Oral Diseases and Disorders Research	93.121		6,028	Boston University School of Medicine
Oral Diseases and Disorders Research	93.121		68	University of Iowa
Technical and Non-Financial Assistance to Community Health Centers	93.129	19		
Grants to Increase Organ Donations	93.134		99,605	Lifenet
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	15,000		
Injury Prevention and Control Research and State and Community Based Programs	93.136	1,104,515		
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	248,379		
International Cooperative Biodiversity Groups Program	93.168	562,255		
Human Genome Research	93.172	1,254,884	396,360	Florida State University
Human Genome Research	93.172		92,483	University of Washington
Research Related to Deafness and Communication Disorders	93.173	4,937,136	31,248	For Biomedical Sciences, Inc.
Research Related to Deafness and Communication Disorders	93.173		21,979	Northwestern University
Research Related to Deafness and Communication Disorders	93.173		3,267	Baylor College of Medicine
Research Related to Deafness and Communication Disorders	93.173		9,834	Galludet University
Research Related to Deafness and Communication Disorders	93.173		129,456	Neo Gen Screening
Research Related to Deafness and Communication Disorders	93.173		31,887	University of Miami
Research Related to Deafness and Communication Disorders	93.173		7,412	University of Texas
Research Related to Deafness and Communication Disorders	93.173		193,079	Ohio University
Contraception and Infertility Research Loan Repayment Program	93.209		47,139	ContraVac Inc.
Research and Training in Complementary and Alternative Medicine	93.213	2,656,899		
Research on Healthcare Costs, Quality and Outcomes	93.226	435,491	1,794	Brown University
Research on Healthcare Costs, Quality and Outcomes	93.226		49,152	University of North Carolina
Consolidated Knowledge Development and Application (KD&A) Program	93.230	1,235,852		
National Center on Sleep Disorders Research	93.233	213,076		
Mental Health Research Grants	93.242	8,294,456	206,779	Harvard University
				Minneapolis Medical Research
Mental Health Research Grants	93.242		122,415	Foundation
Mental Health Research Grants	93.242		24,045	Columbia University
Mental Health Research Grants	93.242		242,768	Duke University
Mental Health Research Grants	93.242		114,169	University of California
Mental Health Research Grants	93.242		(855)	University of Pennsylvania
Advanced Education Nursing Grant Program	93.247	191,561		
Poison Control Stabilization and Enhancement Grants	93.253	164,141		
Occupational Safety and Health Research Grants	93.262	351,286		
Occupational Safety and Health-Training Grants	93.263	55,856		
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271	11,065		
Alcohol National Research Service Awards for Research Training	93.272	33,575		
Alcohol Research Programs	93.273	1,777,931	14,246	Research Foundation for Mental Hygiene
Drug Abuse Research Programs	93.279	10,948,756	507,580	University of Oregon
Drug Abuse Research Programs	93.279		159,150	University of Washington
Drug Abuse Research Programs	93.279		33,313	Case Western Reserve University

