

STATE OF WYOMING

STATEWIDE SINGLE AUDIT

FOR FISCAL YEAR ENDED
JUNE 30, 2014



CYNTHIA I. CLOUD—STATE AUDITOR

STATE OF WYOMING

ENTITY IDENTIFICATION NUMBER 83-0208667

COMPLIANCE REPORT

JUNE 30, 2014

CONTENTS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1 and 2
<hr/>	
Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by with OMB Circular A-133	3 - 5
<hr/>	
Schedule of Expenditures of Federal Awards	6 – 26
Notes to Schedule of Expenditures of Federal Awards	27
Schedule of Findings and Questioned Costs	28 – 44
Summary Schedule of Prior Audit Findings	45 - 52
<hr/>	
CORRECTIVE ACTION PLAN	Exhibit I

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

Honorable Governor, Members of the Legislature
State of Wyoming
Cheyenne, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Wyoming (the "State") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 19, 2014. Our report includes a reference to other auditors who audited the financial statements of the Wyoming Community Development Authority, the Wyoming Pipeline Authority, the Wyoming Infrastructure Authority, and the Wyoming Department of Transportation, which are shown as discretely presented component units, and the University of Wyoming Foundation, which is a component unit of the University of Wyoming and is included in the balances for the University of Wyoming, a discretely presented component unit of the State. The Foundation represents approximately 35% of total assets and 16% of total revenues of the University, as described in our report on the State's financial statements. The financial statements of the University of Wyoming Foundation were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, identified as 2014-001 and 2014-002, to be material weaknesses.

Compliance and Other Matters

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

The State's Response to Findings

The State's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The State's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



Cheyenne, Wyoming
March 26, 2015

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

Honorable Governor, Members of the Legislature
State of Wyoming
Cheyenne, Wyoming

Report on Compliance for Each Major Federal Program

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

The State of Wyoming's basic financial statements include the operations of the Wyoming Lottery Corporation, Wyoming Business Council, Wyoming Community Development Authority, Wyoming Pipeline Authority, Wyoming Infrastructure Authority, Wyoming Department of Transportation, and the University of Wyoming, all of which received approximately \$478 million in Federal awards which is not included in the accompanying schedule of expenditures of Federal awards for the year ended June 30, 2014. Our audit, described below, did not include the operations of the Wyoming Lottery Corporation, Wyoming Business Council, Wyoming Community Development Authority, Wyoming Pipeline Authority, Wyoming Infrastructure Authority, Wyoming Department of Transportation, and the University of Wyoming because these entities either had separate audits performed and reported on in accordance with OMB Circular A-133, or were not required to have an audit performed in accordance with OMB Circular A-133.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-004, 2013-006, 2013-012, 2013-013, 2013-014, 2014-003, 2014-004, 2014-005, 2014-007, 2014-009, and 2014-011. Our opinion on each major Federal program is not modified with respect to these matters.

The State's responses to the noncompliance findings identified in our audit are described in the accompanying Corrective Action Plan (Exhibit I). The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on Internal Control over Compliance

Management of the State is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control to be material weaknesses. However, we identified certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-004, 2013-006, 2013-009, 2013-011, 2013-012, 2013-013, 2014-006, 2014-008, 2014-009, and 2014-010 to be significant deficiencies.

The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan (Exhibit I). The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units (except as noted below), each major fund, and the aggregate remaining fund information of the State of Wyoming as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the State of Wyoming's basic financial statements. We issued our report thereon dated December 19, 2014, which contained unmodified opinions on those financial statements that collectively comprise the basic financial statements. We did not audit the financial statements of the Wyoming Department of Transportation, Wyoming Community Development Authority, Wyoming Pipeline Authority, Wyoming Infrastructure Authority, and the University of Wyoming Foundation included in the University of Wyoming, which are shown as discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wyoming Pipeline Authority, Wyoming Infrastructure Authority, Wyoming Department of Transportation, Wyoming Community Development Authority, and the University of Wyoming Foundation portion of the University of Wyoming component units, are based on the reports of the other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of Federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mc Gee, Hearne & Paiz, LLP

Cheyenne, Wyoming
March 26, 2015

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2014

Federal Grantor	Total Expenditures
Direct Funding:	
U.S. Department of Agriculture	\$ 95,576,281
U.S. Department of Commerce	8,892
U.S. Department of Defense	21,873,334
U.S. Department of Housing and Urban Development	601,568
U.S. Department of the Interior	91,080,650
U.S. Department of Justice	4,193,939
U.S. Department of Labor	92,974,056
U.S. Department of Transportation	2,421,351
National Endowment for the Arts and the Humanities	2,570,705
U.S. Department of Veterans Affairs	982,502
Environmental Protection Agency	29,314,824
U.S. Department of Energy	623,171
U.S. Department of Education	99,617,353
National Archives and Records Administration	17,622
U.S. Election Assistance Commission	203,009
U.S. Department of Health and Human Services	415,138,500
Executive Office of the President	1,114,131
Social Security Administration	3,244,220
U.S. Department of Homeland Security	9,931,768
Other Federal Financial Awards	713,146
Total Direct Funding	872,201,022
Pass-Through Funding:	
Montana Department of Labor and Industry	414,939
University of Wyoming	67,660
Western Governors Association	11,789
Total Pass-Through Funding	494,388
Total Federal Financial Awards	\$ 872,695,410

STATE OF WYOMING

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2014**

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<u>DIRECT FUNDING</u>		
U.S. DEPARTMENT OF AGRICULTURE:		
<i>Plant and Animal Disease, Pest Control, and Animal Care</i> Administered by Livestock Board	10.025	\$ 205,625
<i>Federal-State Marketing Improvement Program</i> Administered by Department of Agriculture	10.156	3,079
<i>Market Protection and Promotion</i> Administered by Department of Agriculture	10.163	15,015
<i>Specialty Crop Block Grant</i> Administered by Department of Agriculture	10.169	184,705
<i>State Mediation Grants</i> Administered by Department of Agriculture	10.435	47,202
<i>Cooperative Agreements with States for Intrastate Meat and Poultry Inspection</i> Administered by Department of Agriculture	10.475	376,380
<i>Cooperative Extension Service</i> Administered by Department of Agriculture	10.500	7,041
<i>Supplemental Nutrition Assistance Program</i> Administered by Department of Family Services	10.551	52,384,836
<i>School Breakfast Program</i> Administered by Department of Education	10.553	3,444,858
<i>National School Lunch Program</i> Administered by Department of Education	10.555	14,353,643
<i>Special Milk Program for Children</i> Administered by Department of Education	10.556	28,372
<i>Special Supplemental Nutrition Program for Women, Infants and Children</i> Administered by Department of Health	10.557	8,144,694
<i>Child and Adult Care Food Program</i> Administered by Department of Education	10.558	5,244,318
<i>Summer Food Service Program for Children</i> Administered by Department of Education	10.559	732,580

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>State Administrative Expenses for Child Nutrition</i> Administered by Department of Education	10.560	\$ 787,936
<i>State Administrative Matching Grants for the Supplemental Nutrition Assistance Program</i> Administered by Department of Family Services	10.561	4,710,802
<i>Emergency Food Assistance Program (Administrative Costs)</i> Administered by Department of Family Service	10.568	66,189
<i>Emergency Food Assistance Program (Food Commodities)</i> Administered by Department of Family Service	10.569	536,788
<i>Team Nutrition Grants</i> Administered by Department of Education	10.574	13,009
<i>WIC Grants to States (WGS)</i> Administered by Department of Health	10.578 ARRA	53,386
<i>Child Nutrition Discretionary Grants Limited Availability</i> Administered by Department of Education	10.579	65,625
<i>Fresh Fruit and Vegetable Program</i> Administered by Department of Education	10.582	1,680,107
<i>Cooperative Forestry Assistance</i> Administered by Office of State Lands and Investments	10.664	2,178,718
Administered by Department of Agriculture	10.664	69,610
		<u>2,248,328</u>
<i>Rural Development, Forestry, and Communities</i> Administered by Office of State Lands and Investments	10.672	218,750
<i>Forest Legacy Program</i> Administered by Office of State Lands and Investments	10.676	8,088
<i>Watershed Rehabilitation Program</i> Administered by Department of Water Development Commission	10.916	<u>14,925</u>
Total U.S. Department of Agriculture		<u>95,576,281</u>
U.S. DEPARTMENT OF COMMERCE:		
<i>State and Local Implementation Grant Program</i> Administered by Enterprise Technology Services	11.549	<u>8,892</u>
Total U.S. Department of Commerce		<u>8,892</u>

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
U.S. DEPARTMENT OF DEFENSE:		
<i>State Memorandum of Agreement Program for the Reimbursement of Technical Services</i>		
Administered by Department of Environmental Quality	12.113	\$ 115,384
<i>Military Construction, National Guard</i>		
Administered by Adjutant General (Military Department)	12.400	1,228,731
<i>National Guard Military Operations and Maintenance (O & M) Projects</i>		
Administered by Adjutant General (Military Department)	12.401	18,745,853
<i>National Guard ChalleNGe Program</i>		
Administered by Adjutant General (Military Department)	12.404	1,783,366
Total U.S. Department of Defense		21,873,334
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:		
<i>Emergency Solutions Grants Program</i>		
Administered by Department of Health	14.231	473,556
<i>Housing Opportunities for Persons with AIDS</i>		
Administered by Department of Health	14.241	128,012
Total U.S. Department of Housing and Urban Development		601,568
U.S. DEPARTMENT OF THE INTERIOR:		
<i>National Fire Plan - Wildland Urban Interface Community Fire Assistance</i>		
Administered by Wyoming Game and Fish Department	15.228	149,730
<i>Fish, Wildlife and Plant Conservation Resource Management</i>		
Administered by Department of Environmental Quality	15.231	-
Administered by Wyoming Game and Fish Department	15.231	250,988
		250,988
<i>Environmental Quality and Protection Resource Management</i>		
Administered by Department of Environmental Quality	15.236	315,178
Administered by Department of Geological Survey	15.236	1,859
		317,037
<i>Challenge Cost Share</i>		
Administered by Wyoming Game and Fish Department	15.238	36,185
<i>Management Initiatives</i>		
Administered by Department of State Parks and Cultural Resources	15.239	(138,368)
Administered by Wyoming Game and Fish Department	15.239	28,110
		(110,258)
		Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>National Fire Plan - Rural Fire Assistance</i> Administered by Office of State Lands and Investments	15.242	\$ 27,910
<i>SHPODS</i> Administered by Department of State Parks and Cultural Resources	15.244	429,022
<i>Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining</i> Administered by Department of Environmental Quality	15.250	2,069,463
<i>Abandoned Mine Land Reclamation (AMLR) Program</i> Administered by Department of Environmental Quality	15.252	69,363,893
<i>Federal Oil and Gas Royalty Management State and Tribal Coordination</i> Administered by Department of Audit	15.427	2,234,221
<i>Cultural Resources Management</i> Administered by Department of State Parks and Cultural Resources	15.511	228,900
<i>Recreation Resource Management</i> Administered by Department of State Parks and Cultural Resources	15.524	183,306
<i>Sport Fish Restoration Program</i> Administered by Wyoming Game and Fish Department	15.605	4,948,628
<i>Fish and Wildlife Management Assistance</i> Administered by Wyoming Game and Fish Department	15.608	314,486
<i>Wildlife Restoration and Basic Hunter Education</i> Administered by Wyoming Game and Fish Department	15.611	9,458,991
<i>Cooperative Endangered Species Conservation Fund</i> Administered by Wyoming Game and Fish Department	15.615	113,435
<i>Landowner Incentive Program</i> Administered by Wyoming Game and Fish Department	15.633	170,246
<i>State Wildlife Grants</i> Administered by Wyoming Game and Fish Department	15.634	470,803
<i>Research Grants (Generic)</i> Administered by Wyoming Game and Fish Department	15.650	13,723