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				Entity Name (Indirect Only)
Drug Abuse Research Programs	93.279		27,158	Duke University
Drug Abuse Research Programs	93.279		677,322	Johns Hopkins University
Drug Abuse Research Programs	93.279		117,047	Research Triangle Institute
Drug Abuse Research Programs	93.279		64,453	Scripps Research Institute
Drug Abuse Research Programs	93.279		65,532	Wayne State University
Mental Health Research Career/Scientist Development Awards	93.281	686,589		
Mental Health National Research Service Awards for Research Training	93.282	372,341		
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	1,142,488	73,288	University Of Maryland
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		18,468	University Of Pennsylvania
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		146,250	Association of American Colleges
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		82,222	University of Pennsylvania
Discovery and Applied Research	93.286	2,380,559	29,805	Luna Innovations
Clinical Research	93.333	4,116,199		
Nursing Research	93.361	1,297,803		
National Center for Research Resources	93.389	5,124,594		
Academic Research Enhancement Award	93.390	201,790		
Cancer Cause and Prevention Research	93.393	3,809,122		
Cancer Detection and Diagnosis Research	93.394	2,781,762	71,720	American College Of Radiology Imaging Network
Cancer Detection and Diagnosis Research	93.394		57,899	Duke University
Cancer Treatment Research	93.395	8,402,722	3,412	American College Of Radiology Imaging Network
Cancer Treatment Research	93.395		21,482	University Of Minnesota
Cancer Treatment Research	93.395		32,042	Duke University
Cancer Treatment Research	93.395		4,819	Northwestern University
Cancer Treatment Research	93.395		123,761	American College of Radiology
Cancer Treatment Research	93.395		1,866	John Wayne Cancer Institute
Cancer Treatment Research	93.395		(1,959)	National Childhood Cancer Foundation
Cancer Treatment Research	93.395		11,980	Thomas Jefferson University
Cancer Biology Research	93.396	6,825,780	204,575	Un. of Texas HSC at San Antonio
Cancer Biology Research	93.396		47,006	Dartmouth College
Cancer Biology Research	93.396		10,010	Luna Innovations
Cancer Centers Support Grants	93.397	4,317,949	32,430	Baylor University
Cancer Centers Support Grants	93.397		3,259	University of Texas
Cancer Research Manpower	93.398	1,895,647		
Cancer Control	93.399	708,957	24,142	NSABP Foundation
Temporary Assistance for Needy Families	93.558	726		
Low-Income Home Energy Assistance	93.568	15,461		
Community Services Block Grant	93.569		71,533	East Carolina University
Refugee and Entrant Assistance-Wilson/Fish Program	93.583	232,763		
Welfare Reform Research, Evaluations and National Studies	93.595	13,124		
Head Start	93.600	215,777		
Developmental Disabilities Basic Support and Advocacy Grants	93.630	13,600		
Social Services Research and Demonstration	93.647	9,939		
Administration for Children, Youth and Families-Child Abuse and Neglect Discretionary Activities	93.670	229,800		
Center for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	612,466		
Heart and Vascular Diseases Research	93.837	18,514,871	59,011	University Of California
Heart and Vascular Diseases Research	93.837		116,025	University Of Pittsburgh
Heart and Vascular Diseases Research	93.837		15,688	Utah Artificial Heart Institute
Heart and Vascular Diseases Research	93.837		6,955	Carnegie-Mellon University
Heart and Vascular Diseases Research	93.837		15,634	Pacific Northwest National Laboratory
Heart and Vascular Diseases Research	93.837		1,514	University of Pittsburgh
Lung Diseases Research	93.838	3,275,461	93,189	Creare
Blood Diseases and Resources Research	93.839	3,605,255	8	National Marrow Donor Program
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	4,680,682	8,447	University of North Carolina-Chapel Hill
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		217,968	University of Pittsburgh

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name
				(Indirect Only)
Diabetes, Endocrinology and Metabolism Research	93.847	7,509,802	145,977	Adenosine Therapeutics, LLLC
Diabetes, Endocrinology and Metabolism Research	93.847		64,162	Brigham & Women's Hospital, Inc.
Digestive Diseases and Nutrition Research	93.848	9,082,483	(5,584)	Barnes-Jewish Hospital
Digestive Diseases and Nutrition Research	93.848		26,534	Mayo Foundation
Digestive Diseases and Nutrition Research	93.848		1,629	University of Michigan
Digestive Diseases and Nutrition Research	93.848		74,923	University of Texas
Kidney Diseases, Urology and Hematology Research	93.849	5,906,735	(9,824)	University Of California
Kidney Diseases, Urology and Hematology Research	93.849		471	University Of Michigan
Kidney Diseases, Urology and Hematology Research	93.849		162,130	Georgetown University
Kidney Diseases, Urology and Hematology Research	93.849		65,833	Roger Williams Hospital
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	13,712,469	163,902	Adenosine Therapeutics, LLLC
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		39,988	UCSF
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		150,597	University Of California
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		53,968	University of Cincinnati
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		79	University Of Michigan
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		44,252	University Of Minnesota
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		15,084	Barron Associates, Inc.
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		17,110	Emory University
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		58,974	Mayo Clinic Jacksonville
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		121,181	Morehouse School Of Medicine
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		19,541	Childrens Hospital of Philadelphia
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		157,128	Erasmus Medical Center
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		(72)	Karolinska Institute (Sweden)
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		487,260	Montefiore Medical Center
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		100,400	Rush Presbyterian
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		539	University of California
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		42,146	Childrens Hospital of Philadelphia
Allergy, Immunology and Transplantation Research	93.855	9,942,771	65,218	University Of Alabama
Microbiology and Infectious Diseases Research	93.856	17,093,733	90,679	Adenosine Therapeutics, LLLC
Microbiology and Infectious Diseases Research	93.856		40,925	Vanderbilt University Medical Center
Microbiology and Infectious Diseases Research	93.856		45,422	Wake Forest University
Microbiology and Infectious Diseases Research	93.856		344,248	University of Maryland Baltimore
Microbiology and Infectious Diseases Research	93.856		95,934	Social & Scientific Systems
Microbiology and Infectious Diseases Research	93.856		68,070	University of California
Microbiology and Infectious Diseases Research	93.856		127,914	University of Maryland
Microbiology and Infectious Diseases Research	93.856		77,925	Vaccine Research Institute of San Diego
Biomedical Research and Research Training	93.859	28,316,869	42,008	University Of N.C. At Chapel Hill
Biomedical Research and Research Training	93.859		127,794	Utah State University
Biomedical Research and Research Training	93.859		8,585	University of Michigan
Biomedical Research and Research Training	93.859		87,070	University of North Carolina
Population Research	93.864	7,670		
Child Health and Human Development Extramural Research	93.865	9,995,536	107,248	University Of Texas
Child Health and Human Development Extramural Research	93.865		(817)	MIT
Child Health and Human Development Extramural Research	93.865		66,233	University of Cincinnati
Child Health and Human Development Extramural Research	93.865		66,247	University of New Mexico

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Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Aging Research	93.866	2,015,238	115,367	Washington University
Aging Research	93.866		202,680	Duke University
Aging Research	93.866		14,612	Washington State University
Aging Research	93.866		40,040	Boston University
Vision Research	93.867	1,616,015	18,275	University Of Texas
Vision Research	93.867		8,403	Johns Hopkins University
Medical Library Assistance	93.879	649,188	11,305	University Of Maryland
Grants for Residency Training in General Internal Medicine and/or General Pediatrics	93.884	529,414		
Resource and Manpower Development in the Environmental Health Sciences	93.894	235,807		
HIV Care Formula Grants	93.917	27,528		
Grants to Provide Outpatient Early Prevention Services with Respect to HIV Disease	93.918	385,781		
Fogarty International Research Collaboration Award	93.934	127,872		
Assistance Program for Chronic Disease Prevention and Control	93.945		54,716	Bon Secours
Special Minority Initiatives	93.960	226,906		
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	4,800		
International Research and Research Training	93.989	932,379	11,997	Research Triangle Institute
Adolescent Family Life-Demonstration Projects	93.995		11,156	Boat People SOS
Other Assistance:				
Other	93.000	3,614,880	67,768	BioDefense Technologies Inc
Other	93.000		7,609	Experimental Pathology Laboratories
Other	93.000		8,218	University of Arkansas for Medical
Other	93.000		380,844	University of Georgia
Other	93.000		37,080	H.M. Jackson Foundation (NIH)
Other	93.000		223,113	University of Maryland
Other	93.000		2,259	George Washington University
Other	93.000		2,091	Massachusetts General Hospital
Other	93.000		40,686	NOVAM
Other	93.000		24,141	Carneige Mellon
Other	93.000		9,236	ATCC
Other	93.000		8,845	Georgetown University
Total Research and Development Cluster		227,627,382	10,131,138	
Total U.S. Department of Health and Human Services		3,287,293,453	12,347,654	

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

State Commissions	94.003	335,426		
Learn and Serve America - School and Community Based Programs	94.004	267,900		
Learn and Serve America - Higher Education	94.005	114,361	875	Clemson University
Learn and Serve America - Higher Education	94.005		5,476	American Assoc. of Community Colleges
				Virginia Governor's Commission on
Learn and Serve America - Higher Education	94.005		185,579	National and Community Service
AmeriCorps	94.006	1,437,132		
Training and Technical Assistance	94.009	(8,054)		
Total Corporation for National and Community Service		2,146,765	191,930	

SOCIAL SECURITY ADMINISTRATION

Social Security - Benefits Planning, Assistance, and Outreach Program	96.008	166,635		
Other Assistance	96.000		17,176	Cornell University
Total Excluding Clusters Identified Below		166,635	17,176	
Disability Insurance/SSI Cluster:				
Social Security - Disability Insurance	96.001	32,095,537		

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through Entity Name (Indirect Only)
Research and Development Cluster:				
Social Security - Research and Demonstration	96.007	31,890		
Total Social Security Administration		32,294,062	17,176	