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Endangered Species Conservation - Recovery Implementation Funds</i> Administered by Wyoming Game and Fish Department	15.657	\$ 130,085
<i>National Wetlands Inventory</i> Administered by Wyoming Game and Fish Department	15.665	4,022
<i>Endangered Species Conservation - Wolf Livestock Loss Compensation and Prevention</i> Administered by Wyoming Game and Fish Department	15.666	31,466
<i>National Cooperative Geologic Mapping Program</i> Administered by Wyoming State Geological Survey	15.810	68,003
<i>Energy Cooperatives to Support the National Coal Resources Data System (NCRDS)</i> Administered by Wyoming State Geological Survey	15.819	18,253
<i>Historic Preservation Fund Grants-in-Aid</i> Administered by Department of State Parks and Cultural Resources	15.904	(223,832)
<i>Outdoor Recreation - Acquisition, Development and Planning</i> Administered by Department of State Parks and Cultural Resources	15.916	254,863
<i>Preservation of Japanese American Confinement Sites</i> Administered by Department of State Parks and Cultural Resources	15.933	127,081
Total U.S. Department of the Interior		91,080,650
U.S. DEPARTMENT OF JUSTICE:		
<i>Sexual Assault Services Formula Program</i> Administered by Attorney General	16.017	219,854
<i>Protection of Voting Rights</i> Administered by Secretary of State	16.104	75,975
<i>Juvenile Justice and Delinquency Prevention - Allocation to States</i> Administered by Department of Family Services	16.540	8,012
<i>Missing Children's Assistance</i> Administered by Attorney General	16.543	121,417
<i>Title V - Delinquency Prevention Program</i> Administered by Department of Family Services	16.548	39,828
<i>National Criminal History Improvement Program (NCHIP)</i> Administered by Attorney General	16.554	55,116

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Crime Victim Assistance</i> Administered by Attorney General	16.575	\$ 1,257,232
<i>Crime Victim Compensation</i> Administered by Attorney General	16.576	331,447
<i>Violence Against Women Formula Grants</i> Administered by Attorney General	16.588	817,880
<i>State Criminal Alien Assistance Program</i> Administered by Attorney General	16.606	10,582
<i>Enforcing Underage Drinking Laws Program</i> Administered by Department of Health	16.727	55,019
<i>Edward Byrne Memorial Justice Assistance Grant Program</i> Administered by Attorney General	16.738	635,011
<i>DNA Backlog Reduction Program</i> Administered by Attorney General	16.741	144,884
<i>Paul Coverdell Forensic Sciences Improvement Grant Program</i> Administered by Attorney General	16.742	55,938
<i>Support for Adam Walsh Act Implementation Grant Program</i> Administered by Attorney General	16.750	44,667
<i>Recovery Act - Internet Crimes Against Children Task Force Program (ICAC), Recovery Act</i> Administered by Attorney General	16.800 ARRA	173,518
<i>Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories, Recovery Act</i> Administered by Attorney General	16.803 ARRA	96,184
<i>John R. Justice Prosecutors and Defenders Incentive Act</i> Administered by Attorney General	16.816	<u>51,375</u>
Total U.S. Department of Justice		<u>4,193,939</u>

U.S. DEPARTMENT OF LABOR:

<i>Labor Force Statistics</i> Administered by Department of Workforce Services	17.002	661,471
<i>Compensation and Working Conditions</i> Administered by Department of Workforce Services	17.005	45,801

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Employment Service - Wagner-Peyser Funded Activities</i> Administered by Department of Workforce Services	17.207	\$ 3,926,751
<i>Unemployment Insurance</i> Administered by Department of Workforce Services	17.225	77,166,982
<i>Unemployment Insurance, Recovery Act</i> Administered by Department of Workforce Services	17.225 ARRA	4,798,106
<i>Senior Community Service Employment Program</i> Administered by Department of Workforce Services	17.235	551,212
<i>Trade Adjustment Assistance</i> Administered by Department of Workforce Services	17.245	12,348
<i>WIA Adult Program</i> Administered by Department of Workforce Services	17.258	3,505,621
<i>H-1B Job Training Grants</i> Administered by Department of Workforce Services	17.268	731,375
<i>Work Opportunity Tax Credit Program (WOTC)</i> Administered by Department of Workforce Services	17.271	74,759
<i>Temporary Labor Certification for Foreign Workers</i> Administered by Department of Workforce Services	17.273	102,785
<i>Occupational Safety and Health - State Program</i> Administered by Department of Workforce Services	17.503	534,776
<i>Consultation Agreements</i> Administered by Department of Workforce Services	17.504	391,367
<i>Disabled Veterans' Outreach Program (DVOP)</i> Administered by Department of Workforce Services	17.801	232,684
<i>Local Veterans' Employment Representative Program</i> Administered by Department of Workforce Services	17.804	238,018
Total U.S. Department of Labor		92,974,056
U.S. DEPARTMENT OF TRANSPORTATION:		
<i>Highway Planning and Construction</i> Administered by Department of Audit	20.205	45,500
Administered by Department of State Parks and Cultural Resources	20.205	35,000
		<u>80,500</u>

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Recreational Trails Program</i>		
Administered by Department of State Parks and Cultural Resources	20.219	\$ 1,957,915
<i>State and Community Highway Safety</i>		
Administered by Attorney General	20.600	11,500
<i>Alcohol Open Container Requirements</i>		
Administered by Department of Homeland Security	20.607	104,457
<i>Pipeline Safety Program State Base Grant</i>		
Administered by Public Service Commission	20.700	186,724
<i>Interagency Hazardous Materials Public Sector Training and Planning Grants</i>		
Administered by Office of Homeland Security	20.703	71,565
<i>PHMSA Pipeline Safety Program One Call Center</i>		
Administered by Public Service Commission	20.721	<u>8,690</u>
Total U.S. Department of Transportation		<u>2,421,351</u>
NATIONAL ENDOWMENT FOR THE ARTS AND THE HUMANITIES:		
<i>Promotion of the Arts - Partnership Agreements</i>		
Administered by Department of State Parks and Cultural Resources	45.025	1,999,670
<i>Grants to States</i>		
Administered by Department of Administration and Information	45.310	<u>571,035</u>
Total National Endowment for the Arts and the Humanities		<u>2,570,705</u>
U.S. DEPARTMENT OF VETERANS AFFAIRS:		
<i>All-Volunteer Force Educational Assistance</i>		
Administered by Adjutant General (Military Department)	64.124	86,580
<i>State Cemetery Grants</i>		
Administered by Adjutant General (Military Department)	64.203	<u>895,922</u>
Total U.S. Department of Veterans Affairs		<u>982,502</u>

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
ENVIRONMENTAL PROTECTION AGENCY:		
<i>State Indoor Radon Grants</i>		
Administered by Department of Health	66.032	\$ 94,564
<i>Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act</i>		
Administered by Department of Environmental Quality	66.034	225,332
<i>Water Pollution Control State, Interstate, and Tribal Program Support</i>		
Administered by Department of Environmental Quality	66.419	223,115
<i>State Underground Water Source Protection</i>		
Administered by Oil and Gas Conservation Commission	66.433	178,925
<i>Water Quality Management Planning</i>		
Administered by Department of Environmental Quality	66.454	126,714
<i>Capitalization Grants for Clean Water State Revolving Funds</i>		
Administered by Office of State Lands and Investments	66.458	8,206,276
Administered by Department of Environmental Quality	66.458	80,993
		8,287,269
<i>Nonpoint Source Implementation Grants</i>		
Administered by Department of Environmental Quality	66.460	1,078,151
<i>Regional Wetland Program Development Grants</i>		
Administered by Wyoming Game and Fish Department	66.461	115,321
<i>Capitalization Grants for Drinking Water State Revolving Funds</i>		
Administered by Office of State Lands and Investments	66.468	13,288,062
Administered by Department of Environmental Quality	66.468	77,589
Administered by Water Development Commission	66.468	40,157
		13,405,808
<i>Water Protection Grants to the States</i>		
Administered by Department of Environmental Quality	66.474	37,551
<i>Performance Partnership Grants</i>		
Administered by Department of Environmental Quality	66.605	4,017,727
<i>Environmental Information Exchange Network Grant Program and Related Assistance</i>		
Administered by Department of Environmental Quality	66.608	42,251
<i>Consolidated Pesticide Enforcement Cooperative Agreements</i>		
Administered by Department of Agriculture	66.700	79,807

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Underground Storage Tank Prevention, Detection and Compliance Program</i> Administered by Department of Environmental Quality	66.804	\$ 281,562
<i>Leaking Underground Storage Tank Trust Fund Corrective Action Program</i> Administered by Department of Environmental Quality	66.805	597,701
<i>State and Tribal Response Program Grants</i> Administered by Department of Environmental Quality	66.817	<u>523,026</u>
Total Environmental Protection Agency		<u>29,314,824</u>
U.S. DEPARTMENT OF ENERGY:		
<i>Weatherization Assistance for Low-Income Persons</i> Administered by Department of Family Services	81.042	492,708
<i>Renewable Energy Research and Development</i> Administered by Geological Survey	81.087	8,217
<i>Fossil Energy Research and Development</i> Administered by Department of Environmental Quality	81.089	5,907
<i>Transport of Transuranic Wastes to the Waste Isolation Pilot Plant States and Tribal Concerns, Proposed Solutions</i> Administered by Office of Homeland Security	81.106	<u>116,339</u>
Total U.S. Department of Energy		<u>623,171</u>
U.S. DEPARTMENT OF EDUCATION:		
<i>Adult Education - Basic Grants to States</i> Administered by Wyoming Community College Commission	84.002	720,283
<i>Title I Grants to Local Educational Agencies</i> Administered by Department of Education	84.010	33,381,686
<i>Migrant Education - State Grant Program</i> Administered by Department of Education	84.011	208,167
<i>Title I State Agency Program for Neglected and Delinquent Children and Youth</i> Administered by Department of Education	84.013	510,188

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Special Education - Grants to States</i> Administered by Department of Education	84.027	\$ 25,638,187
<i>Career and Technical Education - Basic Grants to States</i> Administered by Department of Education	84.048	3,974,700
<i>Rehabilitation Services - Vocational Rehabilitation Grants to States</i> Administered by Department of Workforce Services	84.126	8,025,479
<i>Independent Living - State Grants</i> Administered by Department of Workforce Services	84.169	316,354
<i>Special Education - Preschool Grants</i> Administered by Department of Education	84.173	572,998
<i>Rehabilitation Services - Independent Living Services for Older Individuals who are Blind</i> Administered by Department of Workforce Services	84.177	229,150
<i>Special Education - Grants for Infants and Families</i> Administered by Department of Health	84.181	2,108,851
<i>Supported Employment Services for Individuals with the Most Significant Disabilities</i> Administered by Department of Workforce Services	84.187	345,692
<i>Education for Homeless Children and Youth</i> Administered by Department of Education	84.196	128,858
<i>Vocational Educational Leadership</i> Administered by Department of Education	84.243	209,894
<i>Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training</i> Administered by Department of Workforce Services	84.265	16,829
<i>Twenty-First Century Community Learning Centers</i> Administered by Department of Education	84.287	4,589,623
<i>Special Education - State Personnel Development</i> Administered by Department of Education	84.323	366,069

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities</i> Administered by Department of Education	84.326	\$ 93,833
<i>English Language Acquisition State Grants</i> Administered by Department of Education	84.365	544,207
<i>Mathematics and Science Partnerships</i> Administered by Department of Education	84.366	901,546
<i>Improving Teacher Quality State Grants</i> Administered by Department of Education	84.367	11,304,250
<i>Grants for State Assessments and Related Activities</i> Administered by Department of Education	84.369	2,535,529
<i>School Improvement Grants</i> Administered by Department of Education	84.377	2,211,070
<i>School Improvement, Recovery Act</i> Administered by Department of Education	84.388 ARRA	683,910
Total U.S. Department of Education		99,617,353
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION:		
<i>National Historic Publications and Records Grants</i> Administered by Department of State Parks and Cultural Resources	89.003	17,622
Total National Archives and Records Administration		17,622
U.S. ELECTION ASSISTANCE COMMISSION		
<i>Help America Vote Act Requirements Payments</i> Administered by Secretary of State	90.401	203,009
Total U.S. Election Assistance Commission		203,009
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:		
<i>Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect and Exploitation</i> Administered by Department of Health	93.041	22,241
<i>Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals</i> Administered by Department of Health	93.042	72,763