DEPARTMENT OF HOMELAND SECURITY

State Domestic Preparedness Equipment Support Program	97.004	29,094,921		
Homeland Security Preparedness Technical Assistance	97.007	15,338		
Boating Safety Financial Assistance	97.012	686,946		
Hazardous Materials Assistance Program	97.021	185		
Community Assistance Program-State Support Services Element (CAP-SSSE)	97.023	141,202		
Flood Mitigation Assistance	97.029	13,557		
Community Disaster Loans	97.030	28,376		
Crisis Counseling	97.032	796,901		
Individual and Family Grants	97.035	48,557		
Public Assistance Grants	97.036	162,960,753		
First Responder Counter-Terrorism Training Assistance	97.038	10,077		
Hazard Mitigation Grant	97.039	1,310,744		
National Dam Safety Program	97.041	6,571		
Emergency Management Performance Grants	97.042	2,421,417		
Pre-Disaster Mitigation	97.047	199,363		
Federal Assistance to Individuals and Households-Other Needs	97.050	17,876,437		
State and Local All Hazards Emergency Operations Planning	97.051	293,477		
Emergency Operations Centers	97.052	155,656		
Citizen Corps	97.053	8,315		
Community Emergency Response Teams	97.054	351,691		
Total Excluding Clusters Identified Below		216,420,484		
Research and Development Cluster:				
Special Projects	97.001	3,759		
Public Assistance Grants	97.036	2,026		
Hazard Mitigation Grant	97.039	96,910		
Other Assistance	97.000		185,384	District of Columbia Government
Total Research and Development Cluster		102,695	185,384	
Total for Department of Homeland Security		216,523,179	185,384	

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The John Ogonowski Farmer-to-Farmer Program	98.009	13,328		
Research and Development Cluster:				
Other Assistance:				
Other	98.000	49,425		
Other	98.000	40,261		
Total Research and Development Cluster		89,686		
Total United States Agency for International Development		103,014		

OTHER FEDERAL ASSISTANCE

Other	4.000	3,273		
Other	99.000	139,115	40,670	Association Liaison Ofc for Univ Co
Other	99.000		102,720	Chemonics International Inc
Other	99.000		33,520	Contraceptive Research & Development
Other	99.000		122,863	Harvard University
Other	99.000		14,551	Instituto de Pesquisa Ambiental da
Other	99.000		(6,639)	Pal Tech Inc
Other	99.000		(2,095)	The Mountain Institute

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Department/Program	CFDA Number	Direct	Indirect	Pass-Through
				Entity Name (Indirect Only)
Other	99.000		18,724	Center for Mental Health Services
Other	99.000		138,720	University of Georgia
Total Excluding Clusters Identified Below		142,388	463,034	
Research and Development Cluster:				
Other Assistance	99.000	3,503,324		
Total Other Federal Assistance		3,645,712	463,034	
Total Federal Grantor Agencies		\$ 7,935,968,443	\$ 48,315,049	

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

COMMONWEALTH OF VIRGINIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2004

1. PURPOSE OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, requires a schedule of expenditures of federal awards showing total federal expenditures for each federal financial assistance program as identified in the Catalog of Federal Domestic Assistance (CFDA). The accompanying schedule includes all expenditures of federal awards of the Commonwealth of Virginia's departments, institutions, authorities, and component units except for the entities that were not audited by the Auditor of Public Accounts. Other auditors issued reports for the following organizations within the Commonwealth: Commission on the Virginia Alcohol Safety Action Program, Virginia Commonwealth University Health System Authority, Virginia Housing Development Authority, Virginia Resources Authority, and the Virginia State Crime Commission.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The information in the accompanying "Schedule of Expenditures of Federal Awards" is presented in accordance with OMB Circular A-133. The schedule presents a summary of direct and indirect federal financial assistance by federal department and CFDA Number.

Federal Financial Assistance – The Single Audit Act Amendments of 1996 (Public Law 104-156) and OMB Circular A-133 define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, or other assistance. Nonmonetary federal assistance including food stamps, food commodities, and surplus property, is considered federal assistance and, therefore, is reported on the "Schedule of Expenditures of Federal Awards." Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts in a vendor relationship between the Commonwealth of Virginia and the federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Direct Federal Assistance – Assistance received directly from the Federal government or received in a pass-through relationship from other State entities is classified as direct expenditures on the "Schedule of Expenditures of Federal Awards."

Indirect Federal Assistance – Assistance received in a pass-through relationship from entities other than the Federal government or other State entities is classified as indirect expenditures on the "Schedule of Expenditures of Federal Awards."

Major Programs – The Single Audit Act Amendments of 1996 and OMB Circular A-133 establish the criteria to be used in defining major programs. Major programs for the Commonwealth of Virginia were determined using a risk-based approach in accordance with OMB Circular A-133.

Catalog of Federal Domestic Assistance – The Catalog of Federal Domestic Assistance (CFDA) is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number (CFDA Number) which is reflected in the accompanying schedule.