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services</i> Administered by Department of Health	93.043	\$ 115,587
<i>Special Programs for the Aging - Title III, Part B - Grants for Supportive Service and Senior Centers</i> Administered by Department of Health	93.044	1,727,061
<i>Special Programs for the Aging - Title III, Part C - Nutrition Services</i> Administered by Department of Health	93.045	2,946,143
<i>National Family Caregiver Support, Title III, Part E</i> Administered by Department of Health	93.052	650,618
<i>Nutrition Services Incentive Program</i> Administered by Department of Health	93.053	1,236,748
<i>Public Health Emergency Preparedness</i> Administered by Department of Health	93.069	4,421,135
<i>Medicare Enrollment Assistance Program</i> Administered by Department of Health	93.071	17,690
<i>Affordable Care Act (ACA) Personal Responsibility Education Program</i> Administered by Department of Health	93.092	16,001
<i>Maternal and Child Health Federal Consolidated Programs</i> Administered by Department of Health	93.110	203,369
<i>Project Grants and Cooperative Agreements for Tuberculosis Control Programs</i> Administered by Department of Health	93.116	159,932
<i>Emergency Medical Services for Children</i> Administered by Department of Health	93.127	71,836
<i>Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices</i> Administered by Department of Health	93.130	107,948
<i>Injury Prevention and Control Research and State and Community Based Programs</i> Administered by Department of Health	93.136	86,607
<i>Projects for Assistance in Transition from Homelessness (PATH)</i> Administered by Department of Health	93.150	258,047

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>State Rural Hospital Flexibility Program</i> Administered by Department of Health	93.241	\$ 630,414
<i>Substance Abuse and Mental Health Services - Projects of Regional and National Significance</i> Administered by Department of Health	93.243	566,158
<i>Universal Newborn Hearing Screening</i> Administered by Department of Health	93.251	219,378
<i>Immunization Cooperative Agreements</i> Administered by Department of Health	93.268	1,358,886
<i>Adult Viral Hepatitis Prevention and Control</i> Administered by Department of Health	93.270	78,029
<i>Centers for Disease Control and Prevention - Investigations and Technical Assistance</i> Administered by Department of Health	93.283	3,377,462
<i>Supporting Permanent Placements of Foster Care Children through Electronic Records Exchange</i> Administered by Department of Education	93.293	13,336
<i>State Partnership Grant Program to Improve Minority Health</i> Administered by Department of Health	93.296	47,162
<i>Small Rural Hospital Improvement Grants Program</i> Administered by Department of Health	93.301	122,138
<i>PPHF National Public Health Improvement Initiative</i> Administered by Department of Health	93.507	96,425
<i>The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF</i> Administered by Department of Health	93.521	289,304
<i>PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance Financed in Part by Prevention and Public Health Funds</i> Administered by Department of Health	93.539	3,279

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>The Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes Coordinated Chronic Disease Prevention and Health Promotion Program</i> Administered by Department of Health	93.544	\$ 93,165
<i>Promoting Safe and Stable Families</i> Administered by Department of Family Services	93.556	201,830
<i>Temporary Assistance for Needy Families</i> Administered by Department of Family Services	93.558	23,209,701
<i>Child Support Enforcement</i> Administered by Department of Family Services	93.563	5,371,391
<i>Low-Income Home Energy Assistance</i> Administered by Department of Family Services	93.568	10,876,357
<i>Community Services Block Grant</i> Administered by Department of Health	93.569	3,408,685
<i>Child Care and Development Block Grant</i> Administered by Department of Family Services	93.575	3,150,383
<i>State Court Improvement Program</i> Administered by Supreme Court	93.586	214,281
<i>Community-Based Child Abuse Prevention Grants</i> Administered by Department of Family Services	93.590	89,653
<i>Child Care Mandatory and Matching Funds of the Child Care and Development Fund</i> Administered by Department of Family Services	93.596	4,080,779
<i>Grants to States for Access and Visitation Programs</i> Administered by Department of Family Services	93.597	68,224
<i>Chafee Education and Training Vouchers Program (ETV)</i> Administered by Department of Family Services	93.599	36,500
<i>Head Start</i> Administered by Department of Workforce Services	93.600	108,701
<i>Adoption Incentive Payments</i> Administered by Department of Family Services	93.603	33,607

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Voting Access for Individuals with Disabilities - Grants to States</i> Administered by Secretary of State	93.617	\$ 35,993
<i>Developmental Disabilities Basic Support and Advocacy Grants</i> Administered by Attorney General	93.630	300,372
<i>Children's Justice Grants to States</i> Administered by Department of Family Services	93.643	59,205
<i>Stephanie Tubbs Jones Child Welfare Services Program</i> Administered by Department of Family Services	93.645	167,806
<i>Foster Care - Title IV-E</i> Administered by Department of Family Services	93.658	2,119,949
<i>Foster Care - Title IV-E, Recovery Act</i> Administered by Department of Family Services	93.658 ARRA	(1,723)
<i>Social Services Block Grant</i> Administered by Department of Family Services	93.667	1,560,248
<i>Child Abuse and Neglect State Grants</i> Administered by Department of Family Services	93.669	28,839
<i>Family Violence Prevention and Services/Domestic Violence Shelter and Support Services</i> Administered by Attorney General	93.671	718,246
<i>Chafee Foster Care Independence Program</i> Administered by Department of Family Services	93.674	522,326
<i>ARRA-Head Start, Recovery Act</i> Administered by Department of Family Services	93.708 ARRA	313,740
<i>ARRA-State Grants to Promote Health Information Technology</i> Administered by Department of Enterprise Technology Services	93.719 ARRA	640,171
<i>Children's Health Insurance Program</i> Administered by Department of Health	93.767	9,792,872
<i>State Medicaid Fraud Control Units</i> Administered by Attorney General	93.775	394,701

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare</i> Administered by Department of Health	93.777	\$ 1,794,375
<i>Medical Assistance Program</i> Administered by Department of Family Services	93.778	1,426,549
Administered by Department of Health	93.778	<u>315,994,970</u>
		317,421,519
<i>Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations</i> Administered by Department of Insurance	93.779	204,810
<i>Grants to States for Operation of Qualified High-Risk Pools</i> Administered by Department of Insurance	93.780	664,661
<i>Allergy, Immunology and Transplantation Research</i> Administered by Department of Health	93.855	15,700
<i>National Bioterrorism Hospital Preparedness Program</i> Administered by Department of Health	93.889	825,850
<i>Grants to States for Operation of Offices of Rural Health</i> Administered by Department of Health	93.913	173,932
<i>HIV Care Formula Grants</i> Administered by Department of Health	93.917	930,546
<i>Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease</i> Administered by Department of Health	93.918	300,095
<i>HIV Prevention Activities - Health Department Based</i> Administered by Department of Health	93.940	796,723
<i>Human Immunodeficiency Virus (HIV) Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance</i> Administered by Department of Health	93.944	88,878
<i>Assistance Programs for Chronic Disease Prevention and Control</i> Administered by Department of Health	93.945	149,158

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs</i> Administered by Department of Health	93.946	\$ 97,226
<i>Block Grants for Community Mental Health Services</i> Administered by Department of Health	93.958	451,274
<i>Block Grants for Prevention and Treatment of Substance Abuse</i> Administered by Department of Health	93.959	3,193,369
<i>Preventive Health Services - Sexually Transmitted Diseases Control Grants</i> Administered by Department of Health	93.977	231,245
<i>Preventive Health and Health Services Block Grant</i> Administered by Department of Health	93.991	128,771
<i>Maternal and Child Health Services Block Grant to the States</i> Administered by Department of Health	93.994	<u>1,158,669</u>
Total U.S. Department of Health and Human Services		<u>415,138,500</u>
EXECUTIVE OFFICE OF THE PRESIDENT:		
<i>High Intensity Drug Trafficking Areas Program</i> Administered by Attorney General	95.001	<u>1,114,131</u>
Total Executive Office of the President		<u>1,114,131</u>
SOCIAL SECURITY ADMINISTRATION:		
<i>Social Security - Disability Insurance</i> Administered by Department of Workforce Services	96.001	3,018,294
Administered by Department of Family Services	96.001	<u>92,771</u>
		3,111,065
<i>Social Security - Survivors Insurance</i> Administered by Department of Family Services	96.004	<u>133,155</u>
Total Social Security Administration		<u>3,244,220</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:		
<i>Boating Safety Financial Assistance</i> Administered by Wyoming Game and Fish Department	97.012	267,640
<i>Community Assistance Program State Support Services Element (CAP-SSSE)</i> Administered by Office of Homeland Security	97.023	63,828

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Flood Mitigation Assistance</i> Administered by Office of Homeland Security	97.029	\$ 12,668
<i>Disaster Grants - Public Assistance (Presidentially Declared Disasters)</i> Administered by Office of Homeland Security	97.036	242,803
<i>Hazard Mitigation Grant</i> Administered by Office of Homeland Security	97.039	238,372
<i>National Dam Safety Program</i> Administered by State Engineer	97.041	86,088
<i>Emergency Management Performance Grants</i> Administered by Office of Homeland Security	97.042	2,292,728
<i>State Fire Training Systems Grants</i> Administered by Fire Prevention and Electrical Safety	97.043	8,185
<i>Fire Management and Assistance Grant</i> Administered by Wyoming State Lands and Investments	97.046	813,638
<i>Interoperable Emergency Communications</i> Administered by Office of Homeland Security	97.055	65,903
<i>Homeland Security Grant Program</i> Administered by Office of Homeland Security	97.067	5,825,887
<i>Earthquake Consortium</i> Administered by Office of Homeland Security	97.082	14,028
Total U.S. Department of Homeland Security		9,931,768
OTHER FEDERAL FINANCIAL AWARDS:		
<i>NAEP State Coordinator</i> Administered by Department of Education	None	111,195
<i>Social Security Reimbursement Program</i> Administered by Department of Workforce Services	None	123,864
<i>Game and Fish, Various Programs</i> Administered by Wyoming Game and Fish Department	None	153,583
<i>Improving Student Learning</i> Administered by Department of Education	None	2,536

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2014

Federal Grantor/Administering State Agency	CFDA Number	Expenditures
<i>Lead - Niosh</i>		
Administered by Department of Health	None	\$ 87,101
<i>Vital Records</i>		
Administered by Department of Health	None	<u>234,867</u>
Total Other Federal Financial Awards		<u>713,146</u>
Total Direct Funding		<u>872,201,022</u>
<u>PASS-THROUGH FUNDING</u>		
MONTANA DEPARTMENT OF LABOR AND INDUSTRY:		
<i>Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors, Recovery Act</i>		
Administered by Department of Workforce Services	17.275 ARRA	414,939
UNIVERSITY OF WYOMING:		
<i>Gaining Early Awareness and Readiness for Undergraduate Programs</i>	84.334	67,660
WESTERN GOVERNORS ASSOCIATION:		
<i>Electricity Delivery and Energy Reliability, Research, Development, and Analysis, Recovery Act</i>		
Administered by Wyoming Game and Fish Department	81.122 ARRA	<u>11,789</u>
Total Pass-Through Funding		<u>494,388</u>
Total Federal Financial Assistance		<u><u>\$ 872,695,410</u></u>

STATE OF WYOMING

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the State of Wyoming except as described in Note 2 and is presented on the cash basis of accounting, which is generally utilized by the State of Wyoming for Federal reporting purposes, whereby expenditures are reported when paid. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the State of Wyoming.

2. Content

In accordance with the provisions of paragraph 500(a) of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, the accompanying schedule of expenditures of Federal awards does not include the departments or agencies listed below which were separately audited and reported on in compliance with OMB Circular A-133.

Department of Transportation
University of Wyoming
Wyoming Business Council
Wyoming Community Development Authority

3. Noncash Awards

The schedule of expenditures of Federal awards includes the following noncash items as expenditures: USDA Commodities of \$536,788; Food Stamps of \$52,384,836; and value of vaccines of \$81,474. The values of USDA Commodities and vaccines have been recorded at their fair market value at the date of issuance. Food Stamps are valued at face value.

The reported expenditures for benefits under the Supplemental Nutrition Assistance Program (SNAP) (CFDA #10.551) are supported by both regularly appropriated funds and incremental funding made available under Section 101 of the American Recovery and Reinvestment Act of 2009. The portion of total expenditures for SNAP benefits that is supported by Recovery Act funds varies according to fluctuations in the cost of the Thrifty Food Plan, and to changes in participating households' income, deductions, and assets. This condition prevents USDA from obtaining the regular and Recovery Act components of SNAP benefits expenditures through normal program reporting processes. As an alternative, USDA has computed a weighted average percentage to be applied to the national aggregate SNAP benefits provided to households in order to allocate an appropriate portion thereof to Recovery Act funds. This methodology generates valid results at the national aggregate level but not at the individual State level. Therefore, we cannot validly disaggregate the regular and Recovery Act components of our reported expenditures for SNAP benefits. At the national aggregate level, however, Recovery Act funds account for approximately 7.79% of USDA's total expenditures for SNAP benefits in the Federal fiscal year ended September 30, 2013.