Cluster of Programs – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following are the clusters administered by the Commonwealth: Food Stamp, Child Nutrition, Emergency Food Assistance, Schools and Roads, Public Works and Economic Development, CDBG Entitlement and Small Cities Cluster, Fish and Wildlife, Employment Services, WIA, Highway Planning and Construction, Federal Transit, Highway Safety, Student Financial Assistance Programs, Special Education, TRIO, Aging, Child Care, Medicaid, Disability Insurance/SSI, and Research and Development. Research and Development, Student Financial Assistance Programs, and Highway Planning and Construction clusters expend funds from several Federal departments. The amount expended for these three clusters are reported under the appropriate federal department. The total amount expended for Student Financial Assistance was \$817,595,927 consisting of \$ 807,499,325 from the Department of Education and \$10,096,602 from the Department of Health and Human Services. The total amount expended for Highway Planning and Construction was \$618,690,064, consisting of \$618,624,782 from the Department of Transportation and \$65,282 from the Appalachian Regional Commission. The total amount expended for Research and Development was \$426,598,102 consisting of the following federal departments:

<u>Federal Department</u>	<u>Amount Expended</u>
Department of Health and Human Services	\$ 227,627,382
National Science Foundation	54,055,079
Department of Defense	45,881,942
National Aeronautics and Space Administration	22,773,286
Department of Agriculture	17,058,445
Department of Commerce	13,095,493
Department of Education	12,612,651
Department of Energy	10,201,977
Department of Transportation	8,668,908
Other Federal Assistance	3,503,324
Department of the Interior	3,075,613
Environmental Protection Agency	2,912,010
Department of Justice	1,559,101
National Foundation on the Arts and the Humanities	1,340,227
General Services Administration	727,161
Department of Housing and Urban Development	283,387
Federal Emergency Management Agency	220,688

Securities and Exchange Commission	168,198
Tennessee Valley Authority	161,474
National Archives and Records Administration	119,331
Office of Personnel Management	113,789
Department of Homeland Security	102,695
Department of State	98,504
Agency for International Development	89,686
Department of Veterans Affairs	55,092
Institute of Peace	45,025
Social Security Administration	31,890
Appalachian Regional Commission	10,829
Department of Labor	4,914

\$ 426,598,102

B. Basis of Accounting

Federal program expenditures included in the accompanying schedule are presented using the cash basis of accounting. Under the cash basis of accounting, expenditures are recognized when paid rather than when the obligation is incurred. Federal non-cash assistance and loan/loan guarantee program activities are presented as described in Notes 2-C and 2-D below.

C. Non-Cash Assistance

The Commonwealth of Virginia participated in several federal programs in which non-cash benefits are provided through the state to eligible program participants. These include:

Food Distribution Programs (CFDA Numbers 10.555, 10.565, 10.569, 10.559) – The value of food commodities was calculated using the U.S. Department of Agriculture’s Food and Nutrition Service commodity price lists. The accompanying schedule includes commodity distributions of \$21,765,474, \$239,182, \$1,618,474, and \$10,754,521 for CFDA Numbers 10.555, 10.559, 10.565, and 10.569 respectively. The accompanying schedule does not include Commonwealth-stored undistributed food commodities of \$1,361,852 and \$455,281 for CFDA Numbers 10.555 and 10.565 respectively.

Donation of Federal Surplus Personal Property (CFDA Number 39.003) – Donated federal surplus property is valued at 23.3 percent of the original acquisition cost as assigned by the federal government. The amount included in the accompanying schedule reflects distribution to other governmental entities during the year ended June 30, 2004. Administrative expenditures of \$1,040,896 are not included in the accompanying schedule. The value of surplus property on hand at June 30, 2004 totaled \$1,855,875.

Childhood Immunization Grants (CFDA Number 93.268) – The U.S. Department of Health and Human Services purchases and distributes immunizations to the Virginia Department of Health for use by the local health departments. The amount presented

in the accompanying schedule reflects the cost of immunizations to the federal government of \$12,257,132. The remaining amount of \$4,975,345 is administrative expenditures. The value of inventory on hand at June 30, 2004 was \$4,932,755.

D. Loan/Loan Guarantee Programs

Family Federal Education Loans (CFDA Number 84.032) – The amount in the accompanying schedule reflects the value of new Stafford, PLUS, and SLS loans disbursed to students during the fiscal year.

Federal Perkins Loans - Federal Capital Contributions (CFDA Number 84.038) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2004.

Federal Direct Loan Program (CFDA Number 84.268) – The amount in the accompanying schedule reflects the value of new Federal Direct Loans disbursed to students during the fiscal year.

Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (CFDA Number 93.342) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2004.

Nursing Student Loans (CFDA Number 93.364) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2004.

College Housing and Academic Facilities Loans (CFDA Number 84.142) – The amount in the accompanying schedule reflects the outstanding balance of loans payable at June 30, 2004.