4. Unemployment Insurance Compensation

The schedule of expenditures of Federal awards includes approximately \$65 million of State Unemployment Insurance Compensation Benefits (SUICB). The SUICB is included in the schedule of expenditures of Federal awards pursuant to a directive issued by the Department of Labor, Office of Inspector General.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

A. Financial Statements

Type of auditor's report issued: McGee, Hearne & Paiz, LLP has audited the basic financial statements of the State of Wyoming as of and for the year ended June 30, 2014 and have issued their report thereon dated December 19, 2014. They did not audit the financial statements of the Wyoming Natural Gas Pipeline Authority, the Wyoming Infrastructure Authority, the Wyoming Department of Transportation, the Wyoming Community Development Authority, and the University of Wyoming Foundation portion of the University of Wyoming, which are shown as discretely presented component units. Those financial statements were audited by other auditors. The opinion on the basic financial statements of the State was unmodified based on the opinion of McGee, Hearne & Paiz, LLP and the reports of other auditors.

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

B. Federal Awards

Internal control over major programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2014

Identification of major programs:

CFDA Number	Name of Federal Program
10.664	Cooperative Forestry Assistance
12.404	National Guard Challenge Program
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining
15.252	Abandoned Mine Land Reclamation (AMLR) Program
15.634	State Wildlife Grants
17.258	WIA Adult Program
17.268	H-1B Job Training Grant
64.203	State Cemetery Grants
66.458	Capitalization Grants for Clean Water State Revolving Fund
66.460	Nonpoint Source Implementation Grants
66.468	Capitalization Grants for Drinking Water State Revolving Fund
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program
81.042	Weatherization Assistance for Low-Income Persons
84.010	Title 1 Grants to Local Educational Agencies
84.048	Career and Technical Education - Basic Grants to States (Perkins IV)
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States
84.169	Independent Living - State Grants
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities
84.287	Twenty-First Century Community Learning Centers (21st Century)
84.367	Improving Teacher Quality State Grants
84.369	Grants for State Assessments and Related Activities
93.052	National Family Caregiver Support, Title III, Part E
93.558	Temporary Assistance for Needy Families
93.568	Low-Income Home Energy Assistance (LIHEAP)
93.569	Community Service Block Grant
Cluster	Fish and Wildlife Cluster
Cluster	Employment Service Cluster
Cluster	Medicaid Cluster
Cluster	Aging Cluster
Cluster	* School Improvement
Cluster	* SNAP Cluster
Cluster	Special Education Cluster (IDEA)

* This cluster contains a portion of Recovery Funds.

- Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000
- Auditee qualified as low-risk auditee? _____ Yes X No

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

II. FINANCIAL STATEMENT FINDINGS

2014-001: Audit Adjustments

Condition - Several adjustments to the State's financial statements were proposed and recorded during the audit to report the government-wide and fund level financial statements in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).

Criteria - Under professional standards, material adjustments to the financial statements is considered a control deficiency.

Cause - The control deficiency exists because State personnel did not identify the adjusting journal entries. The CAFR Division of the State Auditor's Office has considerable operational experience, as well as experience in compiling the financial statements and related footnote disclosures in accordance with U.S. GAAP. Due to the decentralized accounting structure of the State, the CAFR Division of the State Auditor's Office must obtain and compile information from the individual state agencies, which is then used to prepare the State's financial statements. In addition, as the State maintains cash basis financials internally, some personnel within the individual state agencies do not understand how to provide accrual basis account balances as of year-end. As such, the information being provided by the agencies to the CAFR Division is not always complete and/or accurate. The CAFR Division attempts to review the information they receive for reasonableness. However, due to the volume of information they receive and the limited time frame between the receipt of information and the timing of when the information needs to be provided for audit purposes, they are not able to identify all of the adjustments that need to be made. There are also limited review processes in place within the CAFR Division related to the preparation of financial statement information.

Effect - During the financial statement audit, several adjustments to the State's financial records were identified, proposed, and/or recorded through the audit process to properly report the government-wide and fund level financial statements in accordance with U.S. GAAP. The significant adjustments proposed and/or recorded to properly report the fund level financial statements principally included adjustments to accounts payable and related Federal receivables; investment securities lending and investment income; amounts due to component unit; agency fund accruals related to excise and mineral severance taxes; various revenue accruals; and the self-insurance accrual. In addition, significant reclassification adjustments were proposed and/or recorded related to the incorrect allocations of current and noncurrent cash and pooled investments, as well as the improper classification of revenues and expenditures.

The significant adjustments proposed and/or recorded to properly report the government-wide financial statements principally included those above, as well as an adjustment related to fixed assets.

Recommendation - We recommend that the State Auditor's Office continue to work with the individual state agencies on developing and implementing effective control systems at the agency level to ensure that the information that the agencies are providing is complete, accurate, and consistent with what the CAFR Division needs and within the timeframes needed. In addition, we also recommend that the CAFR Division continue with its implementation of an internal review process, to the extent it is reasonable to do so with the resources available, to assist in determining the propriety of the journal entries posted and the compilation of the financial statements.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Auditee Response - We are pleased the State has received an unqualified opinion on its basic financial statements for the fiscal year ending June 30, 2014. The State Auditor's Office concurs with the recommendations on 2014-001. It will assign specific responsibilities to personnel in this office to educate individual State agencies which had findings for the audited fiscal year. The State Auditor's Office will begin preparing training sessions for State agency accounting personnel in regards to revenue cut-off issues at fiscal year end, and will schedule other trainings on other findings of general applicability. Revenue cut-off will be discussed at the year-end meeting. The State Auditor's Office will also continue to refine its internal review process of financial statement information through the use of specifically assigned personnel, to the extent review can reasonably occur within the applicable time frame with limited personnel.

2014-002: Workers' Compensation System Conversion

Condition - The data produced from the Workers' Compensation Division (the "Division") information system was not accurate or complete and was not provided in a timely manner.

Criteria - Accurate, complete, and timely information related to workers' compensation claims and premium data is required in order for: a) the actuary to prepare an accurate Unpaid Loss and Loss Adjustment Expense Analysis to be used as the basis for the claims liability, and b) the CAFR Division of the State Auditor's Office to report an accurate receivable related to premiums.

Cause - In September 2012, the Division implemented a new information system called PowerSuite. During the conversion, the reporting capabilities of the new information system were not adequately tested to ensure that the information that had been previously provided for the actuarial analysis and for audit purposes would be able to be pulled from the new system in a comparable format. There was also no review processes in place within the Division related to the propriety of the information provided from the new system.

Effect - The CAFR Division of the State Auditor's Office had requested that the information from the Division related to its financial statement reporting be provided by September 30, 2014. However, due to delays in the receipt of the information, the majority of the information was not provided for audit until November 2014.

During our reconciliation of the claim payments made during fiscal years 2013 and 2014, we were unable to reconcile the claim payments per the WOLFS accounting system to those reported to the actuary – the amount reported to the actuary was approximately \$3.5 - \$5.5 million less than that reflected in WOLFS. It was determined that this was due to the fact that the information reported to the actuary was net of claims recoveries, while previously the information reported to the actuary was the gross claims expense, as well as a result of case reserves not being properly assigned.

Per review of the actuary's report for fiscal year 2013, we noted a comment that "*With the recent system conversion there have been a number of data issues primarily in the latest calendar year.*" The comment was modified in the actuary's report for fiscal year 2014 as follows "*There were a number of data issues and challenges that we encountered with this review, and in particular the case reserve data is subject to a high degree of variability due to the claims system issues.*" The estimated claims liability determined by the actuary is adjusted by a reconciliation amount, which is defined as follows:

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

In order to reconcile between the data used in the Actuary analysis and the data used in the Division's Income & Expense Exhibit we have added an additional unpaid amount to reflect this difference. We have developed our estimate of this adjustment as a percentage of the indemnity and medical loss payments between the two sources. We reviewed historic relationships of paid to paid amounts before making a selection for the reconciliation adjustment.

We noted that for fiscal years 2011-2012, the reconciliation amount had averaged approximately \$10.9 million and it increased to approximately \$17.1 million in fiscal year 2013 and \$40.0 million in fiscal year 2014, as a result of the discrepancies in the data noted by the actuary during the analysis performed. However, we confirmed with the actuary that he did not believe there would be any impact on the rate estimate chosen by the Division.

Recommendation - We recommend that the Division perform additional testing on the reporting from PowerSuite to ensure that the information that will be provided for the actuarial analysis and for audit purposes at June 30, 2015 is complete, accurate, and consistent with what the actuary and CAFR Division need and within the timeframes requested.

In addition, we also recommend that the State Auditor's Office work with agencies that are implementing new information systems to ensure that the agencies understand the importance of testing data reported from new systems as compared to that from the old system as it relates to any potential financial reporting implications.

Auditee Response - During the audit, the Division discovered that the data sent to the actuary could not be reconciled to the WOLFS data, primarily as a result of 3rd party and claim recoveries provided. It was determined these recoveries were excluded in the actuary report. An additional issue regarding missing "payments reported" when a bill is in "adjusted" status was found, and steps have been taken to correct the system to avoid problems going forward.

Due to the complexity in gathering such extensive data for the actuary and CAFR, the Division began group efforts starting in November 2014 to reconcile data to WOLFS. In an effort to ensure the information provided to the auditors and to the actuary for analysis for the year ending June 30, 2015 will be complete, accurate and timely, the Division has actively been working to internally audit and reconcile data to WOLFS for the current fiscal year. The COGNOS report has been corrected to provide more useful information and additional reports are being developed to further assist with providing complete information.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2013-004: Subrecipient Monitoring

Title I Grants to Local Educational Agencies (CFDA #84.010)
Special Education Cluster (CFDA #s 84.027 and 84.173)
Career and Technical Education – Basic Grants to States (CFDA #84.048)
Improving Teacher Quality State Grants (CFDA #84.367)

Federal Agency – Department of Education

Condition – A component of the subrecipient monitoring compliance requirement is that a pass-through entity is responsible for *During-the-Award Monitoring* (monitoring the subrecipient’s use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved). For the WDE, the primary means of *During-the-Award Monitoring* are site visits. There are 48 school districts and seven community colleges in the State, and the WDE attempts to review one-third of them each year; therefore, each district/community college is reviewed at least once every three years. For the period under audit, we selected five subrecipients to verify that an on-site assessment was performed within the last three years. The results of our testing found that there were two school districts for which no documentation of an on-site assessment could be provided.

Criteria – The requirements for subrecipient monitoring are contained in the 31 USC 7502(f)(2)(b) (Single Audit Act Amendments of 1996 (Pub. L. 104-156)), OMB Circular A-133 (Sec .225 and .400(d)), A102 Common Rule (Sec .37 and .40(a)), and OMB Circular A-110 (Sec .51(a)), Federal awarding agency program regulations and terms and conditions of the award.

Cause – Based upon discussions with WDE personnel, they indicated that there has been a significant amount of movement of staff as well as turnover in staff and, as such, they believe the documentation was lost.

Effect – By failing to maintain documentation of on-site assessments, the WDE is unable to substantiate that Local Educational Agencies (LEAs) were properly monitored during the life of the grant.

Recommendation – We recommend program personnel and department leadership ensure processes are put in place to ensure documentation of *During-the-Award Monitoring* is maintained and a process is in place to ensure WDE follows up on compliance findings with the LEAs.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

2013-006: Level of Effort

Career and Technical Education – Basic Grants to States (CFDA #84.048)

Federal Agency – Department of Education

Condition – The WDE – Career and Technical Education program failed to meet the level of effort compliance requirement for this program for the 2011 grant year.

Criteria – A State must provide from non-Federal sources for State administration under the Perkins Act an amount that is not less than the amount provided by the State from non-Federal sources for State administrative costs for the preceding fiscal or program year (Section 323(a) of Perkins IV (20 USC 413(a))). The amount budgeted/expended for the 2009 biennium was \$898,415; the amount budgeted/expended for the 2011 biennium was 872,080.

Cause – The WDE reduced State administration spending during the 2011 biennium and failed to ensure the level of effort requirement for the grant was maintained.

Effect – WDE failed to meet the level of effort requirement for the grant and, as such, a violation of failure to comply with Federal laws and regulations may result in the Federal Awarding Agency taking any action deemed necessary to gain compliance.

Recommendation – We recommend the WDE – Career and Technical Education program contact their Federal Awarding Agency and inform them of the situation and follow whatever instructions they provide. Furthermore, we recommend that the WDE review all programmatic requirements prior to initiating budget reductions to ensure level of effort requirements will be met.

Questioned Costs – \$26,335 under the level of effort requirement.

Auditee Response – *See Corrective Action Plan*

2013-009: Lack of Supporting Documentation

Federal Programs (with payroll expenditures) Administered by the Wyoming Department of Education (CFDA #s 10.560, 84.010, 84.027, 84.048, 84.173, 84.196, 84.287, 84.323, 84.334, 84.365, 84.367 and 84.369)

Federal Agency – Department of Agriculture; Department of Education; Department of Health and Human Services

Condition – The WDE recorded multiple payroll adjustments during the year under audit and was unable to provide time and effort reports to support the payroll adjustments.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Criteria – A-133 OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, indicates that to be allowable under Federal awards, costs, among other things, must be allocable to Federal awards. A cost is allocable to a particular cost objective if the goods and services involved are chargeable or assignable to such cost objectives in accordance with relative benefits received.

Cause – The WDE had significant turnover of employees which resulted in multiple positions being out of alignment with the budgets previously set forth. As employee positions were out of alignment, WDE would be unable to draw down funds under grant agreements. WDE elected to move payroll based on grant budgets compared to moving payroll based on time and effort logs.

Effect – The WDE’s time and effort logs do not reconcile to actual payroll expenditures allocated to Federal programs and, therefore, the aforementioned grants were potentially allocated a disproportionate share of costs.

Recommendation – We are aware that WDE is developing a new database to track the time and effort requirement; however, it is anticipated to go live on July 1, 2015. Therefore, we recommend that the WDE continue developing and testing the new system and, until that system is implemented, they maintain proper time and effort logs as well as support for any allocations.

Questioned Costs – Unknown

Auditee Response – *See Corrective Action Plan*

2013-011: Suspension and Debarment

Abandoned Mine Land Reclamation (AMLR) Program (CFDA #15.252)

Federal Agency – Department of the Interior

Condition – During the period under audit, the program entered into 45 new contracts; of the eight contracts selected for testing, none contained a suspension or debarment clause, nor did the program verify vendor eligibility through the System for Award Management (SAM) website.

Criteria – OMB Circular A-102 (2 CFR part 180) requires that recipients “shall comply with the nonprocurement debarment and suspension common rule implementing Executive Orders 12549 and 12689, *Debarment and Suspension*.”

Cause – Lack of control procedures in place to ensure compliance with suspension and debarment requirements.

Effect – Without performing a check for suspension and debarment, payments could be made to a vendor who is suspended or debarred.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2014

Recommendation – We recommend that the program implement a control structure that ensures verification of vendor eligibility and inclusion of suspension and debarment clause in contracts.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2013-012: Reporting

Low-Income Home Energy Assistance (CFDA #93.568)
Temporary Assistance for Needy Families (CFDA #93.558)
Weatherization Assistance for Low-Income Persons (CFDA #81.042)

Federal Agency – Department of Health and Human Services and Department of Energy

Condition – During testing of compliance with reporting requirements, we noted that the aforementioned programs failed to file transparency reports for the amounts the program has subgranted.

Criteria – Transparency Act, implementing requirements in 2 CFR part 170 and the FAR.

Cause – Human error.

Effect – Failure to submit complete, accurate, and timely reports may indicate the need for closer monitoring by the Federal agency or may result in possible award delays or enforcement actions.

Recommendation – We recommend that the personnel of the Department of Family Services implement a formal process to ensure that all required transparency reports are prepared, reviewed and filed.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2013-013: Subrecipient Monitoring / Suspension and Debarment

Temporary Assistance for Needy Families (CFDA #93.558)

Federal Agency – Department of Health and Human Services

Condition – Three of the five subrecipient monitoring files/contracts tested did not have the Program Name or CFDA number, and OMB Circular A-133 compliance requirements were not listed on the contracts or otherwise communicated to the subrecipient, and no procedures were performed to verify this was being done. Also, the Department of Family Services (DFS) does not have an effective system in place to obtain and review the subrecipients' Single Audit Reports.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Criteria – The requirements for subrecipient monitoring are contained in 31 USC 7502(f)(2)(B) (Single Audit Act Amendments of 1996 (Pub.L. 104-156)). Subrecipient contract must include, but is not limited to, the CFDA Number, Suspension and Debarment Clause, Name of Federal Awarding Agency, and breakout of funding if it is split between State and Federal funds. Among other things, a pass-through entity is responsible for: (1) ensuring that subrecipients expending \$500,000 or more in Federal awards during the subrecipient’s fiscal year for fiscal years ending after December 31, 2003 as provided by OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within nine months of the end of the subrecipient’s audit period; (2) issuing a management decision on audit findings within six months after receipt of the subrecipient’s audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings.

Cause – DFS currently has no procedures in place to ensure compliance with the requirements to communicate the TANF program name and CFDA number. Additionally, there are no control procedures in place to ensure that current Single Audit Reports from the subrecipient is obtained.

Effect – A violation or failure to comply with Federal laws and regulations may result in the Federal agency taking whatever action is deemed necessary to gain compliance. Furthermore, by not including the applicable award information, the subrecipient may not know the funds are Federal and thus not know all of the applicable requirements. Additionally, by not obtaining and reviewing the Single Audit Report from the subrecipient, the programs are not effectively monitoring the activity of that subrecipient.

Recommendation – We recommend that the agency review its internal control policies and develop an effective and efficient system to ensure the CFDA number and A-133 Single Audit requirements are communicated to the subrecipient. Furthermore, the agency should review its internal control policies and develop an effective and efficient system for obtaining and reviewing the required Single Audit Reports and suspension and debarment requirements prior to contract award.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2013-014: Eligibility

Medical Assistance Program (CFDA #93.778)

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

Condition – Of the 60 recipients selected for testing compliance with the eligibility requirements within the Medicaid Cluster, we noted one instance where the recipient was not timely removed from the system at the time the recipient became ineligible to receive benefits. A review performed in December of 2013 should have removed the recipient from the system as the income would have precluded the recipient from being eligible.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Criteria – Per 42 USC 1320b-7(a), a State must have in effect an income and eligibility verification system which meets the requirements of subsection (d) and under which—...(2) wage information...shall be requested and utilized to the extent that such information may be useful in verifying eligibility for, and the amount of, benefits available under any program. In addition, 42 CFR Section 435.916, states that the agency must redetermine the eligibility of Medicaid beneficiaries, with respect to circumstances that may change, at least every 12 months and the agency must have procedures designed to ensure that beneficiaries make timely and accurate reports of any change in circumstances that may affect their eligibility.

Cause – We noted that although there is a control system in place to ensure that eligible persons are periodically reviewed to ensure he or she meets the eligibility requirements on an on-going basis, due to the volume of recipients participating in the Medicaid Program, occasionally ineligible recipients are not timely removed from the system.

Effect – Failure to comply with the eligibility requirements of the program may indicate the need for closer monitoring by the Federal agency or may result in possible award delays or enforcement actions.

Recommendation – We recommend the State increase training efforts surrounding annual reviews and reviewing what income is allowed.

Questioned Costs – \$2,963 / Projected \$60,673

Auditee Response – *See Corrective Action Plan*

2014-003: Subrecipient Monitoring

Non-Point Source Implementation Grants (CFDA #66.460)

Federal Agency – Environmental Protection Agency

Condition – During the period under audit, the Nonpoint Source Implementation Grants program failed to obtain an audited financial statement for three of the eight subrecipients tested.

Criteria – The requirements for subrecipient monitoring are contained in 31 USC 7502(f)(2)(B) (Single Audit Act Amendments of 1996 (Pub.L. 104-156)), OMB Circular A-133 (Section .255 and .400(d)). Among other things, a pass-through entity is responsible for: (1) ensuring that subrecipients expending \$500,000 or more in Federal awards during the subrecipient's fiscal year for fiscal years ending after December 31, 2003 as provided by OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within nine months of the end of the subrecipient's audit period; (2) issuing a management decision on audit findings within six months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings.

Cause – Human error.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Effect – A violation or failure to comply with Federal laws and regulations may result in the Federal agency taking whatever action is deemed necessary to gain compliance. Additionally, by not obtaining and reviewing the Single Audit Report from the subrecipient, the programs are not effectively monitoring the activity of that subrecipient. Furthermore, by not including the applicable eligibility information with the complete documentation, the agency could be determining that participants are eligible when in fact they are ineligible under the Federal requirements.

Recommendation – We recommend that the agencies review their internal control policies and develop an effective and efficient system to ensure A-133 Single Audit requirements are communicated to the subrecipient, and also for obtaining and reviewing the required Single Audit Reports.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2014-004: Allowable Cost/Cost Principles

Special Education Cluster (CFDA #s 84.027 and 84.173)

Federal Agency – Department of Education

Condition – The WDE purchased three vehicles using the Federal grant without prior authorization from the Federal oversight entity.

Criteria – The grant requires the program to follow 20 USC 1404. 20 USC 1404 states that “if the Secretary determines that a program authorization under this chapter will be improved by permitting program funds to be used to acquire appropriate equipment, or to construct new facilities or alter existing facilities, the Secretary is authorized to allow the use of those funds for those purposes.” In addition under 2 CFR Part 225, equipment is defined as nonexpendable personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of capitalization level established by the governmental unit for financial reporting or \$5,000.

Cause – Human error.

Effect – The WDE purchased equipment under the grant which could potentially be considered an unallowable cost by the Federal awarding agency.

Recommendation – We recommend that the WDE obtain approval of all equipment purchases under this program which the individual cost of the item is in excess of \$5,000.

Questioned Costs – \$67,509

Auditee Response – *See Corrective Action Plan*

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

2014-005: Reporting

Cooperative Forestry Assistance (CFDA #10.664)

Federal Agency – Department of Agriculture

Condition – During testing of compliance with reporting requirements, we noted that the aforementioned programs failed to file transparency reports for the amounts the program has subgranted.

Criteria – Transparency Act, implementing requirements in 2 CFR part 170 and the FAR.

Cause – Human error.

Effect – Failure to submit complete, accurate, and timely reports may indicate the need for closer monitoring by the Federal agency or may result in possible award delays or enforcement actions.

Recommendation – We recommend that the personnel of the Department of State Lands and Investments implement a formal process to ensure that all required transparency reports are prepared, reviewed and filed.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2014-006: Earmarking

Employment Service/Wagner-Peyser Funded Activities (CFDA #17.207)

Federal Agency – Department of Labor

Condition – During testing of the Federal earmarking requirement, the Department expended only \$311,913 for services and activities authorized by Section 7(b) of the Wagner-Peyser Act. Based on the grant award of \$3,794,821, the minimum amount that should have been reserved for Section 7(b) activities amounted to \$379,482. As such, the 10% earmarking requirement was not met.

Criteria – Per the A-133 Compliance Supplement: “ten percent of each State’s Wagner-Peyser Act allotment shall be reserved by the SWA to provide services and activities authorized by Section 7(b) of the Act (29 USC 49f(b)).”

Cause – Human error and lack of communication between the Departments’ staff members and their Federal contacts at the U.S. Department of Labor.

Effect – By not providing enough funds for the Section 7(b) activities under the Wagner-Peyser Act, the Department is not in compliance with Federal regulations. The effect of which could result in possible award delays or enforcement actions by the Federal agency or may lead to closer monitoring by the Federal agency.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Recommendation – We recommend that the Department develop internal controls to track the Section 7(b) earmarking expenditures throughout the year to ensure that the earmarking requirement is met.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2014-007: Eligibility

Supported Employment Services for Individuals with the Most Significant Disabilities (CFDA #84.187)

Federal Agency – Department of Education

Condition – During testing of eligibility, we noted that of the 25 case files tested, eligibility determination for one file was not made within the 60-day deadline, and there was no extension filed nor was the Department providing the participant trail work experiences in order to determine if the individual is incapable of benefiting from employment outcomes from Supported Employment services.