Capitalization Grants for State Revolving Funds (CFDA Number 66.458) and Capitalization Grants for Drinking Water State Revolving Fund (CFDA Number 66.468) – The amounts in the accompanying schedule reflects disbursements for administrative costs and distributions to the Virginia Resources Authority for subsequent disbursement to subrecipients.

Economic Adjustment Assistance (CFDA Number 11.307) – The amount in the accompanying schedule reflects the cash on hand and the outstanding balance of loans receivable from subrecipients at June 30, 2004.

E. Emergency Unemployment Benefits

The amount included in the accompanying schedule for Unemployment Insurance (CFDA Number 17.225) includes \$54,071,958 administrative costs, \$21,346,326 federal unemployment benefits paid to federal employees, \$699,683 federal disaster unemployment benefits paid to federal and non-federal employees, \$87,068,399 Temporary Extended Unemployment Compensation paid to all benefit recipients, and \$477,289,055 state unemployment benefits paid to non-federal employees.

F. Program Expenditures

Certain transactions relating to federal financial assistance may appear in the records of more than one state recipient agency. To avoid duplication and the overstatement of the aggregate level of federal financial assistance expended by the Commonwealth of Virginia, the following policies have been adopted:

1. When federal financial assistance is received by one state recipient agency and redistributed to another state agency (i.e., a pass-through of funds by the primary recipient state agency to a subrecipient state agency), the federal financial assistance will be reflected as expenditures by the subrecipient state agency.
2. When federal financial assistance is received by one state agency to purchase goods or services from another state agency, the federal financial assistance will be reflected as expenditures by the recipient (purchaser) agency.

3. OTHER ASSISTANCE PROGRAMS

Federal financial assistance programs that have not been assigned a CFDA Number have been included in the accompanying "Schedule of Expenditures of Federal Awards." Programs for which the grantor agency is known are reported as other assistance and are identified as CFDA Number XX.000, where XX represents the federal grantor agency.

4. ASSISTANCE PROVIDED TO NON-STATE SUBRECIPIENTS

The Commonwealth of Virginia disbursed pass-through funds to non-state subrecipients from the following programs:

CFDA Number	Name of Federal Program	Amount
10.217	Higher Education Challenge Grants	\$ 10,156
10.450	Crop Insurance	52,323
10.500	Cooperative Extension Service	454,357
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	2,222,682
10.664	Cooperative Forestry Assistance	671,704
10.676	Forest Legacy Program	413,571
11.405	Anadromous Fish Conservation Act Program	7,918
11.417	Sea Grant Support	29,392
11.419	Coastal Zone Management Administration Awards	1,086,126
11.457	Chesapeake Bay Studies	10,000
11.473	Coastal Services Center	55,483
12.112	Payments to States in Lieu of Real Estate Taxes	81,119
12.300	Basic and Applied Scientific Research	213,509

14.511	Community Outreach Partnership Center Program	4,000
15.616	Clean Vessel Act	51,637
15.623	North American Wetlands Conservation Fund	157,463
15.904	Historic Preservation Fund Grants-In-Aid	76,349
16.523	Juvenile Accountability Incentive Block Grants	1,315,025
16.528	Training Grants to Stop Abuse and Sexual Assault of Older Individuals or Individuals with Disabilities	2,989
16.540	Juvenile Justice and Delinquency Prevention: Allocation to States	1,897,045
16.575	Crime Victim Assistance	8,218,696
16.579	Byrne Formula Grant Program	6,426,893
16.588	Violence Against Women Formula Grants	2,363,930
16.589	Enforcement Grant Program	178
16.590	Enforcement of Protection Orders	98,521
16.592	Local Law Enforcement Block Grants Program	110,320
16.611	Closed-Circuit Televising of Child Victims of Abuse	35,769
17.235	Senior Community Service Employment Program	1,423,135
17.253	Welfare-to-Work Grants to States and Localities	2,632,674
17.257	One-Stop Career Center Initiative	471,031
17.261	Employment and Training Administration Pilots, Demonstrations, and Research Projects	2,380,812
17.720	Employment Programs for People with Disabilities	286,442
20.000	Section 2003B Child Passenger Funds	54,783
20.000	VA/DC Pass Thru to WRAP	30,222
20.000	U.S. Department of Transportation - Other Assistance	21,920
20.312	High Speed Ground Transportation: Next Generation High Speed Rail Program	12,252
20.505	Federal Transit: Metropolitan Planning Grants	1,620,542
20.509	Formula Grants for Other Than Urbanized Areas	9,418,188
20.515	State Planning and Research	209,250
20.516	Job Access: Reverse Commute	905,373
20.607	Section 154 Open Container	1,469,666
20.608	Section 164 Transfer Funds/Alcohol	88,493
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	69,272
39.000	US General Services Admin-Other Assistance	148,158
45.149	Promotion of the Humanities: Division of Preservation and Access	4,639
45.164	Promotion of the Humanities: Public Programs	78,000
47.041	Engineering Grants	26,895
47.049	Mathematical and Physical Sciences	29,112
47.075	Social, Behavioral, and Economic Sciences	6,628