Criteria – 34 CFR part 361.41 states that “an eligibility determination must be made within 60 days, unless either (1) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time, or (2) an exploration of the individual’s abilities, capabilities, and capacity to perform in work situations is carried out in accordance with Section 361.42(e) or, if appropriate, an extended evaluation is carried out.”

Cause – Human error negated the adequate controls in place to ensure that the 60-day deadline or extension was met.

Effect – A violation or failure to comply with Federal laws and regulations may result in the Federal agency taking whatever action is deemed necessary to gain compliance. Furthermore, by not including the applicable eligibility information with the complete documentation, the agency could be determining that participants are eligible when in fact they are ineligible under the Federal requirements.

Recommendation – We recommend that additional training be set in place that will ensure eligibility determination deadlines are met.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

2014-008: Internal Control

**Employment Service Cluster (CFDA #s 17.207, 17.801 and 17.804)
WIA Adult Program (CFDA #17.258)**

Federal Agency – Department of Labor

Condition – During the testing of various DWS grants, the Department was unable to provide reconciliations of the FARS accounting system to the WOLFS system.

Criteria – The Office of Management and Budget (OMB) Circular A-102, *Grants and Cooperative Agreements with State and Local Governments*, require that non-Federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

Cause – Only one individual within the Department was able and knew how to prepare the reconciliation. No other employee was knowledgeable of this process and did not review the work.

Effect – A violation or failure to comply with Federal laws and regulations may result in the Federal agency taking whatever action is deemed necessary to gain compliance.

Recommendation – We recommend that DWS create and maintain a process to reconcile all reports obtained from FARS to WOLFS for accuracy.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

2014-009: Earmarking

School Improvements Grant (CFDA #84.388A)

Federal Agency – Department of Education

Condition – The School Improvements Grant program is required to allocate 95% of funding received to LEA's. For the 2009 grant year, the program expended \$1,302,766, of which \$1,072,356 was subawarded to LEA's. Based on the program requirements, the program was required to subaward \$1,237,628.

Criteria – A SEA must allocate at least 95% of School Improvement Grant (SIG) funds it receives in a given fiscal year directly to eligible LEA's that submit an approvable application to the SEA, consistent with the carryover requirements in Section II.B.9 of the SIG final requirements. With the approval of an LEA, the SEA may directly provide SIG activities to the LEA or arrange for their provision through other entities such as school support teams or educational service agencies (Section 1003(g)(7) (20 nUSC 6303(g)(7))).

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Cause – WDE does not have a good tracking method in place to ensure that SIG funds are allocated in accordance with the Federal requirements.

Effect – The program provided less funding to LEA's than was required by the grant.

Recommendation – We recommend the WDE implement a procedure to ensure the total of subawards are in compliance with the grant requirements.

Questioned Costs – \$165,272

Auditee Response – *See Corrective Action Plan*

2014-010: Reporting

Gaining Early Awareness and Readiness for Undergraduate Programs (CFDA #84.334)

Federal Agency – Department of Education

Pass Through Agency – University of Wyoming

Condition – The WDE failed to include the aforementioned program in its schedule of expenditures of Federal awards.

Criteria – OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section .300 – Auditee Responsibilities, states the auditee shall identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. In addition, Section .310(b) – Schedule of expenditures of Federal Awards, states that the auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements.

Cause – The vast majority of the Federal funding that the WDE receives is direct Federal funding and there is a specific revenue source code in the State's accounting system to track and identify this. Since these funds came through as pass-through funds from the University of Wyoming, it did not get identified as Federal funding.

Effect – By failing to include all Federal awards on the schedule of expenditures of Federal awards, the pass-through organization may take whatever action they consider necessary to ensure compliance.

Recommendation – We recommend that the WDE review all funding sources to determine whether or not it is Federal grant funding.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

2014-011: Eligibility

Temporary Assistance for Needy Families (CFDA #93.558)

Federal Agency – Department of Health and Human Services

Condition – Two of the 25 eligibility files tested did not contain the narrative, which is used to document whether the agency confirmed that the child is within the household as well as to document that income and resource levels of the applicant are verified. The agency does not have an effective system in place to ensure that each eligibility file is complete with all necessary documentation to determine eligibility.

Criteria – The requirements for eligibility of participants are contained in 42 USC 601-609. The agency's policy is that a copy of the original narrative is in each file in order to document and verify that eligibility requirements are being satisfied for each applicant.

Cause – Human error.

Effect – A violation or failure to comply with Federal laws and regulations may result in the Federal agency taking whatever action is deemed necessary to gain compliance. Furthermore, by not including the applicable eligibility information with the complete documentation, the agency could be determining that participants are eligible when in fact they are ineligible under the Federal requirements.

Recommendation – We recommend that the agency review its internal control policies and develop an effective and efficient system to ensure that each eligibility file is complete and contains full documentation to ensure that eligibility requirements are being verified and documented. This includes ensuring each eligibility file has a copy of the original narrative.

Questioned Costs – None

Auditee Response – *See Corrective Action Plan*

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2014

Finding	Status
<p>2012-001: Internal Control</p> <p>All Programs Administered by the Wyoming Department of Education</p> <p>Federal Agency - U.S. Department of Agriculture; U.S. Department of Education</p> <p>In February 2013, the Governor assembled an <i>Inquiry Team</i> to investigate concerns which had been expressed by certain legislators and current/former employees of the Wyoming Department of Education (WDE). The charge of the <i>Inquiry Team</i> was to gather the facts relative to human resources, budget issues and department operations. The <i>Inquiry Team</i> was to report the information that was collected; it was not to draw conclusions or make recommendations. The <i>Inquiry Team</i> published its report on June 13, 2013. Among other things, the report cited the following:</p> <p>The Control Environment within the WDE may have been compromised. Certain employees believed the work environment had become strained due to intimidation and the uncertainty of job security in addition to management override of internal controls.</p> <p>The appropriateness of charges to Federal programs was questioned.</p> <p>There are concerns that State funds were spent on professional development training, which is contrary to House Bill 001, Section 005, Paragraph 3c (which became effective on March 8, 2012).</p> <p>The previous information was reported in the prior year as 2012-SA-09.</p> <p>During the audit of the major programs within the WDE for fiscal year 2013, the following issues were brought to our attention:</p> <p>Within the Striving Readers Literacy program (CFDA #84.371), a sole-source contract was approved with an immediate family member. The contract was completed during fiscal year 2012 at a cost of \$7,477.69 of which \$6,860.68 was paid for with Federal funds.</p> <p>Within the School Improvement Grant Cluster (CFDA #84.377 and #84.388ARRA), there was a contract with an independent contractor who later became an immediate family member of a person with supervisory duties within the Federal Program Unit of the WDE. Even though it does not appear as if this person participated in the selection of the independent contractor or the subsequent approval of payments, there was still a potential conflict of interest. Payments made under this contract totaled \$105,084 in fiscal year 2012 and \$289,000 in fiscal year 2013.</p>	<p>The Wyoming Department of Education is working with the U.S. Department of Education – Office of Financial Improvement and Post Audit Operations – Richard Esterbrook. Mr. Esterbrook is coordinating the resolution of these issues</p> <p>Auditor’s Comment: <i>We have been working with Mr. Esterbrook and other individuals with the U.S. Department of Education to assist them in resolving these issues. Since all Type A programs funded by the U.S. Department of Education were audited for fiscal year 2014 and Mr. Esterbrook is continuing to work on resolving these issues, this finding will not be repeated for fiscal year 2014.</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2014

Finding

Status

Within the Grants for State Assessments (CFDA #84.369), the WDE amended a contract with an independent contractor to provide additional payments based on the number of hours required to complete the work going forward. The WDE also provided the independent contractor with retroactive payments which may not be allowed under the amended contract or the State’s rules, regulations and policies regarding contracts with independent contractors. The retroactive payments totaled \$40,500, all of which was paid during fiscal year 2012.

As indicated above, State and Federal funds were spent on professional development (T2T, 3+8, SpLit) which may be in violation of the 2012 Session Laws of Wyoming, Chapter 26, Section 005 – Department of Education. We were provided a schedule of identified “professional development” payments and they were identified as follows:

Funding	Fiscal Year		Total
	2012	2013	
Title 2 Teacher Quality (CFDA #84.367)	\$ -	\$ 32,099	\$ 32,099
Special Education-Grants to States (CFDA #84.027)	-	22,477	22,477
State Personnel Development (CFDA #84.323)	20,697	2,100	22,797
Assessment and Related Activity (CFDA #84.369)	4,750	23,022	27,772
Federal Funds Subtotal	25,447	79,698	105,145
General Fund	-	3,953	3,953
School Foundation Fund	20,766	236,524	257,290
Total	\$ 46,213	\$ 320,175	\$ 366,388

The question as to whether or not these payments are in compliance with State Statutes and Rules has been presented to the Wyoming Attorney General’s Office for an opinion.

WDE provided funding to Fremont #38, a Local Education Agency (LEA) within the State of Wyoming. WDE employees have questioned the allowability of certain expenditures, program activities, qualifications and oversight provided by WDE employees and independent contractors to the LEA under the Title 1 and School Improvement Grant Clusters.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2014

Finding	Status
<p>2013-003: Reporting</p> <p>The Single Audit reporting package for the year ended June 30, 2012 was not submitted within nine months of the fiscal year end.</p>	<p>The Single Audit reporting package for fiscal year ended June 30, 2013 was issued within the required deadline.</p> <p>Auditor's Comment: <i>The fiscal year 2013 reporting packet was accepted on March 19, 2014 and completed on March 25, 2014.</i></p>
<p>2013-004: Subrecipient Monitoring</p> <p>Title I Cluster Special Education Cluster Career and Technical Education – Basic Grants to States (CFDA #84.048) Improving Teacher Quality State Grants (CFDA #84.367)</p> <p>Federal Agency – U.S. Department of Education</p> <p>A component of the subrecipient monitoring compliance requirement is that a pass-through entity is responsible for <i>During-the-Award Monitoring</i> (monitoring the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved). For the WDE, the primary means of <i>During-the-Award Monitoring</i> are site visits. There are 48 school districts and seven community colleges in the State, and the WDE attempts to review one-third of them each year; therefore, each district/community college is reviewed at least once every three years. For the period under audit, we selected 10 subrecipients to verify that an on-site assessment was performed within the last three years. The results of our testing found that there was one school district for which no documentation of an on-site assessment could be provided.</p>	<p>The finding in the prior year was due in part to staff turnover and the moving of offices. In fiscal year 2014, the amount of turnover was reduced and the movement of offices was not as significant. The Wyoming Department of Education Finance staff has reviewed and updated the internal controls surrounding the subrecipient monitoring process.</p> <p>Auditor's Comment: <i>The Department was unable to locate the full award monitoring documentation for two of five selections tested for consolidated grants, as such, this will be repeated (see 2013-004 in the schedule of findings and questioned costs).</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2014

Finding	Status
<p>2013-005: Earmarking</p> <p>Title I Cluster Migrant Education - State Grant Program (CFDA #84.011) Title I State Agency Program for Neglected and Delinquent Children and Youth (CFDA #84.013)</p> <p>Federal Agency – U.S. Department of Education</p> <p>The programs identified above have an earmarking compliance requirement that in total they do <u>not</u> spend more than \$400,000 on administrative expenses. The WDE does not have a process in place to monitor the \$400,000 administrative earmark requirement.</p>	<p>The Wyoming Department of Education, Finance Division communicated the requirement to the appropriate program managers and provided training on the Budget Management System.</p> <p>Auditor's Comment: <i>The Title I program was audited for fiscal year 2014 and the program was in compliance; therefore, this finding will not be repeated.</i></p>
<p>2013-006: Level of Effort</p> <p>Career and Technical Education – Basic Grants to States (CFDA #84.048)</p> <p>Federal Agency – U.S. Department of Education</p> <p>The WDE – Career and Technical Education program failed to meet the level of effort compliance requirement for this program for the 2010 grant year that closed during the period under audit.</p>	<p>The State administered spending decreased during the 2011 biennium, as such, the program failed to meet the required level of effort.</p> <p>Auditor's Comment: <i>As such, this finding will be repeated (see 2013-006 in the schedule of findings and questioned costs).</i></p>
<p>2013-007: Earmarking</p> <p>Special Education Cluster</p> <p>Federal Agency – U.S. Department of Education</p> <p>The WDE – Special Education Cluster has earmarking requirements which limits the amount of grant funds that can be spent on <i>Administration</i> and <i>State Activities</i>. The initial calculation for the 2010 grant, which closed during the period under audit, indicated that the Cluster was not in compliance with this requirement. However, after going through the detailed expenditures, the Cluster personnel were able to reclassify certain expenditures that were initially classified as <i>Administrative</i> or <i>State Activities</i>; this allowed for the program to be in compliance with the <i>Administration/State Activities</i> earmarking requirement. However, the Cluster personnel had not been monitoring compliance with this requirement throughout the life of the grant and, as such, we believe that there is not an effective system in place to ensure compliance with this requirement.</p>	<p>The Wyoming Department of Education, Special Programs Division implemented procedures to ensure the Administration/ State-Level Activities are monitored to ensure the earmarking requirement is met.</p> <p>Auditor's Comment: <i>The Special Education Cluster was audited for fiscal year 2014 and the testing performed verified the Cluster was in compliance, as such, this finding will not be repeated.</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2014