47.076	Education and Human Resources	123,245
59.037	Small Business Development Center	677,567
66.001	Air Pollution Control Program Support	136,120
66.419	Water Pollution Control: State and Interstate Program Support	39,713
66.454	Water Quality Management Planning	203,010
66.460	Nonpoint Source Implementation Grants	724,327
66.461	Wetland Program Grants	42,621
66.466	Chesapeake Bay Program	297,009
66.468	Capitalization Grants for Drinking Water State Revolving Fund	18,139,562
66.500	Environmental Protection: Consolidated Research	7,442
66.605	Performance Partnership Grants	66,264
83.536	Flood Mitigation Assistance	83,675
83.544	Public Assistance Grants	1,733,053
83.548	Hazard Mitigation Grant	180,164
83.552	Emergency Management Performance Grants	310,011
83.557	Pre-Disaster Mitigation	63,785
83.562	State and Local All Hazards Emergency Operations Planning	84,255
84.000	Department of Energy - Other Assistance	12,398
84.002	Adult Education: State Grant Program	10,965,310
84.010	Title I Grants to Local Educational Agencies	169,485,017
84.011	Migrant Education: State Grant Program	705,292
84.048	Vocational Education: Basic Grants to States	18,526,012
84.069	Leveraging Educational Assistance Partnership	290,000
84.116	Fund for the Improvement of Postsecondary Education	1,804
84.181	Special Education: Grants for Infants and Families with Disabilities	178,356
84.186	Safe and Drug-Free Schools and Communities: State Grants	7,474,745
84.213	Even Start: State Educational Agencies	3,448,813
84.215	Fund for the Improvement of Education	141,947
84.243	Tech-Prep Education	301,413
84.281	Eisenhower Professional Development State Grants	2,696,208
84.282	Charter Schools	978,072
84.287	Twenty-First Century Community Learning Centers	2,519,405
84.298	Innovative Education Program Strategies	7,247,891
84.302	Regional Technology in Education Consortia	265,582
84.314	Even Start: Statewide Family Literacy Program	126,876
84.318	Technology Literacy Challenge Fund Grants	119,235
84.323	Special Education: State Program Improvement Grants for Children with Disabilities	534,850
84.327	Special Education: Technology and Media Services for Individuals with Disabilities	56,234

84.330	Advanced Placement Program	2,800
84.332	Comprehensive School Reform Demonstration	4,659,949
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	339,097
84.336	Teacher Quality Enhancement Grants	115,286
84.338	Reading Excellence	3,607,709
84.340	Class Size Reduction	826,592
84.342	Preparing Tomorrow's Teachers to Use Technology	68,020
84.348	Title I Accountability Grants	2,995,243
84.352	School Renovation Grants	6,170,404
84.357	Reading First State Grants	7,054,177
84.358	Rural Education Achievement Program	1,655,751
84.365	English Language Acquisition Grants	4,153,155
84.367	Improving Teacher Quality State Grants	41,697,974
93.003	Public Health and Social Services Emergency Fund	4,053,522
93.107	Model State-Supported Area Health Education Centers	640,763
93.110	Maternal and Child Health Federal Consolidated Programs	22,000
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	322,292
93.130	Primary Care Services: Resource Coordination and Development	36,827
93.136	Injury Prevention and Control Research and State and Community Based Programs	661,320
93.172	Human Genome Research	5,777
93.173	Research Related to Deafness and Communication Disorders	122,537
93.197	Childhood Lead Poisoning Prevention Projects: State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	101,591
93.213	Research and Training in Complementary and Alternative Medicine	135,214
93.235	Abstinence Education	69,190
93.241	State Rural Hospital Flexibility Program	14,050
93.242	Mental Health Research Grants	57,562
93.256	State Planning Grant: Health Care Access for the Uninsured	13,136
93.259	Rural Access to Emergency Devices Grant	75,357
93.268	Immunization Grants	425,665
93.283	Centers for Disease Control and Prevention: Investigations and Technical Assistance	868,350
93.286	Discovery and Applied Research	34,914
93.301	Small Rural Hospital Improvement Grants	129,911
93.306	Laboratory Animal Sciences and Primate Research	49,327
93.371	Biomedical Research Technology	754
93.395	Cancer Treatment Research	175,824

93.556	Promoting Safe and Stable Families	7,528,359
93.558	Temporary Assistance for Needy Families	75,026,255
93.563	Child Support Enforcement	350,965
93.564	Child Support Enforcement Research	343,639
	Refugee and Entrant Assistance: State Administered	
93.566	Programs	4,165,102
93.568	Low-Income Home Energy Assistance (LIHEAP)	2,245,998
93.569	Community Services Block Grant	10,297,412
93.570	Community Services Block Grant: Discretionary Awards	15,228
	Community Services Block Grant Discretionary Awards:	
93.571	Community Food and Nutrition	23,872
93.576	Refugee and Entrant Assistance: Discretionary Grants	594,120
93.584	Refugee and Entrant Assistance: Targeted Assistance	983,527
93.585	Empowerment Zones Program	490,000
93.590	Community-Based Family Resource and Support Grants	187,743
93.595	Welfare Reform Research, Evaluations and National Studies	(59,974)
93.597	Grants to States for Access and Visitation Programs	188,002
93.599	Chafee Education and Training Vouchers Program (ETV)	177,982
93.600	Head Start	95,882
93.603	Adoption Incentive Payments	150,940
	Developmental Disabilities Basic Support and Advocacy	
93.630	Grants	44,375
93.631	Developmental Disabilities Projects of National Significance	37,303
93.652	Adoption Opportunities	81,314
93.658	Foster Care: Title IV-E	89,080,917
93.659	Adoption Assistance	15,177,087
93.667	Social Services Block Grant (SSBG)	56,739,424
93.669	Child Abuse and Neglect State Grants	326,744
93.670	Child Abuse and Neglect Discretionary Activities	53,750
	Family Violence Prevention and Services/Grants for Battered	
93.671	Women's Shelters: Grants to States and Indian Tribes	1,814,108
93.674	Chafee Foster Care Independent Living (CFCIP)	1,313,737
93.767	State Children's Insurance Program (SCHIP)	2,757,283
	Medicaid Infrastructure Grants To Support the Competitive	
93.768	Employment of People with Disabilities	72,558
93.822	Health Careers Opportunity Program	85,262
93.837	Heart and Vascular Diseases Research	116,442
93.838	Lung Diseases Research	19,500
93.839	Blood Diseases and Resources Research	81,008
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	336,713
93.847	Diabetes, Endocrinology and Metabolism Research	55,013

93.849	Kidney Diseases, Urology and Hematology Research	333,868
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	58,624
93.855	Allergy, Immunology and Transplantation Research	4,780
93.856	Microbiology and Infectious Diseases Research	295,370
93.859	Biomedical Research and Research Training	3,532,610
93.865	National Institute of Child Health and Human Development Extramural Research	16,912
93.912	Rural Health Outreach and Rural Network Development Program	70,614
93.913	Grants to States for Operation of Offices of Rural Health	84,417
93.917	HIV Care Formula Grants	2,490,372
93.926	Healthy Start Initiative	466,123
93.940	HIV Prevention Activities: Health Department Based Assistance Programs for Chronic Disease Prevention and Control	1,964,638
93.945	Preventive Health Services: Sexually Transmitted Diseases Control Grants	180,614
93.977	Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	103,055
93.988	Preventive Health and Health Services Block Grant	35,000
93.991	Maternal and Child Health Services Block Grant to the States	391,839
93.994	Learn and Serve America: School and Community Based Programs	478,241
94.004	AmeriCorps	260,410
94.006	Training and Technical Assistance	1,404,961
94.009	State Domestic Preparedness Equipment Support Program	(6,087)
97.004	Hazardous Materials Assistance Program	27,627,524
97.021	Flood Mitigation Assistance	185
97.029	Crisis Counseling	13,558
97.032	Public Assistance Grants	782,992
97.036	Hazard Mitigation Grant	144,651,500
97.039	Emergency Management Performance Grants	1,213,426
97.042	Pre-Disaster Mitigation	1,067,097
97.047	Federal Assistance to Individuals and Households-Other Needs	186,846
97.050	State and Local All Hazards Emergency Operations Planning	2,737
97.051	Community Emergency Response Teams	88,107
97.054	Research and Development Cluster	290,147
	Food Stamp Cluster	33,871,536
	Child Nutrition Cluster	63,572,831
	Schools and Roads Cluster	147,073,353
	WIA Cluster	974,726
		38,318,704

Highway Planning and Construction Cluster	28,604,220
Federal Transit Cluster	561,867
Highway Safety Cluster	3,483,827
Special Education Cluster	184,911,952
Child Care Cluster	116,616,212
Medicaid Cluster	40,767,517
	\$ 1,495,648,780

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