Finding	Status
<p>2013-008: Allowable Costs / Cost Principles</p> <p>Improving Teacher Quality (CFDA #84.367)</p> <p>Federal Agency – U.S. Department of Education</p> <p>We were informed by a program manager of a WDE employee whose salary was allocated to a program in which the employee was not responsible for performing program related duties. Upon testing performed, it was noted the time and effort log prepared by the employee did not correspond with the employee’s payroll allocation in the general ledger.</p>	<p>The Wyoming Department of Education employee in question did not work for the Department of Education for fiscal year 2014.</p> <p>Auditor’s Comment: <i>The program in question was audited for fiscal year 2014 and we verified that the individual did not work for the Wyoming Department of Education during fiscal year 2014.</i></p>
<p>2013-009: Allowable Costs / Cost Principles</p> <p>Federal Programs (with payroll expenditures) Administered by the Wyoming Department of Education (CFDA #s 10.560, 84.010, 84.027, 84.048, 84.173, 84.196, 84.243, 84.287, 84.318, 84.323, 84.365, 84.367, 84.369, 93.293)</p> <p>Federal Agency – U.S. Department of Agriculture; U.S. Department of Education; U.S. Department of Health and Human Services</p> <p>The WDE recorded multiple payroll adjustments during the year under audit and was unable to provide time and effort reports to support the payroll adjustments.</p>	<p>The Wyoming Department of Education is continuing to develop a payroll cost allocation module for use by employees who are required to track their time and efforts. The module will be in place for fiscal year 2015.</p> <p>Auditor’s Comment: <i>As such, see 2013-009 in the schedule of findings and questioned costs.</i></p>
<p>2013-010: Reporting</p> <p>Abandoned Mine Land Reclamation (AMLR) Grant (CFDA #15.252)</p> <p>Federal Agency – Environmental Protection Agency</p> <p>The program is required to file OSM-49 and Narrative Performance reports, and for the period ending February 28, 2013, these reports were not prepared or submitted.</p>	<p>The program has filed the necessary reports and implemented the appropriate controls.</p> <p>Auditor’s Comment: <i>The AMLR program was audited for fiscal year 2014 and we verified the required reports were filed.</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2014

Finding	Status
<p><u>2013-011:</u> Suspension and Debarment</p> <p>Abandoned Mine Land Reclamation (AMLR) Grant (CFDA #15.252)</p> <p>Federal Agency – Environmental Protection Agency</p> <p>During the period under audit, the program entered into 14 new contracts; of the three contracts selected for testing, none contained a suspension or debarment clause, nor did the program verify vendor eligibility through the System for Award Management (SAM) website.</p>	<p>The program has reviewed all contract templates to ensure suspension and debarment language is included. The routing slips the Department uses to route contracts have been updated to include a check of the www.sam.gov website.</p> <p>Auditor's Comment: <i>The AMLR program was audited for fiscal year 2014 and we noted these controls were not implemented, as such, see 2013-011 in the schedule of findings and questioned costs.</i></p>
<p><u>2013-012:</u> Reporting</p> <p>State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (CFDA #10.561)</p> <p>Temporary Assistance for Needy Families (CFDA #93.558)</p> <p>Low-Income Home Energy Assistance (CFDA #93.568)</p> <p>Federal Agency – U.S. Department of Agriculture; U.S. Department of Education</p> <p>During testing of compliance with reporting requirements, we noted that the aforementioned programs failed to file transparency reports for the amounts the program has subgranted.</p>	<p>The transparency reports were not filed for fiscal year 2014.</p> <p>Auditor's Comment: <i>As such, see 2013-012 in the schedule of findings and questioned costs.</i></p>
<p><u>2013-013:</u> Subrecipient Monitoring / Suspension and Debarment</p> <p>Temporary Assistance for Needy Families (CFDA #93.558)</p> <p>Federal Agency – U.S. Department of Health and Human Services</p> <p>One of the five subrecipient monitoring files/contracts tested did not have the CFDA number, and OMB Circular A-133 compliance requirements were not listed on the contracts or otherwise communicated to the subrecipient, and no procedures were performed to verify this was being done. Also, DFS does not have an effective system in place to obtain and review the subrecipients' Single Audit Reports. In addition, one of the related contracts did not contain a suspension or debarment clause and no separate verification from the subrecipient existed regarding suspension and debarment. In addition, DFS failed to check the System for Award Management (SAM) website to ensure the subrecipient was not suspended or debarred.</p>	<p>The Department is working on implementing a new process to review all subrecipient arrangements.</p> <p>Auditor's Comment: <i>The TANF program was audited for fiscal year 2014 and we noted three of the five subrecipient files/contracts did not contain the appropriate award information, nor review of the Single Audit Report (see 2013-013 in the schedule of findings and questioned costs).</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2014

Finding	Status
<p>2013-014: Eligibility</p> <p>Medical Assistance Program (CFDA #93.778)</p> <p>Federal Agency – U.S. Department of Health and Human Services</p> <p>Of the 40 recipients selected for testing compliance with the eligibility requirements within the Medicaid Cluster, we noted one instance where the recipient was not timely removed from the system at the time the recipient became ineligible to receive benefits. In November of 2011, the recipient entered a 12-month extended Medicaid program, which is a one-time program offered to families who have lost Family Care medical benefits due to earnings in excess of limits. A review performed in October of 2012 should have removed the family from the system as their income, which was allowed under the program at the higher rate, would have precluded them from being eligible under another program.</p>	<p>In February 2014, the Medicaid eligibility function moved to the Department of Health and a new eligibility system was established.</p> <p>Auditor's Comment: <i>The new eligibility system was established in fiscal year 2014 in the Department of Health; however, see 2013-014 in the schedule of findings and questioned costs.</i></p>
<p>2013-015: Allowable Costs / Cost Principles</p> <p>Rehabilitation Services – Vocational Rehabilitation Grants to States (CFDA #84.126)</p> <p>Federal Agency – U.S. Department of Education</p> <p>During testing of compliance with allowable/unallowable costs, we noted that of the 25 expenditures tested, one was paid directly to the individual participant for tools to be purchased based on quotes and not actual expenditure of funds. Furthermore, the client was unable to provide receipts to verify that funds were utilized as intended.</p>	<p>The Department of Workforce Services, Division of Vocational Rehabilitation implemented the 2013 Corrective Action Plan.</p> <p>Auditor's Comment: <i>The Vocational Rehabilitation Grant for fiscal year 2014 was audited and no compliance violations were noted.</i></p>
<p>2013-016: Eligibility</p> <p>Rehabilitation Services – Vocational Rehabilitation Grants to States (CFDA #84.126)</p> <p>Federal Agency – U.S. Department of Education</p> <p>During testing of eligibility, we noted that of the 25 case files tested, three were missing signatures on the Individualized Plan of Employment (IPE). We also noted that eligibility determinations for two files were not made within the 60-day requirement, nor were extensions filed.</p>	<p>The Department of Workforce Services, Division of Vocational Rehabilitation implemented the 2013 Corrective Action Plan.</p> <p>Auditor's Comment: <i>The Vocational Rehabilitation Grant for fiscal year 2014 was audited and no compliance violations were noted.</i></p>

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2014

Finding	Status
<p>2013-017: Allowable Costs / Cost Principles</p> <p>Occupational Safety and Health – State Program (CFDA #17.503) Consultation Agreements (CFDA #17.504)</p> <p>Federal Agency – U.S. Department of Labor</p> <p>During testing of compliance with allowable/unallowable costs, we noted costs were improperly allocated between the OSHA Compliance and the OSHA Consultation programs, improper coding of costs, and missing documentation of costs.</p>	<p>The Wyoming Department of Workforce Services OSHA program manager worked with Lanisha White, Accountant with OSHA/OFM, to resolve the finding.</p> <p>Auditor’s Comment: <i>We assisted in resolving the finding, as such, it is not considered necessary to repeat.</i></p>
<p>2013-018: Subrecipient Monitoring</p> <p>Child Nutrition Cluster</p> <p>Federal Agency – U.S. Department of Agriculture</p> <p>A component of the subrecipient monitoring compliance requirement is that a pass-through entity is responsible for <i>Award Identification</i> (at the time of the award, identifying to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; name of the Federal Awarding Agency; and the requirement applicable to the program as well as OMB Circular A-133). The Wyoming Department of Education (WDE) failed to notify certain subrecipients of the Special Milk Program for Children and the Summer Food Service Program for Children of the <i>Award Identification</i> information. In addition, the WDE also failed to inquire and obtain copies of the subrecipients’ A-133 audits, if one was required. In total, there were 23 subrecipients of the Summer Food Service Program for Children and four subrecipients of the Special Milk Program for Children.</p>	<p>The program manager for the Nutrition programs within the Wyoming Department of Education implemented the corrective action plan identified in the fiscal year 2013 audit report.</p> <p>Auditor’s Comment: <i>The Child Nutrition Cluster was not audited for fiscal year 2014 because the finding related to the Summer Food Service Program for Children (CFDA #10.559) and the Special Milk Program for Children (CFDA #10.556) which account for less than 5% of total Cluster expenditures. Furthermore, we inquired of the program manager who indicated the new process requires that all Federal award letters are sent to subrecipients via e-mail with audit survey instructions and deadlines, and we inspected the revised award letters and emails.</i></p>

EXHIBIT I

CORRECTIVE ACTION PLAN

STATE OF WYOMING
CORRECTIVE ACTION PLAN
JUNE 30, 2014

The following are the corrective action plans for the *Findings and Questioned Costs for Federal Awards* reported in the June 30, 2014 Compliance Report for the State of Wyoming.

2013-004: Subrecipient Monitoring

Title I Grants to Local Educational Agencies (CFDA #84.010)
Special Education Cluster (CFDA #s 84.027 and 84.173)
Career and Technical Education – Basic Grants to States (CFDA #84.048)
Improving Teacher Quality State Grants (CFDA #84.367)

Administered by Department of Education

Contact: Trent Carroll

Corrective Action Planned: *To ensure proper documentation of all sub-recipient monitoring, the WDE Finance and Information Management Divisions will work with each federal program division to verify that processes and procedures are in place to electronically retain all required monitoring documentation for future audits. WDE Program Managers will be required to scan and upload all pertinent communication and documents related to their program and sub-recipient monitoring to a shared WDE server location. Division personnel will be trained on the required filing protocol and will be familiar with the location of the electronic file storage. Division Directors and Section Supervisors will enforce the appropriate use and maintenance of electronic files by all employees.*

Anticipated Completion Date: June 30, 2015

2013-006: Level of Effort

Career and Technical Education – Basic Grants to States (CFDA #84.048)

Administered by Department of Education

Contact: Trent Carroll

Corrective Action Planned:

The WDE expended \$26,335 less during the 2011 biennium as compared to the 2009 biennium, \$898,415 vs. \$872,080. As a result, the WDE did not meet the federal matching requirement for the Perkins program. The reduced spending occurred in the 100 (salary and benefits) and 200 series (supplies, equipment, and travel). The 100 series reduction in spending was a result of position salary/benefits changes that occurred during the 11/12 biennium. Staff turnover in the WDE career technical education section also resulted in a reduction in spending due to vacancies during the hiring process. The State of Wyoming prohibits 100 series transfers to other budget series and activities, so the WDE had no other option but to revert the unused funds.

In addition, the WDE expended less in the 200 series. During the time period in question, the WDE administration decided not to fund a Wyoming Department of Education membership in the Vocational and Technical Education Consortium of States (now the Career and Technical Education Consortium of States). The annual membership of this organization was \$20,000 per year and was covered under the 0207 object code for a total of \$40,000 during the 2009 biennium.

In addition, the expenditure of funds for office supplies and printing costs under object code 0231 for the Wyoming Department of Education Career Technical Education section also decreased from the previous biennium. The WDE recognizes that it would have been appropriate to contact the federal Perkins program manager to request a reduction of the required maintenance of effort.

The WDE Perkins program manager will continue to monitor the State matching requirement and the year to year expenditures to ensure program compliance. The program manager will also continue to advise the agency leadership as to the budget status and will make recommendations to ensure program compliance. When necessary, the WDE will contact the grant awarding agency to maintain the appropriate level of State maintenance of effort for the Perkins program. In addition, the WDE Finance Division will conduct a periodic review of the State maintenance of effort for this grant program and will alert the program staff of any potential MOE concerns.

In the future, the career technical education supervisor position payroll will be added to the level of fiscal effort required by the Perkins law. These funds and expenditures were not included in past Perkins maintenance of effort even though this position supports state career technical education 100%.

Anticipated Completion Date: June 30, 2015

2013-009: Lack of Supporting Documentation

Federal Programs (with payroll expenditures) Administered by the Wyoming Department of Education (CFDA #s 10.560, 84.010, 84.027, 84.048, 84.173, 84.196, 84.287, 84.323, 84.334, 84.365, 84.367 and 84.369)

Administered by Department of Agriculture; Department of Education; Department of Health and Human Services

Contact: Trent Carroll

Corrective Action Planned: *The Wyoming Department of Education (WDE) will utilize the agency Budget Management System (BMS), an Access database containing all WDE accounting and payroll records, for use in tracking federal time and effort logs. This new system will allow employees to upload monthly time and effort logs and certify them electronically. Supervisors will review the time and effort logs of their employees for accuracy and will also sign them electronically.*

This new system will provide an archive of all time and effort logs for audit purposes. The WDE Finance Division will conduct regular review and reconciliation of the time and effort logs against payroll transactions. This new module will allow the WDE to ensure that employee activities are constantly in line with their payroll funding and that accurate and comprehensive records are maintained at all times.

Anticipated Completion Date: June 30, 2015

2013-011: Suspension and Debarment

Abandoned Mine Land Reclamation (AMLR) Program (CFDA #15.252)

Administered by Department of the Interior

Contact: Steve Toolson

Corrective Action Planned: *It is appreciated that the lack of inclusion of the required Suspension and Debarment provisions was noted and brought to the attention of the Abandoned Mine Land Division. It is understood that this is a required item for all contracts and it is unclear when the provision was unintentionally dropped from the standard contract form. The following steps have been taken to remedy this finding:*

1. The required language has been forwarded to all project managers for inclusion in future contracts.
2. The required DI 2010 form has been sent to all current contractors who received contracts that did not include this provision directing them to sign the form and return to AML. These will be included in the contract file upon receipt. Several have already done so.
3. A list of all required federal contract inserts has been prepared. The AML Administrator has directed that the AML standard contract be reviewed to ensure that all required certifications have been included in all contracts going forward.
4. All future contracts will be checked against the list of all federal contract inserts to verify that those provisions are included.
5. To ensure verification of vendor eligibility and inclusion of the suspension and debarment clause and all other clauses, the AML control structure will be reviewed and strengthened. This will likely take the form of a revision lock on the standard contract template.
6. All contractors will be checked through the System for Award Management (SAM) Excluded Parties List Serve (www.sam.gov) to verify Suspension and Debarment certifications and the verification shall be included in the contract files.

Anticipated Completion Date: June 30, 2015

2013-012: Reporting

Low-Income Home Energy Assistance (CFDA #93.568)
Temporary Assistance for Needy Families (CFDA #93.558)
Weatherization Assistance for Low-Income Persons (CFDA #81.042)

Administered by Department of Health and Human Services and Department of Energy

Contact: Nick Baird

Corrective Action Planned: The Department of Family Services has implemented a new transparency action plan and have two people currently working to get the agency in compliance with federal regulations.

Anticipated Completion Date: June 30, 2015

2013-013: Subrecipient Monitoring / Suspension and Debarment

Temporary Assistance for Needy Families (CFDA #93.558)

Administered by Department of Health and Human Services

Contact: Nick Baird

Corrective Action Planned: The Department of Family Services has implemented a new process to review all subrecipient contracts prior to authorization to verify that all subrecipient requirements are being met.

Anticipated Completion Date: June 30, 2015

2013-014: Eligibility

Medical Assistance Program (CFDA #93.778)

Administered by U.S. Department of Health and Human Services

Contact: Eric McVicker

Corrective Action Planned: *The Department of Family Services was responsible for eligibility determination for the Medicaid program. The eligibility system (EPICS) had limitations on collecting renewal dates for enrollees and had no way to enforce manual actions by workers. The Department of Health launched a new rules based eligibility system (WES) in February, 2014 and moved the Medicaid eligibility functions to the Department of Health. Due to implementation delays, we anticipate full functionality in the fall of 2015. The new system automates many of the previously manual processes including the income calculation and the eligibility decision. In addition, renewal dates will be populated based on program rules and application dates. Cases that are not renewed timely will be closed automatically by the system. The recent changes made by the Department will remove most of the opportunities for human error.*

Anticipated Completion Date: June 30, 2015

2014-003: Subrecipient Monitoring

Non-Point Source Implementation Grants (CFDA #66.460)

Administered by Environmental Protection Agency

Contact: Steve Toolson

Corrective Action Planned: *A TRUE/FALSE field has been included in the database used to track subrecipient monitoring to indicate whether or not a subrecipient is over the threshold and requires an audit. A second field indicates whether or not the audit, if required, has been received. The database is queried at regular intervals (monthly) to determine whether or not letters and certifications have been received and, if so, whether or not audits are required and have been received. Follow-up is then conducted with subrecipients to obtain any missing data or reports.*

Anticipated Completion Date: June 30, 2015

2014-004: Allowable Costs/Cost Principles

Special Education Cluster (CFDA #s 84.027 and 84.173)

Administered by Department of Education

Contact: Trent Carroll

Corrective Action Planned: *To ensure future compliance, the Division of Individual Learning fiscal training will include the federal requirement that all equipment with a unit cost of \$5,000 or more purchased with IDEA Part B funds must have prior written approval from OSEP. A copy of the written OSEP approval will be submitted with the encumbrance and purchase order requests and will be verified by the division director, chief officer, and the WDE Finance Division.*

Anticipated Completion Date: June 30, 2015

2014-005: Reporting

Cooperative Forestry Assistance (CFDA #10.664)

Administered by Department of Agriculture

Contact: *Amanda Sewell*

Corrective Action Planned:

1. *Wyoming State Forestry Division will submit the required FFATA information to the OSLI/Forestry Senior Accountant no later than 5 days following execution of sub awards of \$25,000 or more.*
2. *OSLI Administrative Services Division (ASD) will acknowledge receipt of the FFATA information from the Forestry Division and enter the information into the FFATA database within 10 days receipt of the information. The OSLI ASD will notify the Wyoming State Forestry when the FFATA information has been successfully submitted.*

Anticipated Completion Date: *Immediately (March 2015)*

2014-006: Earmarking

Employment Service/Wagner-Peyser Funded Activities (CFDA #17.207)

Administered by Department of Labor

Contact: *Roxanne Parsonneault*

Corrective Action Planned: *The grant term is a three-year period. DWS will use the FARS GA-17 reports and also the WOLFS grant module to ensure that any Wagner-Peyser 7b activity funds not spent during the first year of the grant award will not be used towards the shortages that occur in the Wagner-Peyser 7a activities and will use the full three-year period to expend the 7b funding.*

Anticipated Completion Date: *This has been corrected for program year 2012.*

2014-007: Eligibility

Supported Employment Services for Individuals with the Most Significant Disabilities (CFDA #84.187)

Administered by Department of Education

Contact: *Jim McIntosh*

Corrective Action Planned: *The Department of Workforce Services, Division of Vocational Rehabilitation (DVR) agrees with this finding. However, although the selected Supported Employment case was open during the State Fiscal Year that ended June 30, 2014, the applicant was determined to be an eligible client in 2010. Since 2010, DVR has implemented a number of processes to help ensure that eligibility determinations are made within the 60-day requirement. DVR implemented its most recent process improvements listed below in February 2014:*

- A. *The DVR area managers will provide continuous training to and oversight of DVR field office staff regarding the 60-day eligibility requirement.*

- B. The DVR counselors will on a weekly basis print a "50 Day" alert report from DVR's case management system and will use this report to determine what needs to be done in each applicant's file to complete the eligibility process within the remaining 10 days of the 60-day requirement. The DVR counselors will fax a copy of these weekly reports along with the identified needs to their DVR area manager.

Anticipated Completion Date: As mentioned above, DVR implemented its most recent corrective action plans for eligibility determination deadlines in February 2014. DVR is in the process of implementing a new electronic case management system, which will have a number of alert functions to help DVR counselors and area managers monitor when the eligibility deadline is approaching for each applicant. DVR anticipates that the new electronic case management system will be fully functional in July 2015.

2014-008: Internal Control

**Employment Service Cluster (CFDA #s 17.207, 17.801 and 17.804)
WIA Adult Program (CFDA #17.258)**

Administered by Department of Labor

Contact: Angie Buchanan

Corrective Action Planned: The Financial Accounting and Reporting System (FARS) is used to allocate costs to various grants based on hours worked on the grant each month. The Wyoming On-line Financial System (WOLFS) is the State's accounting system which is used to process all financial transactions for the State of Wyoming. Information related to grants maintained on FARS is uploaded each month based on accounting transactions processed through WOLFS for the month and the FARS allocation process is performed. The Department of Workforce Services (DWS) has implemented a process to accurately determine that information on FARS is balancing to accounting transactions on WOLFS:

1. The Wyoming On-line Financial System (WOLFS) report B-102 is compared to the information downloaded through the Info-Advantage system and uploaded to FARS for the allocation process each month;
2. The GA-11 report produced by FARS is checked to determine that the correct amount from WOLFS has been uploaded to FARS during the FARS upload process;
3. Once the allocation process has been completed on FARS, the allocated portions from FARS are matched to the original upload files.

These new steps implemented by DWS, assists the agency with increased internal controls in complying with the Office of Management and Budget (OMB) Circular A-102, Grants and Cooperative Agreements with State and Local Governments, which requires that non-Federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

We have gone back and balanced FARS with WOLFS through today.

Anticipated Completion Date: January 1, 2015

2014-009: Subrecipient Monitoring

School Improvements Grant (CFDA #84.388A)

Administered by Department of Education

Contact: Trent Carroll

Corrective Action Planned: *To prevent reoccurrence of this issue in the future, the WDE SIG Program Manager and Federal Program's Fiscal Specialist will carefully review and monitor the initial budget set up, and all subsequent budget changes, to ensure compliance with the allocation requirements of the School Improvement Grant. In addition, the WDE Finance Division will review all budget requests for this program and certify that funding levels remain in compliance.*

Anticipated Completion Date: *Corrective action has been implemented.*

2014-010: Reporting

Gaining Early Awareness and Readiness for Undergraduate Programs (CFDA #84.334)

*Administered by Department of Education
Pass Through Agency – University of Wyoming*

Contact: Trent Carroll

Corrective Action Planned: *In collaboration with the Wyoming State Auditor's Office (SAO), the WDE has completed a comprehensive review of all WDE federal awards required under A-133 (Section 310(b) - Schedule of expenditures for Federal Awards) to make certain all reporting requirements are met. The WDE will work closely with the SAO to avoid any further reporting issues.*

Anticipated Completion Date: *Corrective action has been implemented.*

2014-011: Eligibility

Temporary Assistance for Needy Families (CFDA #93.558)

Administered by Department of Health and Human Services

Contact: Nick Baird

Corrective Action Planned: *Since the discovery of the finding, a supervisor in the department has trained all workers on the requirement and necessity of narrating a case completely and having the narrative in the case file. New workers are trained with a focus on writing a complete narrative as part of case management. Seasoned workers have been reminded and trained as well. Statewide, a formal Quality Assurance (QA) process has been implemented and POWER cases are being reviewed regularly for completeness and accuracy.*

Anticipated Completion Date: *June 30, 2015*